

Goregaon Hotels & Realty Pvt. Ltd.

Annual Audited Accounts

For the year ended 31st March 2021

Mehta Chokshi & Shah LLP

Chartered Accountants

214, 2nd Floor, Maker Bhavan 3,
New Marine Lines, Mumbai 400 020

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MEHTA CHOKSHI & SHAH LLP

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
GOREGAON HOTEL AND REALTY PRIVATE LIMITED

1. Opinion

We have audited the accompanying Financial Statements of **GOREGAON HOTEL AND REALTY PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), Cash Flows Statement, the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 including the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act, of the state of affairs of the Company as at March 31, 2021, its loss, including total comprehensive income, its cash flows and change in equity for the year ended on that date.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. These require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and 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.



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3. Material uncertainty related to going concern

Attention is drawn to Note 18.1 to the Financial Statements with regard to the Company's default in loan repayment obligation to the Company's Lender, M/s. Reliance Capital Finance Limited along with the fact that the Company has negative net-worth cast significant doubt that material uncertainty exists on the Company's ability to continue as going concern.

Also, as explained in the said note, the Company's lender RCFL is in the process of being taken over by consortium of lenders with Bank of Baroda being the lead bank. In the opinion of the management, once the Lender is taken over by the new management, the Company shall discuss with them new plan for loan settlement and repay the loan as per revised terms of the loan.

In view of the above, the Financial Statements have been prepared on a going concern basis.

Our report is not modified in respect of this matter.

4. Emphasis of Matter

Attention is drawn the following:

- (a) Note no. 29 of the Financial Statements regarding interest free loan granted to its holding company M/s D B Realty Limited.
- (b) Note no.5.1 of the Financial Statements. As disclosed in the said note provision of Expected Credit Loss on Refundable Deposit is adequate in the opinion of the management.
- (c) Note no.9.1 of the Financial Statements. As disclosed in the said note, in the opinion of the management, Trade Advances granted to certain parties which are outstanding for more than three years are good for recovery and hence no provision for doubtful advance is created there against.

Our opinion is not modified with respect to above matter.

5. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.



6. Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Director is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, change in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors of the company is also responsible for overseeing the financial reporting process of the Company.

7. Auditor's Responsibilities for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to



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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. We are also responsible for expressing our opinion on whether the Company has adequate internal financial controls systems in place and the operating effectiveness of such control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone 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.



8. Report on Other Legal and Regulatory Requirements

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

(ii) As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended;
- e. On the basis of written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial 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 other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigation on its Financial Position in the Financial Statements – Refer Note 32.1;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (iv) The disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these Financial Statements. Hence, reporting under this clause is not applicable.



- (v) During the year, the Company has not paid any remuneration to its Directors and hence the question of reporting under Section 197 (16) does not arise.

For Mehta Chokshi & Shah LLP
Chartered Accountants
Firm Registration Number: 106201W/W100598



A handwritten signature in blue ink, appearing to be "Vijay R Gajaria".

Vijay R Gajaria
(Partner)

M.No:137561

UDIN: 21137561AAAACK8641

Place: Mumbai

Date: 16th June, 2021.

Annexure - A to the Independent Auditors' Report**[Referred to in paragraph 8 (i) of our report of even date]**

- i) (a) As per information and explanations given to us and on the basis of examination of records of the company, the company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
- (b) As per information and explanations given to us and on the basis of examination of records of the company, the fixed assets have been physically verified by the management at reasonable intervals. Further, as informed to us, no material discrepancies were noticed on such verification.
- (c) As per information and explanations given to us and on the basis of examination of records of the company, the company does not have any immovable property held in its name. Hence, the question of title deeds being recorded in the name of the company does not arise.
- ii) (a) The Company is in the business of real estate development and up to the year-end the company has incurred certain expenditure towards the project under development. As explained to us, site visit was carried out during the year by the management at reasonable intervals. In our opinion frequency of verification is reasonable.
- (b) In our opinion and according to information and explanation given to us, keeping in view the nature of inventory, the procedures of physical verification by way of site visits by the management are reasonable and adequate in relation to size of the company and nature of its business.
- (c) On the basis of information and explanation provided to us and based on our audit procedure, the inventory records have been kept properly. As explained to us, no material discrepancies were noticed on physical verification of inventory/project site by the management.
- iii) According to information and explanation given to us, during the year, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act") and therefore paragraph 3 (iii) of the order is not applicable.
- iv) According to the information and explanations given to us, the Company has not charged any interest on loan granted to its holding company during the year. In opinion of the management, the Company being a real estate developer, it is not required to charge any



interest on loan granted. However, as explained in Note No.29 of the Financial Statements, as the said loan is granted out of interest bearing funds, the Company is in violation of provisions of Section 186 of the Act to that extent.

- v) According to the information and explanations given to us, the Company has not accepted any deposits. Hence paragraph 3 (v) of the order is not applicable.
- vi) In our opinion, the company does not qualify the prescribed criteria as specified in Companies (Cost Records and Audit) Rules, 2014, and therefore is not required to maintain the cost records as prescribed under Section 148 (1) of the Act. Hence paragraph 3 (vi) of the order is not applicable.
- vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, it is observed that the company is not regular in depositing undisputed dues of TDS, Goods and Service Tax Service Tax, Provident Fund and Profession Tax to the appropriate authorities. Further, as per information and explanation given to us and on the basis of our examination of records of the Company, it has not deducted TDS on Interest in respect of interest payment made/provided to one party. Amount of TDS (Work Contract Tax) and amount of TDS on Professional outstanding as at balance sheet date for more than six months from the date it became payable is Rs.23,52,266/- and Rs.3,55,400/- respectively. The TDS (Work Contract Tax) amount is outstanding since March 31, 2017.

Further as explained to us, the provisions for Employees State Insurance, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax and Cess are not applicable to the Company during the year.

- (b) According to the information and explanations given to us, the details of disputed statutory dues is as follows:

Name of Statute	Nature of Dues	Amount Involved	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	35,97,990	AY 2015-16 (FY 2014-15)	CIT-Appeals, Mumbai

- viii) As per information and explanation given to us, the Company has defaulted in repayment of Term Loan from Reliance Commercial Finance Limited (RCFL) which was due on March 31,2020. However, as per RBI Notification dated March 27, 2020, the Company has availed moratorium of three months which was further extended by three months. Subsequent to expiry of the above moratorium, the Company is in default in repayment of the above loan. Amount of Default is Rs. 1,77,36,14,892/-.



- ix) According to the information and explanations given to us, 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. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi) According to the information and explanations give to us and based on our examination of the records, during the year the Company has not paid/provided for any managerial remuneration. Accordingly, paragraph 3 (xi) of the Order is not applicable.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv) According to the information and explanations give to us and based on our examination of the records, during the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly, paragraph 3 (xiv) of the order is not applicable.
- xv) According to the information and explanations given to us and based on our examination of the records , during the year the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.



- xvi) According to the information and explanations given to us and based on our examination of the records, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For Mehta Chokshi & Shah LLP
Chartered Accountants
Firm Registration Number: 106201W/W100598**



**Vijay R Gajaria
(Partner)**

M.No:137561

UDIN: 21137561AAAACK8641

Place: Mumbai

Date: 16th June, 2021

Annexure - B to the Independent Auditors' Report

[Referred to in paragraph 8 (2) (f) of our report of even date]

Report on the Internal Financial Controls Over Financials Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") of Goregaon Hotel and Realty Private Limited

We have audited the internal financial controls over financial reporting of **Goregaon Hotel and Realty Private Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the Financial Statements of the Company for the year ended and as at on that date.

