



9<sup>th</sup> October, 2023

To,  
General Manager,  
Department of Corporate Services,  
BSE Limited  
P.J. Towers, Dalal Street,  
Fort, Mumbai-400001

**Sub: Submission of Annual Report for the year 2022-23**

Dear Sir/Madam,

Pursuant to provisions of Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the Annual Report of Sayaji Hotels Limited (the "Company") for the financial year 2022-23 along with Notice of 40<sup>th</sup> Annual General Meeting (AGM) of Shareholders of the Company to be held on Thursday, 2<sup>nd</sup> November, 2023 at 3:30 P.M. (IST) through Video Conference or Other Audio Visual Means ("VC/OAVM").

We request you to take the same on record.

Thanking you

Yours faithfully,

**For Sayaji Hotels Limited**

**Ankur Bindal**  
**Company Secretary and Compliance Officer**

**Encl.: As above**

SAYAJI HOTELS LTD. CORPORATE OFFICE

Address: C/o Amber Convention Centre, Bypass Rd, Near Best Price,  
Hare Krishna Vihar, Nipania, Indore (MP) - 452010. | Phone No.: + 0731-4750000 | Email: info@sayajigroup.com  
Regd. Office: F1 C2 Sivavel Apartment, 2 Alagappa Nagar, Zamin Pallavaram, Chennai, (TN) – 600117  
CIN – L51100TN1982PLC124332 | Phone No.: 044-29871174  
www.sayajihotels.com

# 40<sup>TH</sup> ANNUAL REPORT SAYAJI HOTELS LIMITED 2022-2023

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➤ Date	: 2 <sup>nd</sup> November, 2023
➤ Day	: Thursday
➤ Time	: 03:30 P.M.
➤ Venue	: Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) Deemed to be at Registered Office - F1 C2 Sivavel Apartment, No. 2, Alagappa Nagar, Zamin Pallavaram, Chennai-600117 Tamil Nadu India

# **CORPORATE INFORMATION**

## **BOARD OF DIRECTORS**

### **EXECUTIVE DIRECTORS**

Mr. Raoof Razak Dhanani-Managing Director

Mrs. Suhcitra Dhanani-Whole Time Director

### **NON-EXECUTIVE INDEPENDENT DIRECTORS**

Mr. Thottappully Narayanan Unni-Chairperson

Mr. Saquib Salim Agboatwala

Mrs. Isha Garg

Mr. Abhay Chintaman Chaudhari

### **CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY**

Mr. Sandesh Khandelwal-Chief Financial Officer

Mr. Ankur Bindal- Company Secretary and Compliance Officer

### **AUDITORS**

#### **STATUTORY AUDITOR**

K.L. Vyas & Co.

Chartered Accountants

#### **SECRETARIAL AUDITOR**

Neelesh Gupta & Co.

Company Secretaries

### **REGISTERED OFFICE**

F1 C2 Sivavel Apartment No.2 Alagappa Nagar, Zamin Pallavaram, Chennai, Tamil Nadu-600117

E-mail ID- [cs@sayajigroup.com](mailto:cs@sayajigroup.com)

Website: [www.sayajihotels.com](http://www.sayajihotels.com)

CIN: L51100TN1982PLC124332

### **BANKERS**

Axis Bank Limited

### **SHARE TRANSFER AGENT**

Link Intime India Private Limited

C-101, 1<sup>st</sup> Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai, Maharashtra-400083

E-mail ID- [linkcs@linkintime.co.in](mailto:linkcs@linkintime.co.in)



## **COMMITTEES OF BOARD**

### **AUDIT COMMITTEE**

Mr. Thottappully Narayanan Unni-Chairperson  
Mrs. Suchitra Dhanani  
Mr. Saquib Salim Agboatwala  
Mrs. Isha Garg  
Mr. Abhay Chintaman Chaudhari

### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

Mr. Thottappully Narayanan Unni-Chairperson  
Mrs. Suchitra Dhanani  
Mr. Saquib Salim Agboatwala  
Mrs. Isha Garg  
Mr. Abhay Chintaman Chaudhari

### **NOMINATION AND REMUNERATION COMMITTEE**

Mr. Saquib Salim Agboatwala--Chairperson  
Mr. Thottappully Narayanan Unni  
Mrs. Isha Garg  
Mr. Abhay Chintaman Chaudhari

### **INDEPENDENT DIRECTORS COMMITTEE**

Mr. Thottappully Narayanan Unni-Chairperson  
Mr. Saquib Salim Agboatwala  
Mrs. Isha Garg  
Mr. Abhay Chintaman Chaudhari

