

INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF BHATINDA HOTELS LIMITED

Report on the Audit of the Ind AS Financial Statements

Opinion

1. We have audited the accompanying Ind AS Financial Statements of **BHATINDA HOTELS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2019, 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 on that date, including a summary of significant accounting policies and other explanatory information. These financial statements are the responsibility of Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its losses (including Other Comprehensive Income), Changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

3. 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 Responsibility 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty related to Going Concern

4. We draw attention to Note 1(B)(4)(viii) to the Ind AS Financial Statements which relates to the reasons for preparation of financial statements on going concern basis although the Company has accumulated losses and its net worth has been fully eroded. The Company has also incurred net cash losses during the current year and the previous year. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the aforesaid Note. Our opinion is not modified in respect of this matter.



**Other information**

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Board Report but does not include the financial statements and our auditor's report thereon. This other information is expected to be made available to us after the date of this auditor's report.
6. 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.
7. 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.
8. When we read the aforesaid documents, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

**Management's Responsibility for the Ind AS Financial Statements**

9. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.
10. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.
11. 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.
12. The Board of Directors are also responsible for overseeing the company's financial reporting process.

**Auditor's Responsibility**

13. Our objectives are to obtain reasonable assurance about whether the Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS Financial Statements.



14. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:-
- 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.
  - Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.
15. 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.
16. 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.
17. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matters or when 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.



18. 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.


#### Report on Other Legal and Regulatory Requirements

19. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the Annexure-A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
20. As required by Section 143 (3) of the Act, we report that:-
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income) and the Cash Flow Statement, Statement of Changes in Equity dealt with by this report are in agreement with the books of account
  - (d) In our opinion, the aforesaid Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2019 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 B".
  - (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 remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:-
    - a. The Company does not have any pending litigations which would impact its financial position.



- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
- c. There were no amounts required to be transferred to Investor Education and Protection Fund by the Company.

For L.B. Jha & Co.  
Chartered Accountants  
Firm Registration No. 301088E

  
Radhika Singhal  
Partner  
Membership No. 0533240



Place: Kolkata  
Date : 27.05.2019

**ANNEXURE- A: TO THE INDEPENDENT AUDITOR'S REPORT  
To the Members of BHATINDA HOTELS LIMITED**

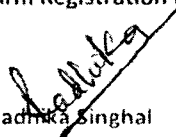
[Referred to in paragraph 19 of the Auditors' Report of even date]

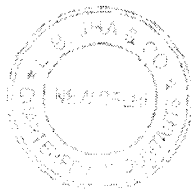
1. On the basis of the information given to us and our examination of records, we believe that the Company does not have any property, plant and equipment hence this clause is not applicable.
2. On the basis of the information given to us and our examination of records, we believe that the company does not have any inventory hence reporting under this clause is not applicable.
3. According to the information and explanations given to us and based on the audit procedures conducted by us, the Company has not granted loans secured or unsecured loans to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. According to the information and explanations given to us and the records of the Company examined by us, the company has not made any investments, advanced any loan, given any guarantee or provided any securities during the year which attracts the provisions of section 185 and 186 of the Companies Act, 2013.
5. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the rules framed there under.
6. The Central Government of India has not prescribed maintenance of cost records under sub section (1) of Section 148 of the Act for any of the products of the company.
7. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of customs, goods and services tax, cess and any other statutory dues, as applicable, with the appropriate authorities. Further no undisputed amounts payable in respect of income tax and sales tax were outstanding for a period more than six months from the date they become payable as at the end of the year  
  
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax or service tax or duty of custom or duty of excise or value added tax which have not been deposited on account of any dispute.
8. The Company has neither taken any loan from financial institutions or Government nor issued any debentures.
9. According to the information and explanation provided to us and records examined by us, the company does not obtained any term loan or raise money by way of initial public offer or further public offer (including debt instruments) during current financial year.



10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.
11. According to the information and explanation provided to us and the records of the company examined by us, the company has not paid or provided for any managerial remuneration during the current financial year.
12. The related statutes are not applicable as the Company is not a Nidhi Company.
13. According to the information and explanations given to us and the records of the Company examined by us, the company has complied with the requirements of sections 177 and 188 of the Act with respect to its transactions with the related parties. Pursuant to the requirement of the applicable Accounting Standard, details of the related party transactions have been disclosed in Note No 1(B)(4)(vii) of the Ind AS Financial Statements for the year under audit.
14. The Company has neither made any preferential allotment of shares nor fully or partly convertible debentures during the year under audit.
15. According to the information and explanations given to us and the records of the Company examined by us, the Company has not entered into any non-cash transactions, with any director of the Company and the holding company or persons connected with them, involving acquisition of assets by or from them for consideration other than cash.
16. In our opinion, and according to the information and explanations given to us, not being a non-banking financial company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For L.B. Jha & Co.  
Chartered Accountants  
Firm Registration No. 301088E