Management's Responsibility for Internal Financial Controls

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

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 Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. The Guidance Note and those Standards 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 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, 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, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For Mehta Chokshi & Shah LLP**Chartered Accountants****Firm Registration Number: 106201W/W100598****Vijay R Gajaria
(Partner)****M.No:137561****UDIN: 21137561AAAACK8641****Place: Mumbai****Date: 16th June, 2021.**

Goregaon Hotel and Realty Private Limited
Balance Sheet as at March 31, 2021

(Amount in Rs.)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
1 Non Current Assets			
a Property, Plant and Equipment	3	55,909	76,514
b Financial Assets			
(i) Investment	4	1,18,58,965	1,11,07,190
Total Non Current Assets (A)		1,19,14,874	1,11,83,704
2 Current Assets			
a Inventories	6	1,79,64,69,982	1,34,33,57,438
b Financial Assets			
(i) Cash and cash equivalents	7	2,69,061	19,308
(ii) Loans	8	1,08,61,14,315	1,08,44,59,633
(iii) Other Financial Assets	5	88,78,800	88,78,800
c Other Current Assets	9	14,81,22,111	15,46,32,680
Total Current Assets (B)		3,03,98,54,270	2,59,13,47,859
Total Assets (A)+(B)		3,05,17,69,144	2,60,25,31,565
EQUITY AND LIABILITIES			
1 Equity			
a Equity Share Capital	10	1,00,000	1,00,000
b Other Equity	11	(49,95,78,301)	(45,29,45,805)
Total Equity (A)		(49,94,78,301)	(45,28,45,805)
2 Non Current Liabilities			
a Financial liabilities			
(i) Borrowings	12	-	-
(ii) Other Financial Liabilities	13	1,00,00,00,000	97,55,00,663
(iii) Other Liabilities	14	25,68,37,099	25,68,37,099
b Provisions	15	1,15,461	1,21,401
c Deferred Tax Liabilities (Net)	16	-	34,47,248
Total Non Current Liabilities (B)		1,25,69,52,560	1,23,59,06,411
3 Current Liabilities			
a Financial liabilities			
(i) Trade payables	17	4,23,83,329	4,05,30,826
(ii) Other financial liabilities	18	2,24,65,73,799	1,77,36,20,355
b Other Current Liabilities	19	53,29,757	53,07,229
c Provision	20	8,001	12,549
Total Current Liabilities (C)		2,29,42,94,885	1,81,94,70,959
Total Equity and Liabilities (A)+(B)+(C)		3,05,17,69,144	2,60,25,31,565

Significant accounting policies and notes on

1 to 37

As per our attached report of even date

For Mehta Chokshi & Shah LLP
Chartered Accountants
Firm Registration No. 106201W/W100598

Name : Vijay Gajaria
Partner
Membership No. : 137561



Place: Mumbai
Date: 16/06/2021

For and on Behalf of the Board

Nabil Patel
Director
(DIN -0298093)

Jessie Kuruvilla
Director
(DIN -02290242)

Place: Mumbai
Date: 16/06/2021

Goregaon Hotel and Realty Private Limited

Statement of Profit and Loss for the year ended March 31, 2021

(Amount in Rs.)

Particulars		Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
I	Revenue from operations		-	-
II	Other income	21	8,45,539	8,51,055
III	Total Income (I)+(II)		8,45,539	8,51,055
IV	Expenses			
	Project Related Expenses	22	45,31,12,544	17,15,22,092
	Changes in inventories of finished goods, work in progress and stock-in-trade	23	(45,31,12,544)	(17,15,22,092)
	Finance costs	24	4,95,33,486	18,31,92,371
	Depreciation and amortisation expense	3	19,055	14,531
	Other expense	25	13,72,742	59,34,462
	Total expenses (IV)		5,09,25,283	18,91,41,365
V	(Loss) before tax (III)-(IV)		(5,00,79,744)	(18,82,90,310)
VI	Tax expense			
	a) Current tax		-	-
	b) Deferred tax	16	34,47,248	(34,47,248)
	c) (Short)/Excess Tax provision in earlier years		-	8,28,089
VII	(Loss) for the period (V)-(VI)		(4,66,32,496)	(19,25,65,646)
VIII	Other Comprehensive Income			
A	(i) Items that will not be reclassified to Profit or Loss		-	-
	Remeasurement of Defined Benefit Obligation		-	-
	(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		-	-
	Total Other Comprehensive Income [A (i)-(ii) + B (i)-(ii)] (VIII)		-	-
IX	Total Comprehensive Income for the period (VII)+(VIII)		(4,66,32,496)	(19,25,65,646)
X	Earnings per equity share			
	Basic and Diluted	26	(4,663.25)	(19,256.56)

Significant accounting policies and notes on Financial statements

1 to 37

As per our attached report of even date

For Mehta Chokshi & Shah LLP
Chartered Accountants
Firm Registration No. 106201W/W100598

Name : Vijay Gajaria
Partner
Membership No. : 137561

Place: Mumbai
Date: 16/06/2021



For and on Behalf of the Board


Nabil Patel
Director
(DIN -0298093)


Jessie Kuruvilla
Director
(DIN -02290242)

Place: Mumbai
Date: 16/06/2021

Goregaon Hotel and Realty Private Limited
Cash Flow Statement For the Year Ended March 31, 2021

(Amount in Rs.)

Particulars	For The Year Ended March 31, 2021	For The Year Ended March 31, 2020
Cash Flow From Operating Activities:		
(Loss) Before Tax	(5,00,79,744)	(18,91,18,399)
Adjustment for:		
Interest expense	4,95,33,486	18,31,92,371
Depreciation	19,055	14,531
Provision for Expected Credit Loss	-	55,17,644
Share of profit from Partnership firm	(8,09,923)	(8,51,055)
Finance Income on financial assets/liabilities recognised at amortised cost	-	-
Operating Income before working Capital changes	(13,37,126)	(12,44,907)
Working Capital Adjustments:		
Increase/(Decrease) in Trade Payables	18,52,503	31,43,926
Increase/(Decrease) in current liabilities	22,528	(9,76,273)
Increase/(Decrease) in Other financial liabilities	44,33,03,660	15,81,85,472
(Increase)/Decrease in Other Current Assets	65,10,569	50,24,758
(Increase)/Decrease in Other Financial Assets	-	-
(Increase)/Decrease in Inventories	(44,84,95,360)	(16,69,04,907)
(Increase)/Decrease in Provisions	(10,488)	35,469
Cash From Operating Activities	18,46,287	(27,36,463)
Direct Taxes Paid	58,148	-
Net Cash Flow From/(Used in) Operating Activities	19,04,435	(27,36,463)
Cash Flow From Investing Activities:		
Loan Granted	(16,54,682)	27,66,253
Purchase of Fixed Asset	-	(16,300)
Net Cash Flow From/(used in) Investing Activities	(16,54,682)	27,49,953
Cash Flow From Financing Activities:		
Repayment of Current Borrowings	-	-
Proceeds From Long term Borrowing (net)	-	-
Net Cash generated/(used) from Financing Activities	-	-
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	2,49,753	13,490
Add: Cash and Cash Equivalents (Opening)	19,309	5,820
Cash and Cash Equivalents (Closing)	2,69,061	19,309
Cash and cash equivalent: (As per Note no.9)		
Cash on hand	2,29,246	15,370
Bank Balances	39,815	3,938
Cash and Cash Equivalent	2,69,061	19,309
Notes to Cash Flow:		
1. Net Debt Reconciliation		
Net Debt Opening	1,27,32,02,360	1,26,43,65,635
Accrual of Interest	50,04,12,532	-
Fair Value changes	-	88,36,724
Cash flows	-	-
Net Debt Closing	1,77,36,14,892	1,27,32,02,360