### **BORROWING AND INVESTMENT COMMITTEE**

Mrs. Suchitra Dhanani-Chairperson  
Mr. Raof Razak Dhanani  
Mr. Saquib Salim Agboatwala

### **SCHEME IMPLEMENTATION COMMITTEE**

Mr. Raof Razak Dhanani  
Mrs. Suchitra Dhanani  
Mr. Thottappully Narayanan Unni  
Mr. Sandesh Khandelwal  
Mr. Ankur Bindal

## NOTICE

**NOTICE** is hereby given that the **40<sup>th</sup> Annual General Meeting** of the Members of **Sayaji Hotels Limited** will be held on **Thursday, 2<sup>nd</sup> Day of November, 2023 at 03:30 P.M. IST**, through Video Conferencing (“VC”) or Other Audio-Visual Means (“OAVM”) facility to transact the following business:

### **ORDINARY BUSINESS:**

#### **1. Adoption of Audited Financial Statements – Standalone:**

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2023 together with the reports of the Board of Directors and Auditors thereon and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** the audited Standalone Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2023, together with the reports of the Board of Directors and the Auditors thereon, be and are hereby received, considered and adopted.”

#### **2. Adoption of Audited Financial Statements – Consolidated:**

To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2023 together with the reports of the Auditors thereon and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2023 together with the reports of the Auditors thereon, be and are hereby received, considered and adopted.”

#### **3. Declaration of Dividend on 10% Cumulative Redeemable Preference Shares of Rs. 100 each:**

The Board of Directors of the Company have recommended to declare the dividend on 10% Cumulative Redeemable Preference Shares of the Company of Rs. 100/- each in the Board Meeting held on Wednesday, 4<sup>th</sup> day of October, 2023.

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Section 123, 88 of the Companies Act, 2013 read with relevant rules made thereunder with the consent of the members be and is hereby accorded for payment of dividend on 10% Cumulative Redeemable Preference Shares of the Company of Rs. 100/- each to all the preference shareholders whose names appear in the Register of Members as on the record date i.e. 20<sup>th</sup> October, 2023.

**RESOLVED FURTHER THAT** a separate bank account be opened with the Axis Bank Limited at Vijay Nagar, Indore Branch for depositing the total amount of dividend and to make payment of dividend to the preference shareholders of the Company.

**RESOLVED FURTHER THAT** any of the Director or Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary and expedient to give effect to this resolution.”

*Mrs. Suchitra Dhanani and Mr. Raoof Razak Dhanani being interested shall not vote in this matter*

**4. Re-appointment of Mrs. Suchitra Dhanani (DIN: 00712187) as a Director liable to retire by rotation:**

Based on the terms of appointment, Executive Directors and the Non-Executive Directors (other than Independent Directors) are subject to retirement by rotation. Mrs. Suchitra Dhanani (DIN: 00712187), who have been as Director (Category – Executive, Whole Time Director) since 6<sup>th</sup> February, 2014 and reappointed on 6<sup>th</sup> February, 2023 and whose office is liable to retire at this Annual General Meeting, being eligible, seeks re-appointment. Based on the performance evaluation, the Board recommends her re-appointment.

Therefore, the Members are requested to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and in accordance with the Articles of Association of the Company, Mrs. Suchitra Dhanani (DIN: 00712187), who retires by rotation at this Annual General Meeting and being eligible, has offered herself for re-appointment, be and is hereby re-appointed as a Director of the Company.”

*Mrs. Suchitra Dhanani and Mr. Raoof Razak Dhanani being interested shall not vote in this matter*

**5. Appointment of M/s Manish Joshi & Associates., Chartered Accountants (Firm Registration. No. 011631C) as Statutory Auditors of the Company and to fix their remuneration:**

The Board recommended to appoint M/s Manish Joshi & Associates., Chartered Accountants (Firm Registration. No. 011631C) as Statutory Auditors of the Company to hold office for a period of 5 (five) consecutive financial years, from the conclusion of this Annual General Meeting till the conclusion of 45<sup>th</sup> Annual General Meeting of the Company to be held in the year 2028 on such remuneration as may be mutually agreed by and between the Board of Directors of the Company and the Auditor of the Company.

To consider and if thought fit, to pass the following resolution as on **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 139, 141, 142 and other applicable provision, if, any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s Manish Joshi & Associates., Chartered Accountants (Firm Registration. No. 011631C) be and is hereby appointed as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of this Annual General Meeting till the conclusion of the 45<sup>th</sup> Annual General Meeting of the Company to be held in the year 2028, at such remuneration as may be decided

by the Board of Directors of the Company (or any committee thereof) in consultation with the Statutory Auditors.

**RESOLVED FURTHER THAT** any of the Director or Key Managerial Personnel of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary and expedient to give effect to this resolution.”