  
Radhika Singhal  
Partner  
Membership No. 0533240



Place: Kolkata  
Date : 27.05.2019

**ANNEXURE- B TO THE INDEPENDENT AUDITOR'S REPORT**  
**To the Members of BHATINDA HOTELS LIMITED**

[Referred to in paragraph 20 (f) of the Independent Auditor's Report of even date]

**Report on the Internal Financial Control under Clause (i) of Sub –sections 3 of Section 143 of the Companies Act, 2013("the Act")**

1. We have audited the internal financial controls over financial reporting of **BHATINDA HOTELS LIMITED** ("the Company") as of 31<sup>st</sup> March, 2019 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 Control**

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

**Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the "Guidance Note" and the Standard on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable. 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.
4. 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 includes obtaining an understanding of internal financial control over financial reporting, assessing the risk that a material Weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedure selected depends on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statement, whether due to fraud or error.
5. 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 Control over Financial Reporting**

6. 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:-

- i. Pertain to the maintenance of the records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- ii. provide reasonable assurance that the 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 authorization of management and directors of company; and
- iii. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Control over Financial Reporting**

7. Because of inherent limitation of internal financial control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to errors or fraud may occur and not be detected. Also, projections of any evaluations of the internal financial control 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**

8. In our opinion, the Company has, in all material respect, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2019, 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 Control Over Financial Reporting, issued by ICAI.

For L.B. Jha & Co.  
Chartered Accountants  
Firm Registration No. 301088E

  
Radhika Singhal  
Partner  
Membership No. 0533240



Place: Kolkata  
Date : 27.05.2019

**BHATINDA HOTELS LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH, 2019**

PARTICULARS	NOTE NO.	As At 31.03.2019	As At 31.03.2018
<b>A ASSETS</b>			
<b>1 Current assets</b>			
<b>(a) Financial Assets</b>			
(i) Cash and cash equivalents	2.1	-	77,937
		-	77,937
<b>Total Assets</b>		-	77,937
<b>B EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity Share capital	2.2	500,000	500,000
(b) Other Equity	2.3	(529,111)	(434,922)
		(29,111)	65,079
<b>2 Current liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Other liabilities	2.4	29,111	12,859
		29,111	12,859
<b>Total Equity &amp; Liabilities</b>		-	77,938

As per our report of even date  
For L.B. Jha & Co.  
Chartered Accountants  
FRN:301088E

*Radhika*  
Radhika Singhal  
Partner  
Membership No.533240  
Place:-Kolkata  
Date:-27th May, 2019



For & on behalf of board  
BHATINDA HOTELS LIMITED

*Punit Beriwal*  
Punit Beriwal  
Director  
DIN:00231682

*Rakesh Sharma*  
Rakesh Sharma  
Director  
DIN:00386926

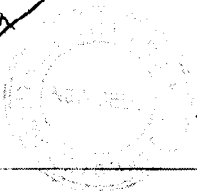
**BHATINDA HOTELS LIMITED**  
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2019**

PARTICULARS	Notes	For the year ended 31.03.2019 (Rs.)	For the year ended 31.03.2018 (Rs.)
I Revenue from operations		-	-
II Other Income		-	-
III Total Income (I+II)		-	-
IV Expenses:			
Other Expenses	2.5	94,189	101,286
Total Expenses		94,189	101,286
V Loss before Exceptional Items and Taxes (III-IV)		(94,189)	(101,286)
VI Exceptional Items		-	-
VII Loss before tax (V-VI)		(94,189)	(101,286)
VIII Tax Expense:			
(i) Deferred Tax		-	-
IX Loss for the Year (VII-VIII)		(94,189)	(101,286)
X Other Comprehensive Income/(Loss)			
A (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XI Total Comprehensive Income/(Loss) for the period		(94,189)	(101,286)
Earning per Equity Share (Basic & Diluted)	2.6	(1.86)	(2.03)

The accompanying notes are an integral part of the financial statements

As per our report of even date attached,  
for L.B. Jha & Co  
Chartered Accountants  
FRN/01038E

Radhika Singh  
Partner  
Membership No. 533240  
Place:-Kolkata  
Date:-27th May, 2019