Significant accounting policies and notes on Financial statements

For Mehta Chokshi & Shah LLP
Chartered Accountants
Firm Registration No. 106201W/W100598

Name : Vijay Gajaria
Partner
Membership No. : 137561

Place: Mumbai
Date: 16/06/2021



For and on Behalf of the Board


Nabil Patel
Director
(DIN -0298093)


Jessie Kuruvilla
Director
(DIN -02290242)

Place: Mumbai
Date: 16/06/2021

Goregaon Hotel and Realty Private Limited
Statement of Changes in Equity for the year ended March 31, 2021

A. Equity Share Capital

Particulars	Amount (Rs.)
Balance as at March 31, 2020	1,00,000
Changes in equity share capital during FY 2020-21	-
Balance as at March 31, 2021	1,00,000

B. Other Equity

(Amount in Rs.)

Particulars	Retained Earnings	Total
Balance as at April 1, 2020	(45,29,45,805)	(45,29,45,805)
(Loss) for the year	(4,66,32,496)	(4,66,32,496)
Corporate Equity Guarantee		-
Other Comprehensive Income for the year, net of income tax	-	-
Total Comprehensive Income for the year	(4,66,32,496)	(4,66,32,496)
Balance as at March 31, 2021	(49,95,78,301)	(49,95,78,301)

As per our attached report of even date

For Mehta Chokshi & Shah LLP
Chartered Accountants
Firm Registration No. 106201W/W100598

Name : Vijay Gajaria
Partner
Membership No. : 137561



Place: Mumbai
Date: 16/06/2021

For and on Behalf of the Board

Nabil Patel
Director
(DIN -0298093)

Jessie Kuruvilla
Director
(DIN -02290242)

Place: Mumbai
Date: 16/06/2021

Goregaon Hotel and Realty Private Limited

Notes forming Part of Financial Statements

1 Company Background

Goregaon Hotel and Realty Private Limited (the "Company") is incorporated and domiciled in India. The Company is a wholly owned subsidiary of DB Realty Limited, which is listed with National Stock Exchange and Bombay Stock Exchange. The Company has its the Registered Office and principal place of business at DB Central, Maulana Azad Road, Rangwala Compound, Jacob Circle, Mumbai- 400011

The Company has entered into Construction agreement dated 14/12/2013 with Om Metal Consortium (Firm) and with all the Partners of Om Metal Consortium to develop and construct rehab tenements and buildings at plot bearing CTS No.791/A(Part), Bandra Reclamations, Bandra (West), Mumbai admeasuring 26395.80 square meter which is to be handed over to MHADA. As per the terms of agreement, the Company shall bear the entire cost to construct, finance and develop the said property. The Company in consideration thereof shall be entitled to 50% share of Free Sale Area/Premises to be allotted to the Firm.

In furtherance thereof, expenditure incurred for the project have been included in Project Work in Progress.

The Company's financial statements were authorised for issue in accordance with a resolution of the Board of Directors on June 16, 2021 in accordance with the provisions of the Companies Act, 2013 and are subject to the approval of the shareholders at the Annual General Meeting.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency.

2 Significant Accounting Policies Accounting Judgements , Estimates and Assumptions:

(A) Significant Accounting Policies:

2.1 Basis of preparation of Ind-AS Financial Statements

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The standalone financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the standalone financial statements.

The standalone financial statements are presented in Indian Rupee ("INR"), the functional currency of the Company. Items included in the standalone financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency')."

The Ind-AS financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy no. 2.5 regarding financial instruments). Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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

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

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.



2.2 Current and Non-Current Classification of Assets and Liabilities and Operating Cycle:

An asset is considered as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is considered as current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Operating Cycle is the time between the acquisition of assets for business purposes and their realisation into cash and cash equivalents.

2.3 Property, plant and equipment:

Property, Plant and Equipment are recorded at their cost of acquisition, net of modvat/cenvat, less accumulated depreciation and impairment losses, if any. The cost thereof comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost for bringing the asset to its working condition for its intended use.

An item of property, plant and equipment and any significant part initially recognised is derecognised 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 (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the asset is derecognised.

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

2.4 Depreciation:

Depreciation on Property, Plant and Equipment is provided on Straight Line Method in accordance with the provisions of Schedule II to the Companies Act, 2013. The Management believes that the estimated useful lives as per the provisions of Schedule II to the Companies Act, 2013, are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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.

2.5 Inventories

Inventories comprise of Project Work-In-Progress representing properties under construction/development.

Inventories are valued at lower of cost and net realizable value. Project work in progress cost includes cost of land/ development rights, materials, services, depreciation on assets used for project purposes and other expenses (including borrowing costs) attributable to the projects. It also includes any adjustment arising due to foreseeable losses.

The Cost in relation to properties under construction/development is charged to the Statement of Profit and Loss in proportion to the revenue recognised during the period and the balance cost is carried over under Inventory as part of Project Work in Progress.

2.6 Revenue Recognition

(i) Sale of Properties:

Revenue from sale of properties under construction is recognized when it satisfies a performance obligation by transferring a promised good or service to a customer in accordance with Ind AS 115. A company 'transfers' a good or service to a customer when the customer obtains control of that asset. Control may be transferred either at a point in time or over time.

A company transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognises revenue over time if one of the following criteria is met:

- (a) the customer simultaneously receives and consumes the benefits provided by the company's performance as the company performs;
- (b) the company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- (c) the company's performance does not create an asset with an alternative use to the company and the company has an enforceable right to payment for performance completed to date".

Revenue is recognised at a point in time if it does not meet the above criteria.

During the year, the Group has adopted Ind AS 115 with effect from April 1, 2018 by using the cumulative catch up transition method and accordingly comparatives for the year ended March 31, 2018 has not been restated.

(ii) Revenue from lease rental income:

Lease income is recognised in the Statement of Profit and Loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.



(iii) Interest Income:

For all financial instruments measured at amortised cost, interest income is measured using the Effective Interest Rate (EIR), which is the rate that exactly discounts the estimated future cash flows through the contracted or expected life of the financial instrument, as appropriate, to the net carrying amount of the financial asset.

2.7 Financial Instruments:

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

(i) Financial Assets:

Initial Recognition and Measurement:

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

Subsequent Measurement:

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

- Financial assets at amortised cost
- Equity instruments measured at fair value through other comprehensive income FVTOCI
- Equity instruments measured at fair value through other comprehensive income FVTPL

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

Financial Assets at Amortised Cost:

A financial asset is measured at the amortised cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

- Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Cash flow characteristics test: 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.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

All other financial assets are measured at fair value through profit or loss.

Equity Instruments at FVTOCI:

For equity instruments not held for trading, an irrevocable choice is made on initial recognition to measure it at FVTOCI. All fair value changes on such investments, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale or disposal of the investment. However, on sale or disposal the company may transfer the cumulative gain or loss within equity.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- i) The rights to receive cash flows from the asset have expired, or
- ii) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement and either;
 - a. the Company has transferred substantially all the risks and rewards of the asset, or
 - b. the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

The company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposures:

- Financial assets at amortised cost.
- Financial guarantee contracts.