**SPECIAL BUSINESS:**

**6. Redemption of 10% fully paid-up Cumulative Redeemable Preference Shares of Rs. 100/- each pursuant to Section 55 of the Companies Act, 2013:**

The Board recommended to redeem the 10% fully paid-up Cumulative Redeemable Preference Shares of the Company of Rs. 100/- each pursuant to the provisions of Section 55 of the Companies Act, 2013 read with Rule 9 of the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in this regard.

To consider and of thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 55 and other applicable provisions of the Companies Act, 2013 read with Rule 9 of the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) consent of the members of the Company be and is hereby accorded for redemption of 10,00,000 10% fully paid-up Cumulative Redeemable Preference Shares of Rs. 100/- each which were issued at a premium of Rs. 50/- each and be redeemed at Rs. 220/- each.

**RESOLVED FURTHER THAT** any of the Director or Key Managerial Personnel of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary and expedient to give effect to this resolution and also to such forms as may be required.”

*Mrs. Suchitra Dhanani and Mr. Raoof Razak Dhanani being interested shall not vote in this matter*

**By order of the Board of Directors  
For Sayaji Hotels Limited**

**4<sup>th</sup> October, 2023  
Indore**

**Ankur Bindal  
Company Secretary and Compliance Officer**

## Notes

1. The Ministry of Corporate Affairs (MCA) vide its General Circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 14, 2021, December 28, 2022 and September 25, 2023 (collectively referred to as MCA Circulars) has permitted the holding of the Annual General Meeting (AGM) through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM), without the physical presence of the Members at a common venue. Further, the Securities and Exchange Board of India (SEBI) vide its circulars dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023 and October 7, 2023 (SEBI Circulars) has provided certain relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015 (SEBI Listing Regulations).
2. In compliance with the applicable provisions of the Companies Act, 2013 (the Act), the SEBI Listing Regulations and the MCA Circulars, the 40<sup>th</sup> AGM of the Company is being held on **Thursday, 2<sup>nd</sup> Day of November, 2023 at 03:30 P.M. (IST)**. The deemed venue of the proceedings of the 40<sup>th</sup> AGM shall be the Registered Office of the Company at F1 C2 Sivavel Apartment No. 2, Alagappa Nagar, Zamin Pallavaram, Chennai, Tamil Nadu- 600117.
3. Pursuant to the Provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his /her behalf and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC or OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for this AGM and hence The Proxy Form, Attendance Slip and Route map of AGM are not annexed to this notice.
4. Corporate Members and Institutional Investors intending to appoint their authorized representatives pursuant to Section 113 of the Act to attend the AGM through VC/OAVM or to vote through remote e-Voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at [neeleshcs2004@yahoo.co.in](mailto:neeleshcs2004@yahoo.co.in) with a copy marked to [evoting@cdslindia.com](mailto:evoting@cdslindia.com) and [cs@sayajigroup.com](mailto:cs@sayajigroup.com).
5. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
7. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and

Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

8. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA and SEBI Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronics means, as the authorized e-voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
9. Pursuant to the MCA and SEBI Circulars, the Annual Report including the Notice of the AGM for FY 2022-23 is being sent by electronic mode to all the Members whose e-mail addresses are registered with the Company/ Depository Participants (DPs). The Company shall send a physical copy of the Annual Report to those Members who specifically request for the same at [cs@sayajigroup.com](mailto:cs@sayajigroup.com) mentioning their Folio No./ DP ID and Client ID. The Notice convening the 40<sup>th</sup> AGM has been uploaded on the website of the Company at [www.sayajihotels.com](http://www.sayajihotels.com) and may also be accessed from the relevant section of the websites of the Stock Exchange i.e. Bombay Stock Exchange (BSE Limited) at [www.bseindia.com](http://www.bseindia.com) and the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).
10. The relevant details, pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on General Meetings issued by The Institute of Company Secretaries of India (SS-2), in respect of the Director seeking re-appointment at this AGM are also annexed. Requisite declarations have been received from the Director seeking re-appointment.

#### **11. Updation of PAN and other details:**

SEBI vide its Circular dated March 16, 2023, mandated furnishing of PAN, KYC details (i.e. Postal Address with Pin Code, mobile number, bank account details) and Nomination by holders of physical securities through Form ISR-1, Form ISR-2, Form ISR-3, Form SH-13 and Form SH-14 (as applicable). Moreover, shareholders are encouraged to register their e-mail IDs to avail online services. The said forms are available on the Company's website at <https://sayajihotels.com/investors/> and on the website of the RTA at <https://linkintime.co.in/downloads.html>. In terms of above Circular, folios of physical shareholders wherein any one of the said details such as PAN, KYC details and nomination are not available, shall be frozen with effect from October 1, 2023 and such physical shareholders will not be eligible to lodge grievances or avail service requests from the RTA of the Company and will not be eligible for receipt of dividend in physical mode until the said details are furnished. Further, as per the above SEBI circular, the frozen folios shall be referred by RTA/ Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and Prevention of Money Laundering Act, 2002, after December 31, 2025. Accordingly, the Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination. In view of the above, Members holding shares of the Company in physical form are requested to go through the requirements on the website of the Company at <https://sayajihotels.com/investors/> to furnish the requisite details.