For & on behalf of the Board  
BHATINDA HOTELS LIMITED

Pupri Barwala  
Director  
DIN:00231682

Rakesh Sharma  
Director  
DIN:00366926

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019**

**A. Equity Share Capital**

Particulars	Balance as on 31.03.2017	Issued during the year	Balance as on 31.03.2018	Issued during the year	Balance as on 31.03.2019
Equity Share Capital	500,000	-	500,000	-	500,000

**B. Other equity**

Particulars	RESERVES & SURPLUS					TOTAL
	Capital Reserve	Securities Premium Reserve	General Reserves	Debenture Redemption Reserve	Retained Earnings	
Balance as on 31.03.2017					(333,636)	(333,636)
Net Profit/(Loss) for the year					(101,286)	(101,286)
Balance as on 31.03.2018					(434,922)	(434,922)
Net Profit/(Loss) for the year					(94,189)	(94,189)
Balance as on 31.03.2019					(529,111)	(529,111)

As per our report of even date  
For L.B. Jha & Co.  
Chartered Accountants  
FRN:301088E

Radhika Singhal  
Partner  
Membership No.533240  
Place:-Kolkata  
Date:-27th May, 2019



*Punit Beriwala*  
Punit Beriwala  
Director  
DIN:00231682

For & on behalf of board  
BHATINDA HOTELS LIMITED

*Rakesh Sharma*  
Rakesh Sharma  
Director  
DIN:00386926

**BHATINDA HOTELS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

PARTICULARS	Note No.	31st March 2019 (Rs.)	31st March 2018 (Rs.)
<b>FINANCIAL ASSETS</b>			
<b>CURRENT ASSETS</b>			
<b>Cash and Cash Equivalents</b>	2.1		
- Balance with Banks in current account		-	77,937
		<u>-</u>	<u>77,937</u>
<b>Share Capital</b>			
<b>Authorised Capital</b>	2.2		
50000 (P.Y 50000) Equity Shares of Rs. 10/- each		<u>500,000</u>	<u>500,000</u>
<b>Issued, Subscribed &amp; Paid up Capital</b>			
50000 (P.Y 50000) Equity Shares of Rs. 10/- each fully paid up		<u>500,000</u>	<u>500,000</u>
Total		<u>500,000</u>	<u>500,000</u>
a) Reconciliation of the number of shares outstanding and the amount of share capital as at 31.3.2019 & 31.3.2018 is set out below:			
Equity Shares			
		Nos.	Nos.
		(Rs.)	(Rs.)
At the beginning of the year		50000	500,000
Add: Issued/(Cancelled) during the year		-	-
At the end of the year		<u>50000</u>	<u>500,000</u>
b) Details of shareholders holding more than 5% shares in the company			
<b>Name of Shareholder</b>			
Vipul Hospitality Limited, the holding Company		%	No. of Shares
		%	No. of Shares
50,000 (PY 50,000) Equity shares of Rs. 10 each fully paid		100%	50000
		100%	50000
Note: As per records of the company, including its register of shareholders/members, the above shareholding represent both legal and beneficial ownership of shares.			
c) Terms/rights attached to Equity Shares			
The company has only one class of Equity Share having a par value of Rs. 10/- per share. Each equity shareholder is entitled to one vote per share. The company declares and pays dividends in Indian rupees when required in the event of liquidation of the company, the equity shareholders will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.			
<b>OTHER EQUITY</b>			
<b>Reserves &amp; Surplus</b>	2.3		
<b>Surplus in the Statement of Profit and Loss</b>			
Balance as per last financial statements		(434,922)	(333,636)
Add: Loss for the year		(94,189)	(101,286)
Net Deficit in the statement of Profit and Loss		<u>(529,111)</u>	<u>(434,922)</u>
<b>CURRENT LIABILITIES</b>			
<b>Financial Liabilities</b>	2.4		
<b>Other Liabilities</b>			
Audit Fees Payable		12,000	12,000
Other Liabilities		<u>17,111</u>	<u>859</u>
		<u>29,111</u>	<u>12,859</u>
<b>Other Expenses</b>	2.5		
<b>Auditors' Remuneration</b>			
As Auditor		14,160	14,160
Legal & Professional Charges		1,947	7,862
Rates and taxes		1,600	4,400
Bank Charges		<u>76,482</u>	<u>74,844</u>
		<u>94,189</u>	<u>101,286</u>