The company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Under this approach the company does not track changes in credit risk but recognises impairment loss allowance based on lifetime ECLs at each reporting date. For this purpose the company uses a provision matrix to determine the impairment loss allowance on the portfolio of trade receivables. The said matrix is based on historically observed default rates over the expected life of the trade receivables duly adjusted for forward looking estimates.



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

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. The ECL impairment loss allowance (or reversal) recognized during the period in the statement of profit and loss and the cumulative loss is reduced from the carrying amount of the asset until it meets the write off criteria, which is generally when no cash flows are expected to be realised from the asset.

(ii) Financial Liabilities:

Subsequent Measurement:

This is dependent upon the classification thereof as under:

Loans and Borrowings:

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

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 the statement of profit or loss.

(iii) Offsetting of Financial Instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet 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 an asset and settle the liabilities simultaneously.

(iv) Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity in accordance with the substance of the contractual arrangements. These are recognised at the amount of the proceeds received, net of direct issue costs.

(v) Compound Financial Instruments:

These are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements.

On the date of the issue, the fair value of the liability component is estimated using the prevailing market rate for similar non-convertible instruments and recognised as a liability on an amortised cost basis using the EIR until extinguished upon conversion or on maturity. The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole and recognised as equity, net of the tax effect and remains in equity until the conversion option is exercised, in which case the balance recognised in equity will be transferred to another component of equity. If the conversion option remains unexercised on the maturity date, the balance recognised in equity will be transferred to retained earnings and no gain or loss is recognised in profit or loss upon conversion or expiry of the conversion option.

Transaction costs are allocated to the liability and equity component in proportion to the allocation of the gross proceeds and accounted for as discussed above.

2.8 Employee Benefits

Short term employee benefits are those which are payable wholly within twelve months of rendering service are recognised as an expense at the undiscounted amount in Statement of Profit and Loss of the year in which the related service is rendered.

Contribution paid/ payable for the year/ period to Defined Contribution Retirement Benefit Plans is charged to Statement of Profit and Loss or Project Work in Progress, if it is directly related to a project.

Liabilities towards Defined Benefit Schemes viz. Gratuity benefits and other long term benefit viz. compensated absences are determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the Balance Sheet date. Actuarial gains and losses are recognised immediately in the Balance Sheet with a corresponding effect in the SOCI. Past service cost is recognised immediately in the Statement of Profit or Loss.

2.9 Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are considered as a part of cost of such assets less interest earned on the temporary investment. A qualifying asset is one that necessarily takes substantial period of time to get ready for the intended use. All other borrowing costs are charged to Statement of Profit & Loss in the year in which they are incurred.



2.10 Taxes on Income

Current Income Taxes:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in other comprehensive income / equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Taxes:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, when the deferred tax liability arises from 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.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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 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.

The carrying amount of deferred 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 tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in 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 relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

MAT:

Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which give rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax after the specified years. Accordingly, MAT is recognised as an asset in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefits associated with it will flow to the Company.

2.11 Provisions and Contingent Liabilities:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

When the Company expects some or all of a provision to be reimbursed, the same is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. 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 recognised as a finance cost.

A Contingent Liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of enterprise or a present obligation that arises from past events that may, but probably will not, require an outflow of resources.

Both provisions and contingent liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognized but are disclosed in the notes.

2.12 Earnings Per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for events including a bonus issue, bonus element in right issue to existing shareholders, share split, and reverse share split (consolidation of shares).

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

2.13 Cash and Cash Equivalent:

Cash and cash equivalent for the purpose of Cash Flow Statement comprise cash at bank and in hand and short term highly liquid investments which are subject to insignificant risk of changes in value.



2.14 Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.15 Commitments

Commitments are future liabilities for contractual expenditure. The commitments are classified and disclosed as follows:

- (a) The estimated amount of contracts remaining to be executed on capital accounts and not provided for; and
- (b) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of the Management.

2.16 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Company as one segment of "Real Estate Development".

(B) Significant Accounting Judgements, Estimates and Assumptions:

The preparation of Financial Statements is in conformity with the recognition and measurement principles of Ind AS which requires the management to make judgements for estimates and assumptions that affect the amounts of assets, liabilities and the disclosure of contingent liabilities on the reporting date and the amounts of revenues and expenses during the reporting period and the disclosure of contingent liabilities. Differences between actual results and estimates are recognized in the period in which the results are known/ materialize.

2.17 Judgements:

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

- a) Assessment of the management regarding executability of the project undertaken.
- b) Assessment of the recoverability of various financial assets

2.18 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 described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Project estimates

The Company, being a real estate development company, prepares budgets in respect of each project to compute project profitability. The major components of project estimate are 'budgeted costs to complete the project' and 'budgeted revenue from the project. While estimating these components various assumptions are considered by the management such as (i) Work will be executed in the manner expected so that the project is completed timely (ii) consumption norms will remain same (iii) Estimates for contingencies and (iv) price escalations etc. Due to such complexities involved in the budgeting process, contract estimates are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(b) Valuation of investment in loans to subsidiaries

The Company has performed valuation for its investments in equity of certain subsidiaries for assessing whether there is any impairment in the fair value. When the fair value of investments in subsidiaries cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model.

(b) Deferred Tax Assets

In assessing the reliability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible.

Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences.

The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

(c) Defined benefit plans

The cost and present value of the gratuity obligation and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive

to changes in these assumptions. All assumptions are reviewed at each reporting date.



Goregaon Hotel and Realty Private Limited
Notes Forming Part of Financial Statements

3 Property Plant and Equipment

(Amount in Rs.)

Particulars	Porta Cabin	Furniture and Fixtures	Office equipment	Computer	Total
Cost or deemed cost					
Balance at April 1, 2020	1,79,000	35,606	71,800	1,04,800	3,91,206
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Balance at Mar 31, 2021	1,79,000	35,606	71,800	1,04,800	3,91,206
Accumulated Depreciation and Impairment					
Balance at April 1, 2020	1,70,051	7,606	37,476	99,559	3,14,692
Depreciation Expense	-	3,478	17,127	-	20,605
Balance at Mar 31, 2021	1,70,051	11,084	54,603	99,559	3,35,297
Carrying amounts of:					
Balance at April 01, 2020	8,949	28,000	34,324	5,241	76,514
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Depreciation Expense	-	(3,478)	(17,127)	-	(20,605)
Balance at Mar 31, 2021	8,949	24,522	17,197	5,241	55,909



Goregaon Hotel and Realty Private Limited
Notes Forming Part of Financial Statements

4 Non Current Investments

Particulars	(Amount in Rs.)	
	As at March 31, 2021	As at March 31, 2020
Investment in partnership firm valued at cost: - Om Metal Consortium	1,18,58,965	1,11,07,190
Total	1,18,58,965	1,11,07,190

4.1 Note:

Details of Partners	(Amount in Rs.)	
	Total Capital as at March 31, 2021	Share of each partner (%)
Aleron Tradelinks (India) Pvt.Ltd.	4,58,70,408	4
Amrfina Construction Ltd.	7,77,30,817	6
Goregaon Hotels and Realty Private Ltd.	51,18,58,965	40
Morya Housing Ltd.	9,46,10,816	7
Nikhil Township Pvt Ltd.	26,85,12,450	21
Om Infratech Pvt Ltd.	1,65,65,715	1
Om Metals Infraprojects Ltd.	22,03,07,071	17
Taramani Finance Pvt Ltd	4,58,70,408	4
Total	1,28,13,26,650	100

5 Other Financial Assets

Particulars	(Amount in Rs.)	
	As at March 31, 2021	As at March 31, 2020
Current (Unsecured, considered good)		
Refundable Deposits with related parties (Refer 5.1)	1,65,50,000	1,65,50,000
Less : Expected Credit Loss allowance on the deposit	(82,75,000)	(82,75,000)
Other Deposits	6,03,800	6,03,800
Total	88,78,800	88,78,800

5.1 The Company has granted refundable deposit to a related party namely, Majestic Infracon Private Limited ("Majestic"). Majestic has incurred losses and has negative net-worth as per its latest audited Financial Statements for the year ended on March 31, 2021. In opinion of the management, the adequate provision for Expected Credit Loss has been made in accordance with Ind-AS 109.