12. Members are also requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/ mobile numbers, PAN, registration of nomination, power of attorney registration, Bank Mandate details, etc. to their DPs in case the shares are held in electronic form and to the Registrar at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) in case the shares are held in physical form, quoting their folio number. Changes intimated to the DP will then be automatically reflected in the Company's records.
13. Members may please note that SEBI vide its Circular dated January 25, 2022 has mandated the Listed Companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/ folios; Transmission and Transposition.
14. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the website of the Company at <https://sayajihotels.com/investors/> and on the website of the RTA at <https://linkintime.co.in/downloads.html>. It may be noted that any service request can be processed only after the folio is KYC Compliant.
15. In accordance with Regulation 40 of the SEBI Listing Regulations, as amended, all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to get inherent benefits of dematerialization, members holding shares of the Company in physical form, are requested to kindly get their shares converted into dematerialized form. Members can contact Company's RTA at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) for assistance in this regard.
16. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record fresh nomination, he/she may submit the same in Form ISR-3 or Form SH-14, as applicable. The said forms can be downloaded from the Company's website at <https://sayajihotels.com/investors/> and from the website of the RTA at <https://linkintime.co.in/downloads.html>. Members are requested to submit the said form to their DP in case the shares are held by them in electronic form and to the RTA at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) in case the shares are held in physical form, quoting their folio no.
17. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
18. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long.

19. During the 40<sup>th</sup> AGM, Members may access the electronic copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act and the other relevant documents and explanatory statement, by writing in advance to the Company on [cs@sayajigroup.com](mailto:cs@sayajigroup.com) stating their DP/ Client ID or Folio Nos.

### **THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

**Step 1 :** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on 28<sup>th</sup> October, 2023 at 9:00 A.M. IST and ends on 1<sup>st</sup> November, 2023 at 5:00 P.M. IST. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 20<sup>th</sup> day of October, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December, 2020** under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1 :** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.



Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for</li> </ol>

<p>Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b></p>	<p>IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p> <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
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**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10 digits alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"><li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li></ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"><li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li></ul>

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the Sayaji Hotels Limited on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload Board Resolution/Power of Attorney if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively, Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [neelshcs2004@yahoo.co.in](mailto:neelshcs2004@yahoo.co.in) and

[cs@sayajigroup.com](mailto:cs@sayajigroup.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.

3. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
4. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 (seven) days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [cs@sayajigroup.com](mailto:cs@sayajigroup.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 (seven) days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [cs@sayajigroup.com](mailto:cs@sayajigroup.com). These queries will be replied to by the company suitably by email.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
8. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
9. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.

**ANNEXURE 1**

**INFORMATION REGARDING THE DIRECTORS PROPOSED FOR APPOINTMENT/RE-APPOINTMENT PURSUANT TO REGULATION-36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

<b>S. No.</b>	<b>Particulars</b>	
1.	Brief resume of the directors	
	Name of Director	Mrs. Suchitra Dhanani
	Designation	Whole-Time Director
	DIN	00712187
	Age	59 Years
	Nationality	Indian
	Qualification	Bachelor's degree in Home science and qualified as Master in Social Works
	Date of appointment	6 <sup>th</sup> February, 2023 (originally appointed in 6 <sup>th</sup> February, 2014)
2.	Nature of expertise in specific functional areas	She is having an experience of over 25 years in Hotel Management and Administration.
3.	Disclosure of relationships between directors inter-se.	Mrs. Suchitra Dhanani is relative of Mr. Raof Razak Dhanani, Managing Director of the Company.
4.	Shareholding of directors in the Company including shareholding as a beneficial owner, if any.	As on 31 <sup>st</sup> March, 2023, Mrs. Suchitra Dhanani holds 15,24,029 Equity Shares (8.70%) and 1,25,000 Preference Shares (12.50%) of the Company.
5.	List of Directorships held in other companies (including listed companies)	<ul style="list-style-type: none"> <li>a) Barbeque-Nation Hospitality Limited</li> <li>b) Sayaji Hotels (Pune) Limited</li> <li>c) Sayaji Hotels Management Limited</li> <li>d) Malwa Hospitality Private Limited</li> <li>e) Sayaji Hotels (Indore) Limited</li> <li>f) Aries Hotels Private Limited</li> <li>g) Sayaji Housekeeping Services Limited</li> <li>h) GPT Project Management Consultants Private Limited</li> <li>i) Ahilya Hotels Limited</li> <li>j) Alter Vegan Foods Private Limited</li> </ul>
6.	Names of listed entities in which the person also holds the directorship	Promoter and Director in Barbeque-Nation Hospitality Limited
	Chairmanships/Memberships of the Committees of other Listed companies as on March 31, 2023	
	<b>Membership/Chairmanship into the Barbeque-Nation Hospitality Limited</b>	