**BHATINDA HOTELS LIMITED**

**Cash Flow Statement for year ended 31st March, 2019**

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
	Rs.	Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(loss) before Tax, appropriation, and extraordinary items	(94,189)	(101,286)
<b>Operating Profit before Working Capital Changes</b>		
Adjustments for:		
(Decrease)/Increase in other current liabilities	16,253	-
<b>Cash generated from Operations</b>	<b>(77,937)</b>	<b>(101,286)</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(77,937)</b>	<b>(101,286)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>	-	-
<b>C. CASH FLOW FINANCING ACTIVITIES</b>	-	-
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS-(A+B+C)</b>	<b>(77,937)</b>	<b>(101,286)</b>
CASH AND CASH EQUIVALENTS ( OPENING BALANCE)	77,937	179,223
CASH AND CASH EQUIVALENTS ( CLOSING BALANCE)	-	77,937

**Note:**

Breakup of Cash & Cash equivalents

Bank Balance	-	77,937
	-	77,937

As per our report of even date

For L.B. Jha & Co.

Chartered Accountants

FRN:301088E

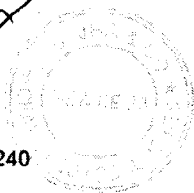
*Radhika Singh*  
Radhika Singhal

Partner

Membership No.533240

Place:-Kolkata

Date:-27th May, 2019



For & on behalf of board  
BHATINDA HOTELS LIMITED

*Punit Beriwal*  
Punit Beriwal  
Director  
DIN:00231682

*Rakesh Sharma*  
Rakesh Sharma  
Director  
DIN:00386926

## **BHATINDA HOTELS LIMITED**

### **1) NOTES TO FINANCIAL STATEMENTS**

#### **A. Corporate Information**

Bhatinda Hotels Limited (the Company) is a public company limited by shares, incorporated in India.

The registered office of the Company is situated at Unit No 201, C-50, Malviya Nagar, New Delhi 110017.

#### **B. Significant Accounting Policies**

##### **1. Basis of Preparation of Financial Statements**

These financial statements ("Separate financial statements") have been prepared on accrual basis in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and the provisions of the Companies Act, 2013.

The financial statements have been prepared on historical cost basis, except for certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments)

##### **2. Use of Estimate and management judgements**

The preparation of financial statement in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

###### **i) Estimation of net realizable value for inventory**

Inventory is stated at the lower of cost and net realizable value (NRV).

NRV for completed inventory is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for inventories in the same geographical market serving the same real estate segment.

NRV in respect of inventory under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

###### **ii) Useful lives of property, plant and equipment**

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.

##### **3. Summary of significant accounting policies**



**a. Property, Plant and Equipment**

The cost of an item of property, plant and equipment comprises of its purchase price, any costs directly attributable to its acquisition and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the company incurs when the item is acquired. Subsequent costs are included in the asset's carrying amount or recognized 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. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the Property, plant and equipment is derecognized.

**b. Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment loss.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period

**c. Revenue Recognition**

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accounted for on time proportion basis taking into account the amount outstanding and the applicable rate of interest.

All other incomes are accounted on accrual basis except where the receipt of the same is uncertain.

**d. Inventories**

Inventory is stated at the lower of cost and net realizable value (NRV).

NRV for completed inventory is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for inventories in the same geographical market serving the same real estate segment.

NRV in respect of inventory under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

**e. Borrowing Costs**





Borrowing costs attributable to the acquisition or construction of a qualifying asset are carried as part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are expensed in the year they are incurred.

**f. Depreciation and amortization**

Depreciation on property, plant and equipment is provided on written down value method over the useful lives of assets estimated by the management and as given in schedule II of The Companies Act, 2013. Depreciation for assets purchased / sold during a period is proportionately charged.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**g. Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation if the company has a present obligation as a result of past event and the amount of obligation can be reliably estimated.

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

Possible future or present obligations that may but will probably not require outflow of resources or where the same cannot be reliably estimated is disclosed as contingent liability in the financial statement.

Where an inflow of economic benefits is probable, a brief description of the nature of the contingent assets at the end of reporting period, and, where practicable, an estimate of their financial effect is disclosed.

**h. Taxes on Income**

Tax expense comprises both current and deferred tax. Current tax is determined in respect of taxable income for the year based on applicable tax rates and laws.

Deferred tax Asset/liability is recognized, subject to consideration of prudence, on timing differences being the differences between taxable incomes and accounting income that originates in one year and is capable of reversal in one or more subsequent year and measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are not recognized unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed at each Balance Sheet date to reassess their reliability.

**i. Foreign Currency Transactions**

Foreign currency denominated monetary assets and liabilities are translated at exchange rates in effect at Balance Sheet date. The gains or losses resulting from such translation are included in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency are translated at the exchange rate prevalent at the date of transactions.

Revenue, expense and cash flow items denominated in foreign currencies are translated using the exchange rate in effect on the date of transaction.