6 Inventories

(Amount in Rs.)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening inventories	1,34,33,57,438	1,17,18,35,346
Add: Project expenses incurred during the year (*)	45,31,12,544	17,15,22,092
Total	1,79,64,69,982	1,34,33,57,438

All of the above inventories are expected to be realised after 12 months.

*The project is under initial stage of development and expected to have net realizable value of greater than the cost.

7 Cash and Cash equivalents

(Amount in Rs.)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance with banks	39,815	3,938
Cash on Hand	2,29,246	15,370
Total	2,69,061	19,308

8 Loans

(Amount in Rs.)

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
<u>(Unsecured, considered good)</u>		
Loans to related parties	1,00,00,00,000	1,00,00,00,000
Loan to Holding Company	8,59,14,315	8,42,49,633
Staff Loans	2,00,000	2,10,000
Total	1,08,61,14,315	1,08,44,59,633

9 Other Current Assets

(Amount in Rs.)

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with government authorities	1,21,14,390	1,10,74,959
Tax Deducted at Source (net of provision, if any)*	12,66,206	12,66,206
Trade Advance to related parties	2,00,000	2,00,000
Trade Advance to others (Refer 9.1)	20,91,516	20,91,516
Security Deposit	13,24,50,000	14,00,00,000
Total	14,81,22,111	15,46,32,680

*Self Assessment Tax for AY 2015-16 under Scrutiny

- 9.1 Trade Advance to others include balances to certain parties which are outstanding for more than three years. The parties have not confirmed their balances. In the opinion of the management, these balances are good for recovery against upcoming project work to be carried out by the Company. Hence, no provision for bad and doubtful debts is created thereagainst.



Goregaon Hotel and Realty Private Limited
Notes Forming Part of Financial Statements

10 Equity Share Capital

10.1 Details of Authorized, Issued, Subscribed and Paid Up Share Capital

(Amount in Rs.)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number	Amount in Rs.	Number	Amount in Rs.
Authorized Capital				
Equity Share Capital				
10,000 Equity Shares of Rs.10/- each	10,000	1,00,000	10,000	1,00,000
	10,000	1,00,000	10,000	1,00,000
Issued Capital				
Equity Share Capital				
10,000 Equity Shares of Rs.10/- each	10,000	1,00,000	10,000	1,00,000
	10,000	1,00,000	10,000	1,00,000
Subscribed and Paid up Capital				
Equity Share Capital				
10,000 Equity Shares of Rs.10/- each	10,000	1,00,000	10,000	1,00,000
Total	10,000	1,00,000	10,000	1,00,000

All of the above shares carry equal voting rights and there are no restrictions / Preferences Attached to any of the above shares.

10.2 Reconciliation of the outstanding Number of Shares

Particulars	Equity Shares		Equity Shares	
	As at March 31, 2021		As at March 31, 2020	
	Number	Amount in Rs.	Number	Amount in Rs.
Shares Outstanding at the beginning of the year	10,000	1,00,000	10,000	1,00,000
Add: Shares Issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Shares Outstanding at the end of the year	10,000	1,00,000	10,000	1,00,000

10.3 Details of number of shares held by the Holding Company

10,000 equity shares are held by DB Realty Limited (and its nominees), the holding company.

10.4 The details of shareholders holding more than 5% shares

Name of Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
D B Realty Limited and its nominees	10,000	100.00%	10,000	100.00%



Goregaon Hotel and Realty Private Limited
Notes Forming Part of Financial Statements

11 Other Equity

Particulars	(Amount in Rs.)	
	As at March 31, 2021	As at March 31, 2020
Retained Earning		
(Deficit) in Statement of Profit and Loss		
Opening Balance	(45,29,45,805)	(26,03,92,024)
Add: (Loss) for the year	(4,66,32,496)	(19,25,53,781)
Total	(49,95,78,301)	(45,29,45,805)

12 Long Term Borrowing

Particulars	(Amount in Rs.)	
	As at March 31, 2021	As at March 31, 2020
Secured		
1) Term Loan From NBFC :		
From Reliance Commercial Finance Limited (RCFL)	1,77,36,14,892	1,27,32,02,360
Less: Transferred to Current Maturity of Term Loan	(1,77,36,14,892)	(1,27,32,02,360)
Loan is secured by:		
1. An exclusive charge on the scheduled receivables under the documents entered into with customers by the Borrower, all such		
2. An exclusive charge over all rights, titles, interest, claims , benefits, demands under the Project documents both present and future.		
3. An exclusive charge on the escrow account , all monies credited/ deposited therein and all investments in respect thereof (in whatever form they may be).		
4. Registered Mortgage on residential units falling under the share of GHRPL in the proposed project located at land bearing CTS No- A/791(pt) of Mahim Bandra Reclamation Area , Bandra (West).		
5. Hypothecation of receivables from sale of residential units falling under the share of GHRPL in the proposed project located at land bearing CTS No- A/791(pt) of Mahim Bandra Reclamation Area , Bandra (West).		
6. Pledge of all shares of Goregaon Hotel and Realty Private Limited.		
Repayment Schedule		
1. The bullet repayment of Principal and Interest at the end of loan tenure i.e. after 24 Months. The tenure can be extended for further term keeping maximum door to door tenure as 24 Months. The repayment term expired on March 31, 2020, however considering RBI moratorium of three months		
2. The loan carry interest rate of 16% p.a However, as per RBI Notification dated March 27, 2020, the Company has availed moratorium of three months which was further extended by three months.		
Details of Default:		
Subsequent to expiry of the above moratorium, the Company is in default in repayment of the above loan. Default of Principal amount:Rs. 1,77,36,14,892		
Total		



13 Other Financial Liabilities

(Amount in Rs.)

Particulars	As at March 31, 2021	As at March 31, 2020
Non Current		
Deposit from Holding Company	1,00,00,00,000	97,55,00,663
Total	1,00,00,00,000	97,55,00,663

14 Other Liabilities

(Amount in Rs.)

Particulars	As at March 31, 2021	As at March 31, 2020
Non Current		
Advance Received- PMC Deposit	25,68,37,099	25,68,37,099
Total	25,68,37,099	25,68,37,099

15 Long Term Provisions

(Amount in Rs.)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits (unfunded)		
Gratuity	97,301	93,399
Leave Encashment	18,160	28,002
Total	1,15,461	1,21,401

16 Deferred Tax Balances

(Amount in Rs.)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax Liability	-	34,47,248
Total	-	34,47,248

(Amount in Rs.)