	Audit Committee	-
	Nomination and Remuneration Committee	-
	Stakeholder Relationship Committee	-
	Corporate Social Responsibility Committee	Member
7.	Name of listed entities from which the director has resigned in the past three years	-



## ANNEXURE 2

### **EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF SPECIAL BUSINESS**

#### **Item No. 5:**

The Members of the Company at the 35<sup>th</sup> Annual General Meeting ('AGM') held on September 28, 2018 approved the appointment of M/s K.L. Vyas & Co., Chartered Accountants (Firm Registration No. 00329C), as the Statutory Auditors of the Company for a term of five consecutive years from the conclusion of the said AGM until the conclusion of 40<sup>th</sup> Annual General Meeting of the Company.

The Board of Directors on the recommendation of the Audit Committee has proposed the appointment of M/s. Manish Joshi & Associates, Chartered Accountants (Firm Registration No. 011631C), as the Statutory Auditors of the Company for a term of five consecutive years from the conclusion of 40<sup>th</sup> AGM till the conclusion of the 45<sup>th</sup> AGM, for the approval of the Members on such remuneration as may be mutually agreed by and between the Board of Directors and Auditors of the Company.

The Audit Committee and the Board has considered factors like vast audit experience of the firm in various segments, market standing of the firm, qualifications and experience of the partners of the firm, engagement team's experience, clientele served, sound technical knowledge, etc. and found the expertise of M/s. Manish Joshi & Associates suitable to handle the statutory audit of the Company.

M/s. Manish Joshi & Associates have given their consent to act as the Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Companies Act, 2013 and that they are not disqualified to be appointed as statutory auditor in terms of the provisions of the Companies Act or the Chartered Accountants Act, 1949 and the rules or regulations made thereunder. As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s. Manish Joshi & Associates, has confirmed that they hold a valid certificate issued by the Peer Review Board of ICAI.

None of the Directors and Key Managerial Personnel or their relatives are in anyway concerned or interested in passing of the above resolution. The Board recommends the Resolution as set out in Item No. 5 to be approved by the shareholders by way of Ordinary Resolution

#### **Item No. 6:**

The Company had issued 10,00,000 10% Cumulative Redeemable Preference shares of Rs. 100/- each (Rupees One Hundred) at a price of Rs. 150/- (Rupees One Hundred Fifty) per share which includes the premium of Rs. 50/- (Rupees Fifty) per share which were redeemable after 5 years. However, later on, the duration of redemption was extended for a further period of 5 years with the consent of preference shareholders of the company.

The Company in its duly convened board meeting held on 4<sup>th</sup> October, 2023 approved the redemption of said preference shares at a premium of Rs. 70/- (Rupees Seventy) per share aggregating to Rs. 220/- (Rupees Two Hundred Twenty) per share on redemption.

Following are the list of Preference Shareholders whose shares are due for redemption:

<b>Sr. No.</b>	<b>Name of the Preference Shareholders</b>	<b>No. of Preference Shares</b>
1.	Saba Raof Dhanani	1,25,000
2.	Zuber Yusuf Dhanani	1,25,000
3.	Azhar Yusuf Dhanani	1,25,000
4.	Sadiya Dhanani	1,25,000
5.	Sanya Dhanani	1,25,000
6.	Suchitra Dhanani	1,25,000
7.	Kayum Dhanani	1,25,000
8.	Akanksha Dhanani	1,25,000
	<b>Total</b>	<b>10,00,000</b>

Further, pursuant to the provisions of Section 55 and other applicable provisions of the Companies Act, 2013, no preference shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption and no such shares shall be redeemed unless they are fully paid.

Further, the Preference Shareholders at their duly convened meeting on 5<sup>th</sup> October, 2023 have also approved the said redemption.

In light of the above, your directors recommend to pass necessary resolution as set out in Item No. 6 of the notice as an Ordinary Resolution.