Deferred Tax Assets/Liabilities in relation to:	FY 2020-21		
	Opening Balance 01-04-2020	Recognised in Profit or Loss	Closing Balance as at 31-03-2021
Fair Value adjustments	34,47,248	(34,47,248)	-

Deferred Tax Assets/Liabilities in relation to:	FY 2019-20		
	Opening Balance 01-04-2019	Recognised in Profit or Loss	Closing Balance as at 31-03-2020
Fair Value adjustments	11,866	34,35,382	34,47,248

Tax Expenses

The income tax expense for the year can be reconciled to the accounting profit as follows:

(Amount in Rs.)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(Loss) before Tax	(5,00,79,744)	(18,82,90,310)
Income Tax Expense calculated @ 30.90%	(1,56,24,880)	(5,87,46,577)
Effect of Depreciation as per Income Tax	(4,179)	(4,179)
Effect of expenses that are not deductible in determining taxable profits	13,68,910	13,68,910
Effect of Income that do not form part of taxable income	-	-
Effect of Loss not recognised as no reasonable certainty of future taxable profits	71,51,978	71,51,978
Others	390	390
Tax Expenses	(71,07,782)	(5,02,29,478)
Tax Expenses recognised in the statement of Profit and Loss	34,47,248	34,47,248



17 Trade Payables

Particulars	(Amount in Rs.)	
	As at March 31, 2021	As at March 31, 2020
Micro and Small Enterprises	33,150	1,15,365
Others (including retention money payable)	4,23,50,179	4,04,15,461
Total	4,23,83,329	4,05,30,826

17.1 Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006

Particulars	(Amount in Rs.)	
	As at March 31, 2021	As at March 31, 2020
Principal Amount outstanding to suppliers under MSMED Act, 2006 beyond the appointed date	33,150	1,15,365
Interest accrued on the amount due to suppliers under MSMED Act on the above amount	-	-
Payment made to suppliers (other than Interest) beyond the appointed date during the year.	-	-
Interest paid to suppliers under MSMED Act (other than section 16)	-	-
Interest paid to suppliers under MSMED Act (section 16)	-	-
Interest due and payable to suppliers under MSMED Act for payments already made.	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act.	-	-
Total	33,150	1,15,365

Note: The above information is compiled by the company on the basis of the information made available by vendors

18 Other Financial Liabilities

Particulars	(Amount in Rs.)	
	As at March 31, 2021	As at March 31, 2020
Current		
Current Maturity of Term Loan (Refer 18.1)	1,77,36,14,892	1,27,32,02,360
Interest accrued but not due	37,24,69,628	40,02,07,022
Salary Payable	4,89,279	2,10,973
Due to Om Metal Consortium	10,00,00,000	10,00,00,000
Total	2,24,65,73,799	1,77,36,20,355

18.1 The Company has loan repayment obligation of Rs. 1,77,36,14,892/- and interest payable amounting to Rs.37,24,69,628/- (collectively referred as "the obligation") to Reliance Commercial Finance Limited (RCFL). The said loan was originally due for repayment on 31-03-2020. However, in view of the RBI circular dated 27-03-2020, the Company had availed three months moratorium on its loan repayment. The said moratorium was extended by further three months by RBI. However, that extended moratorium period expired on 31st August, 2020. The Company's above loan and interest repayment is still outstanding as at 31-03-2021 and as on that date the Company is in default for repayment of that obligation.

Also, Lenders of RCFL, led by Bank of Baroda are desirous of seeking resolution plans from eligible bidders having adequate technical and financial capability under the auspices of the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019 bearing no. RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 for running the resolution process of RCFL On completion of the process and after discussion with the successful bidder the Company will submit a resolution plan.

19 Other Current Liabilities

Particulars	(Amount in Rs.)	
	As at March 31, 2021	As at March 31, 2020
Statutory Dues	43,86,715	32,40,109
Outstanding Expenses	9,43,042	20,67,120
Total	53,29,757	53,07,229

20 Short term Provision

Particulars	(Amount in Rs.)	
	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits (unfunded)		
Leave Encashment	8,001	12,549
Total	8,001	12,549



Goregaon Hotel and Realty Private Limited
Notes Forming Part of Financial Statements

21 Other Income

(Amount in Rs.)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Income		
Share of Profit from Partnership Firm	8,09,923	8,51,055
Sundry Balance written back	35,616	
<u>Interest Income (effective interest rate method)</u>		
- On financial assets measured at amortised cost		
Total	8,45,539	8,51,055

22 Project Related Expenses

(Amount in Rs.)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rehabilitation Costs (forming part of land cost):		
Direct cost of Construction	30,180	20,70,897
Professional Fees	-	72,988
Salaries, Wages and Bonus	8,87,264	12,18,780
Security Charges	5,97,056	21,40,571
Electricity Expense	1,47,616	1,74,930
Water Charges	5,165	8,260
Site Expense	-	39,311
Legal and Consultancy Fees	34,94,000	22,00,000
Compensation paid	-	8,80,000
Miscellaneous Expenses	3,08,725	26,203
Finance Charges:		
Interest Charges	44,76,40,989	16,26,88,602
Depreciation	1,550	1,549
Total	45,31,12,544	17,15,22,092

23 (Increase)/Decrease in Inventories

(Amount in Rs.)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening Inventories	1,34,33,57,438	1,17,18,35,346
Less: Closing Inventories - Project Work in Progress	1,79,64,69,982	1,34,33,57,438
Total	(45,31,12,544)	(17,15,22,092)



24 Finance Cost

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on Loan Taken	3,84,86,509	3,94,35,416
<u>Interest Expenses (effective interest rate method):</u>		
Financial assets/liabilities measured at amortised cost	1,10,46,977	14,37,30,426
Interest on Delayed Payment of Statutory Dues	-	26,530
Total	4,95,33,486	18,31,92,371

25 Other Expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Payment to Auditors	98,000	1,54,885
Legal and Professional Fees	45,277	-
Business Promotion Expense	-	-
Telephone and Conveyance Expense	2,551	3,832
Printing and Stationery	743	4,262
Bank Charges	579	451
General Expense	2,500	190
Rates and Taxes	58,738	5,282
Allowance for Expected Credit Loss	-	55,17,644
Court Fees, Adhesive Expenses	399	146
Housekeeping Expenses	1,63,955	2,47,771
Donation	10,00,000	-
Total	13,72,742	59,34,462

25.1 Payment to Auditors

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Audit Fees	98,000	1,54,885
Total	98,000	1,54,885

26 Earnings Per share

As per Ind AS 33, "Earning Per Share", the Disclosure of Company's EPS is as follows :

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit /(Loss) incurred during the year	(4,66,32,496)	(19,25,65,646)
Weighted average number of equity shares outstanding	10,000	10,000
Basic and Diluted Earnings per share	(4,663.25)	(19,256.56)
Face Value	10	10



Goregaon Hotel and Realty Private Limited
Notes forming Part of Financial Statements

27 "The Company is a subsidiary of D B Realty Limited, which has become a "Public company" w.e.f. 23/09/2009. Therefore, the Company has become a private company which is a subsidiary of a public company and accordingly, by virtue of provision of section 2 (71) of the Companies Act,2013, the Company is a public company. The Company continues to use the word "Private Limited" as permitted by law.

28 (a) The Company is a partner in M/s Om Metal Consortium ("OMC"), which has been awarded a tender by MHADA for construction of Rehabilitation Tenements and Buildings after redevelopment of existing transit camp against which OMC is entitled for Free Sale Premises.

As per the terms of the Substituted and Restated Partnership Deed dated December 14, 2013 (Deed), the company is admitted as a partner with 50% interest subject to it contributing Rs.60 crore as a non refundable amount, out of which as up to year end Rs. 50 crore has been contributed and balance Rs. 10 crore has not been paid by the company due to a dispute that has arisen between the parties due to non-disclosure of a writ petition filed by Janshakti Welfare Society against MHADA and OMC [WP No. 1898 of 2013].

Further, in terms of the deed, the firm, the company and the other partners of OMC has executed "Construction Agreement" setting out the rights and the obligations of the company and the other partners of the group. As per the agreement, the company is entitled for 50% of the Free Sale Premises and has to incur the costs detailed out therein (including the liabilities for direct/indirect taxes). Accordingly, the cost which are incurred as part of the company's obligation are allocated as Project Work in Progress in this account. Similarly, the amount of Rs.60 crore, being non refundable contribution is also allocated to Project Work in Progress since it represents non-refundable outflow of resources in the hands of the company for getting right in Free Sale Premises. Under the circumstances, the balance standing to partners' capital account does not include that of Rs.50 crore paid by the company to OMC.

(b) The company has recognised share of profit for FY 2019-20 based on the audited accounts of OMC.

29 **Interest free loan give to DBR :**

During the year, the company has given interest free loan to D B Realty Ltd (the Holding Co) and balance O/s as at 31.03.2021 is Rs. 8,59,14,319/-. The said loan has been given out of interest bearing funds. However, in the opinion of the management, the loan being given to its 100% Holding Company and also due to commercial expediency, the company has not charged and recovered proportionate interest.

30 **Segment Reporting:**

The company is in the business of real estate development which is the only reportable operating segment. Hence, separate disclosure requirements of Ind AS-108 Operating Segments are not applicable.

31 **Related Party Disclosures**

As per Ind AS 24 'Related party Disclosure' the disclosure of Transactions with the Related parties as defined in Ind AS 24 are given below.

31.1

Particulars	Relations
Mr. Nabil Patel	Director (K.M.P)
Ms. Jessie Kuruvilla	Director (K.M.P)
DB Realty Ltd	Holding Company
M/s Om Metal Consortium	Entity jointly controlled by the company
MIG Bandra Realtors and Builders Pvt Ltd	Fellow Subsidiary
Real Gem Buildtech Private Limited	Fellow Subsidiary
Majestic Infracon Pvt.Ltd.	Enterprises owned or controlled by KMP or their relatives

Above related parties were identified by the management and relied upon by the auditors.

32 As at year end, the entire net worth of the company has been eroded. However, the management is of the opinion that in future the company will be able to recover the accumulated losses and hence the accounts of the company has been prepared on going concern basis.

32.1 **Contigent Liability**

Particulars	31-03-2021	31-03-2020
Income Tax Demand pending at first appellate level A.Y.2015-16	35,97,990	35,97,990

Related Party Disclosures

31.2

As per Ind AS 24 'Related party Disclosure' the disclosure of Transactions with the Related parties as defined in Ind AS 24 are given below.

(Amount in Rs.)

Particulars	Holding Company	Key Management Personnel (KMP) /Relative of KMP	Fellow Subsidiary Company			Enterprises where Individuals i.e. KMP and their relative have Significant	
	D B Realty Limited		D B View Infracon Pvt. Ltd.	MIG Bandra Realtors and	Real Gem Buidtech Pvt. Ltd.	Om Metal Consortium	Majestic Infracon Pvt.Ltd.
i. Borrowings							
Opening Balance	1,00,00,00,000 (1,00,00,00,000)	-	-	-	-	-	1,65,50,000 (1,65,50,000)
Loans taken during the year	-	-	-	-	-	-	-
Loans paid during the year	-	-	-	-	-	-	-
Closing Balance	1,00,00,00,000 (1,00,00,00,000)	-	-	-	-	-	1,65,50,000 (1,65,50,000)
ii. Loan Granted							
Opening Balance	8,42,49,633 (8,70,15,886)	-	1,00,00,00,000 (1,00,00,00,000)	-	-	-	-
Loans granted during the year	8976000 (2,44,45,000)	-	-	-	-	-	-
Loans repaid during the year	73,11,318 (2,72,11,253)	-	-	-	-	-	-
Closing Balance	8,59,14,315 (8,42,49,633)	-	1,00,00,00,000 (1,00,00,00,000)	-	-	-	-
iii. Trade Payables							
Opening Balance	-	-	-	8,779	400	-	2,00,000
	(-)	(-)	(-)	(8,779)	(400)	(-)	(2,00,000)
Purchases made during the year	-	-	-	-	-	-	-
Payment made during the year	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Closing Balance	-	-	-	8,779	400	-	2,00,000
	(-)	(-)	(-)	(8,779)	(400)	(-)	(2,00,000)
iv. Statutory Dues Payable							
Opening Balance	1,83,73,941 (1,80,62,130)	-	-	-	-	-	-
Payment made during the year	1,05,567 (8,78,761)	-	-	-	-	-	-
Closing Balance	1,84,79,508 (1,83,73,941)	-	-	-	-	-	-
v. Capital Contribution Payable	-	-	-	-	-	10,00,00,000 (10,00,00,000)	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
vi. Investment In Partnership Firm							
Opening Balance	-	-	-	-	-	1,11,07,190 (1,02,56,135)	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Share of Profit during the year	-	-	-	-	-	8,09,923 (8,51,055)	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Less: Income Tax Paid	-	-	-	-	-	58,148	-
Closing Balance	-	-	-	-	-	1,18,58,965 (1,11,07,190)	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
vii. Retention Money Payable							
Opening Balance	-	-	-	-	-	-	57,20,574
	(-)	(-)	(-)	(-)	(-)	(-)	(57,20,574)
Payment made during the year	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Closing Balance	-	-	-	-	-	-	57,20,574
	(-)	(-)	(-)	(-)	(-)	(-)	(57,20,574)



Goregaon Hotel and Realty Private Limited

Notes forming Part of Financial Statements

33 As per Ind AS 19, "Employee Benefits", the disclosure of employee benefits as defined in AS is given below.

Defined Contribution Plans:

"Contribution to Provident and other funds" is recognised as an expense in 20 "Project related Expenses" of the Statement of Profit and Loss.

Defined Benefit Plan:

The company provides gratuity benefits to its employees as per the statute. Present value of gratuity obligation (Non-Funded) based on actuarial valuation done by an independent valuer using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for compensated absences (Non-funded) is recognized in the same manner as gratuity.

The following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at March 31, 2021

33.1 Reconciliation of opening and closing balances of Defined Benefit Obligation:

Description	(Amount in Rupees)	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Net Liability at the beginning of the period	93,399	62,681
Acquisition Adjustment	-	-
Interest cost	5,230	4,262
Current Service cost	23,181	19,344
Actuarial (gain)/loss on obligations	(24,509)	7,112
Liability at the end of the period	97,301	93,399

33.2 Reconciliation of fair value of plan assets and obligations:

Description	(Amount in Rupees)	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Liability at the end of the period	97,301	93,399
Fair value of Plan Assets at the end of the period	-	-
Funded Status	(97,301)	(93,399)
Current Liability	27,134	14,184
Non Current Liability	70,167	79,215
Amount Recognised in the Balance Sheet	(97,301)	(93,399)

33.3 Expense recognized during the period:

Description	(Amount in Rupees)	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Current service cost	23,181	19,344
Interest cost	5,230	4,262
Expenses Recognised in Profit and Loss	28,411	23,606

33.4 Expense recognized during the year in Statement of OCI

Particulars	(Amount in Rupees)	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Actuarial (gain)/loss	(24,509)	7,112
Expense Recognised in OCI	(24,509)	7,112

33.5 Actuarial Assumptions:

Particulars	(Amount in Rupees)	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Mortality table	IALM(2012-14) ult	IALM(2012-14) ult
Discount rate	5.4%	5.6%
Rate of increase in compensation levels	5.00%	5.00%
Expected rate of return on plan assets	-	-
Expected average remaining working lives of employees (in years)	3.78	3.80
Withdrawal Rate	3.98 Years	7.68 Years
Age upto 30 years	26.00%	26.00%
Age 31 - 40 years	26.00%	26.00%
Age 41 - 50 years	26.00%	26.00%
Age above 50 years	26.00%	26.00%



The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is extracted from the report obtained from Actuary.