**By order of the Board of Directors  
For Sayaji Hotels Limited**

**4<sup>th</sup> October, 2023  
Indore**

**Ankur Bindal  
Company Secretary and Compliance Officer**

## DIRECTOR'S REPORT

**TO,  
THE MEMBERS  
SAYAJI HOTELS LIMITED**

The Board of Directors of your Company, with extensive gratification is presenting the 40<sup>th</sup> Annual Report of your Company for the year ended 31<sup>st</sup> March, 2023.

### FINANCIAL HIGHLIGHTS

The financial performance on the basis of Standalone & Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2023 is summarized as below:

Particulars	Standalone (Rs. In Lakhs)		Consolidated (Rs. In Lakhs)	
	Current Financial Year 31.03.2023	Previous Financial Year 31.03.2022	Current Financial Year 31.03.2023	Previous Financial Year 31.03.2022
Revenue from Operations	26345.80	16106.44	26628.05	16314.92
Other Income	2927.63	2830.25	485.44	885.00
<b>Total income</b>	<b>29273.43</b>	<b>18936.69</b>	<b>27113.49</b>	<b>17199.92</b>
<b>Total Operating Expenditure</b>	<b>18685.22</b>	<b>11377.92</b>	<b>18827.93</b>	<b>11580.50</b>
<b>Profit/(loss) before Depreciation, Finance costs, Exceptional items and tax expense</b>	<b>10588.21</b>	<b>7558.77</b>	<b>8285.56</b>	<b>5619.42</b>
Less: Depreciation/Amortization/Impairment	2017.44	2340.03	2017.49	2411.31
<b>Profit/(Loss) before Finance cost, Exceptional items and Tax Expense</b>	<b>8570.77</b>	<b>5218.74</b>	<b>6268.07</b>	<b>3208.11</b>
Less: Finance Costs	1151.47	1849.47	1169.89	1959.04
<b>Profit/(loss) before Exceptional items and Tax Expense</b>	<b>7419.30</b>	<b>3369.27</b>	<b>5098.18</b>	<b>1249.07</b>
Add/(less): Exceptional items	-	-	-	4361.24
<b>Profit /(Loss) before Tax Expense and Share of Profit/(Loss) of the Associates</b>	<b>7419.30</b>	<b>3369.27</b>	<b>5098.18</b>	<b>5610.31</b>
Share of Profit/(Loss) of the Associates	-	-	506.55	(989.15)
<b>Profit /(Loss) before Tax Expense</b>	<b>7419.30</b>	<b>3369.27</b>	<b>5604.73</b>	<b>4621.16</b>
Less: Tax Expense - Current & Deferred	1910.15	723.15	2095.24	1315.88
<b>Profit/ (loss) for the year (1)</b>	<b>5509.15</b>	<b>2646.12</b>	<b>3509.49</b>	<b>3305.28</b>
<b>Other Comprehensive Income/(loss)(2)</b>	<b>(26.34)</b>	<b>114.53</b>	<b>(46.22)</b>	<b>60.24</b>
<b>Total (1+2)</b>	<b>5482.81</b>	<b>2760.65</b>	<b>3463.27</b>	<b>3365.52</b>

## PERFORMANCE

The annexed Management Discussion and Analysis Report forms part of this report and covers, amongst other matters, the performance of the Company during the Financial Year 2022-23 as well as the future outlook.

## DIVIDEND

During the year under review, the Board of Directors of the Company have decided to recommend and declare, subject to the approval of the shareholders, the dividend on 10% fully paid-up Cumulative Redeemable Preference Shares of the Company of Rs. 100/- each and the same shall be paid to all the preference shareholders whose names appear in the Register of Members as on the record date i.e. 20<sup>th</sup> day of October, 2023.

## TRANSFER TO RESERVES

During the year under review, the Board of Directors have decided to distribute dividend on 10% Cumulative Redeemable Preference Shares of the Company and then to partly redeem the same from the net profit of the Company instead of transferring it to the reserves.

## CAPITAL STRUCTURE

As on the financial year ended 31<sup>st</sup> March, 2023, the:

- **Authorized Share Capital**

The authorized share capital of the Company is Rs. 40,00,00,000/- divided into 3,00,00,000 (Three Crores) Equity Shares of Rs.10/- each and 10,00,000 (Ten Lakhs) Preference shares of Rs. 100/- each.

- **Paid Up Share Capital**

The Paid-up equity share capital of the Company is Rs. 27,51,80,000 comprising of 1,75,18,000 Equity shares of 10/- each and 10,00,000 Preference shares of Rs. 100/- each.

During the year under review, the Company has not issued shares with differential voting right neither granted stock option nor sweat equity. Further the Company not issued any debenture bonds and any non-convertible securities.