Risk exposure and asset liability matching

Provision of a defined benefit scheme poses certain risk, some of which are detailed hereunder, as companies taken on uncertain long term obligations to make futures benefits payments.

Liability Risks:-

(a) Asset-liability Mismatch Risk

Risk which arise if there is a mismatch in the duration of the assets relative to the liabilities by mismatching duration with the defined benefit liabilities, the company is successfully able to neutralize valuation swings caused by interest rate movements.

Hence Companies are encouraged to adopt assets- Liability management.

(b) Discount Rate Risk

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practise can have a significant impact on the defined benefit liabilities.

(c) Future salary Escalation and inflation risk

Since the price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments regulating in a higher present value of liabilities especially unexpected salary increases provide at management's discretion may lead to uncertainties in estimating this increasing risk.

(d) Unfunded Risk

This represents unmanaged risk and growing liability. There is an inherent risk here that the company may default on paying the benefits in adverse circumstances. Funding the plan removes volatility in company's financials and also benefit risk through return on the funds made available for the plan

There is no contribution under defined contribution plans and defined benefit plans in respect of Key Management Personnel.

33.6 Experience Adjustment:

Experience History	31-03-2021	31-03-2020
Present value of obligation	97,301	93,399
Plan assets	-	-
Surplus / (Deficit)	(97,301)	(93,399)
Experience (gain) or loss on plan liabilities	(25,193)	16,038
Experience (gain) or loss on plan assets	-	-

33.7 Expected future benefit payments:

The following benefits payments, for each of the next five years and the aggregate five years thereafter, after expected to be paid:

(Amount in Rs.)

Year Ending March 31	Expected Benefit
2022	27,000
2023	25,000
2024	22,000
2025	19,000
2026	16,000
2027 - 2031	51,000

33.8 Sensitivity Analysis

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Defined benefit obligation (DBO) and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact.

(a) The current service cost recognised as an expenses included in the note 20 'Employee benefits expense' as gratuity. The Remeasurement of the net defined benefit liability is included in other comprehensive income.

(b) The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the Actuary.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Other long-term benefits

The obligation for leave benefits (non-funded) is also recognised using the projected unit credit method and accordingly the long-term paid absences have been valued. The leave encashment expense is included in Note 22 'Project Related expenses'



- (a) Impact of change in discount rate, future salary increase, withdrawal rate when base assumption is decreased/increased by 100 basis point

(Amount in Rs.)						
31-03-2021						
Assumptions	Discount rate		Future salary increase		Availment rate	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	25,308	27,070	26,810	25,540	26,641	25,655

31-03-2020						
Assumptions	Discount rate		Future salary increase		Withdrawal rate	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	39,238	41,953	41,553	39,535	41,602	39,448

(Amount in Rs.)

31/03/2021	
Discount rate	Defined benefit obligation
4.40%	27,070
6.40%	25,308

- b Impact of change in salary increase rate when base assumption is decreased/increased by 100 basis point

(Amount in Rs.)

31/03/2021	
Salary increment rate	Defined benefit obligation
4.00%	25,540
6.00%	26,810

- c Impact of change in availment rate when base assumption is decreased/increased by 100 basis point

(Amount in Rs.)

31/03/2021	
Availment rate	Defined benefit obligation
1.00%	25,655
3.00%	26,641

34 Financial Instruments

The significant accounting policies, including the criteria of recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability, and equity instrument are disclosed in note 2.8 of the Ind AS financial statements.

- (a) Financial assets and liabilities

The carrying value of financial instruments by categories as at March 31, 2021 is as follows:

(Amount in Rs.)

Particulars	Note No.	Amortised Cost	Total carrying value
Financial Assets			
Investment	4	1,18,58,965	1,18,58,965
Other Financial Assets	5	88,78,800	88,78,800
Loans	8	1,08,61,14,315	1,08,61,14,315
Cash and cash equivalent	7	2,69,061	2,69,061
Total		1,10,71,21,141	1,10,71,21,141
Financial Liabilities			
Non Current Borrowings	12	-	-
Current Borrowings			
Trade Payable	17	4,23,83,329	4,23,83,329
Other Financial liabilities	18	2,24,65,73,799	2,24,65,73,799
Total		2,28,89,57,128	2,28,89,57,128

The carrying value of financial instruments by categories as at March 31, 2020 is as follows:

(Amount in Rs.)

Particulars	Note No.	Amortised Cost	Total carrying value
Financial Assets			
Investment	4	1,11,07,190	1,11,07,190
Other Financial Assets	5	88,78,800	88,78,800
Loans	8	1,08,44,59,633	1,08,44,59,633
Cash and cash equivalent	7	19,308	19,308
Total		1,10,44,64,931	1,10,44,64,931
Financial Liabilities			
Non Current Borrowings	12	-	-
Current Borrowings			
Trade payables	17	4,05,30,826	4,05,30,826
Other Financial liabilities	18	1,77,36,20,355	1,77,36,20,355
Total		1,81,41,51,180	1,81,41,51,180



Carrying amounts of cash and cash equivalents, trade receivables and trade payable as at March 31, 2018, March 31, 2017 and April 1, 2016 approximate the fair value because of their short term nature. Difference between the carrying amount and fair values of other financial assets and liabilities subsequently measured at amortised cost is not significant in each year presented.

(b) **Financial Risk Management:**

The Board of Directors reviews the risk management policy from time to time and the said policy aims at enhancing shareholders' value and providing an optimum risk-reward trade off. The risk management approach is based on clear understanding of variety of risk that the organization faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures.

Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market conditions. Market risk comprises three types of risk: interest rate risk, credit and default risk and liquidity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI and FVTPL investments. The company does not have material Foreign Currency Exchange rate risk.

Interest Risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the company's long-term debt obligations with floating interest rates.

Credit risk and default risk:

Credit risk is the risk that 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, business advances/deposit given and from its investing activities (primarily loans granted to various parties including related parties).

Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and preference shares. The Company has access to a sufficient variety of sources of funding which includes funding from holding company which is expected to be rolled over in case of any liquidity gap.

Capital Management

For the purposes of the company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the company's capital management is to maximise shareholders value. The company manages its capital structure and market adjustments in the light of changes in economic environment and the requirements of the financial covenants.

35 The amount in the Financial Statements are rounded off to nearest rupee.

36 Previous period figures have been regrouped and reclassified wherever necessary to make them comparable with current year figures.

37 Trade Payables, Trade Receivables, Borrowings, Contractors' Retention Money and Mobilisation Advance in the Financial Statements are subject to confirmation.

Significant Accounting Policies and notes on Financial Statements 1 to 37

As per our attached report of even date

Significant accounting policies and notes on Financial statements

For Mehta Chokshi & Shah LLP
Chartered Accountants
Firm Registration No. 106201W/W100598


Name : Vijay Gajaria
Partner
Membership No. : 137561



Place: Mumbai
Date: 16/06/2021

For and on Behalf of the Board



Nabil Patel
Director
(DIN -0298093)



Jessie Kuruvilla
Director
(DIN -02290242)

Place: Mumbai
Date: 16/06/2021