The Company's equity shares are listed with the Bombay Stock Exchange Limited.

## REDEMPTION OF 10% CUMULATIVE REDEEMABLE PREFERENCE SHARES

The Board of Directors of the company had approved the redemption of its 10% fully paid-up Cumulative Redeemable Preference Shares of Rs. 100/- each pursuant to the provisions of Section 55 of the Companies Act, 2013 read with Rule 9 of the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

## DEPOSITS FROM PUBLIC

During the year, your Company did not accept any public deposits as provided under Chapter V of the Companies Act, 2013 ("Act") read with the rules made thereunder as such and no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

## **LOAN FROM DIRECTORS**

During the year under review the Company has not received any amount as loan from director of the Company.

## **REVISION IN FINANCIAL STATEMENTS OR BOARDS' REPORT UNDER SECTION 131 (1) OF THE COMPANIES ACT, 2013**

In terms of Section 131 of the Act, the Financial Statements and Board's Report are in compliance with the provisions of Section 129 or Section 134 of the Act and that no revision has been made during any of the three preceding financial years.

## **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

Provisions of Section 186 of the Act for loans given, investments made or guarantees or security provided is not applicable on your Company, being in exempt list for providing infrastructural facilities in terms of Schedule VI of the Act.

## **UPGRADATION AND ADDITIONS:**

M/s Sayaji Hotels Management Limited ("SHML"), a Wholly Owned Subsidiary of the Company, has signed and entered into 13 (Thirteen) Management Agreement for the expansion of its Brand by having new properties in Amravati, Pithampur, Sanwer road Indore, Aurangabad, Gwalior, Harda, Hoshangabad, Lonavala, Rewa, Sangli, Sasan Gir, Satara, Tadoba.

This expansion plan will lead to an addition of around 650 new rooms and an overall increase of 1000 rooms into the portfolio by the fiscal 2022-23. It aims at strengthening and increasing presence on PAN India basis.

## **COMPOSITE SCHEME OF AMALGAMATION AND ARRANGEMENT**

The Composite Scheme of Amalgamation and Arrangement ('the Scheme') provides for:

- i.** The amalgamation of Ahilya Hotels Limited (Transferor Company 1) into Sayaji Hotels Limited on a going concern basis and reduction and cancellation of Share Capital of Sayaji Hotels Limited in the manner set out in the Scheme.
- ii.** Demerger, transfer and vesting of the Demerged Undertakings from Sayaji Hotels Limited to Sayaji Hotels (Indore) Limited [Formerly known as Sayaji Hotels (Vadodara) Limited] (Resulting Company 1) and Sayaji Hotels (Pune) Limited (Resulting Company 2) collectively referred to as Resulting Companies and reduction of share capital thereof.
- iii.** The amalgamation of Sayaji Hotels Management Limited (Transferor Company 2) into Sayaji Hotels Limited on a going concern basis.

The Hon'ble National Company Law Tribunal, Chennai Bench ("NCLT") vide its order dated 11<sup>th</sup> July, 2023 has sanctioned the scheme and the same was filed with the Registrar of Companies on 1<sup>st</sup> August, 2023 ("**Effective date**").

Pursuant to the Scheme, the Transferor Company 1 & 2 is dissolved without winding up and the Resulting Company 1 & 2 stands demerged from Sayaji Hotels Limited. The shares of the Resulting Company 1 & 2 are going to be listed on the Designated Stock Exchange. As consideration of the Amalgamation, the Company has allotted 24,54,977 (Twenty-Four Lakh Fifty-Four Thousand Nine Hundred Seventy-Seven

only) Equity Shares of Rs. 10/- each to the shareholders of Transferor Company 1, as on record date i.e. 28<sup>th</sup> July, 2023 and the cross holding of the Company has been cancelled.

The Company had also obtained the listing approval as well as trading approval vide BSE intimation letter dated 9<sup>th</sup> August, 2023 and 23<sup>rd</sup> August, 2023 respectively. Since Transferor Company 2 was a wholly owned subsidiary of the Company, there were no issue of shares as consideration for the amalgamation of Transferor Company 2 with the Company in terms of the Scheme.

The Resulting Company 1 and 2 had allotted 30,46,605 (Thirty Lakhs Forty-Six Thousand Six Hundred Five) equity shares and 8 (Eight) preference shares each to the shareholders of Sayaji Hotels Limited as per the approved scheme as on record date i.e. 5<sup>th</sup> September, 2023 and filed the application to BSE Limited for obtaining approval for listing of its securities at the stock exchange. As on the date of this report, the approval from stock exchange for admission of its securities is awaited.

## PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has a policy and framework for employees to report sexual harassment cases at workplace and our process ensures complete anonymity and confidentiality of information. The said policy can be accessible through <https://sayajihotels.com/images/pdf/policies/policy-on-sexual-harassment.pdf>

The Company has zero tolerance towards sexual harassment at the workplace and towards this end, has adopted a policy in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. All employees (permanent, contractual, temporary, trainees) are covered under the said policy. Internal Complaints Committees has also been set up to redress complaints received on sexual harassment.

During the year under review, the Company has not received any complaint of sexual harassment from the women employees of the Company and no complaint was pending at the end of the year.

## SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

As on 31<sup>st</sup> March, 2023, your Company has 4 (four) wholly owned Subsidiaries and 1(One) Associate Company which are here as under:

Wholly Owned Subsidiary Companies	Associate Company
Sayaji Hotels Management Limited	Barbeque Nations Hospitality Limited
Sayaji Hotels (Pune) Limited	
Sayaji Hotels (Indore) Limited*	
Sayaji Housekeeping Services Limited	

\* Formerly Known as Sayaji Hotels (Vadodara) Limited

During the year under review, Intellistay Hotels Private Limited ceased to be the Associate Company as the entire amount of investment of Sayaji Hotels Management Limited has been written-off against loss on impairment of investment.

In accordance with Section 129(3) of the Act read with Rule 8(1) of Companies (Accounts) Rules, 2014, the consolidated financial statements of the Company and all its subsidiaries and associates have been prepared by the Company and a separate statement containing the salient features of the financial statement of its subsidiaries and associate company in form AOC-1 is attached as 'Annexure-1' to this Annual Report.

In terms of provisions of Section 136 of the Act, separate audited accounts of the subsidiary companies shall be available on Company's website <https://sayajihotels.com/investors/>. The Company will make available physical copies of these documents upon request by any shareholder of the Company interested in obtaining the same and are available for inspection by any Member of the Company at the Registered Office of the Company.

## **CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES**

The Board of Directors formulated a Corporate Social Responsibility (CSR) Policy for your Company pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), on the recommendations of the CSR Committee. The policy encompasses the Company's philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainable development of the community at large. CSR Policy is placed on the Company's website at [https://sayajihotels.com/images/pdf/policies/Corporate\\_Social\\_Responsibility\\_Policy.pdf](https://sayajihotels.com/images/pdf/policies/Corporate_Social_Responsibility_Policy.pdf) and as the average net profit of the Company for last 3 years does not fall under the defined limits of the Act, hence there is no liability on the Company to incur expenditure on CSR activities as prescribed u/s 135 and Schedule VII of the Companies Act, 2013 hence is not required to provide particulars of CSR during the Financial Year 2022-23.

## **PROHIBITION OF INSIDER TRADING**

The Company had in place a mechanism to avoid Insider Trading and abusive self-dealing in the securities of the Company by the Directors of the Company and other designated persons.

For the above mentioned purpose, the Company has established systems and procedures to prohibit insider trading activity and has framed a **Code of Conduct to Regulate, Monitor and Report trading by insiders and Code of Fair Practices and Procedures for disclosure of Unpublished Price Sensitive Information (UPSI)** ("Code of Conduct") as per the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations), which prohibits the Directors of the Company and other designated persons to deal in the securities of the Company on the basis of any UPSI, available to them by virtue of their position in the Company. The objective of this Code of Conduct is to prevent misuse of any UPSI and prohibit any insider trading activity, in order to protect the interest of the shareholders at large.

A report on compliance of Minimum Standards for Code of Conduct and details of violation are placed before the Board on annual basis.

The Code of conduct are available on the website of the Company at [https://sayajihotels.com/images/pdf/Annexure\\_1\\_Code\\_of\\_Conduct.pdf](https://sayajihotels.com/images/pdf/Annexure_1_Code_of_Conduct.pdf), [https://sayajihotels.com/images/pdf/Annexure\\_2\\_Code\\_of\\_Fair\\_Disclosure.pdf](https://sayajihotels.com/images/pdf/Annexure_2_Code_of_Fair_Disclosure.pdf)

## **BOARD OF DIRECTORS AND OTHER KEY MANAGERIAL PERSONNEL**

As at 31<sup>st</sup> March, 2023, the composition of the Board of Directors was in accordance with the provisions of Section 149 of the Act and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with an optimum combination of Executive, Non-Executive and Independent Directors.

As on the date of this Annual Report, the Board of Directors of the Company consists of 6 members. The Board consists of Managing Director, Whole time Director and 4 Independent Directors and Key Managerial personnel as under:



Sr. No.	Name	Designation
1.	Mr. Thottappully Narayanan Unni	Independent Director, Chairman
2.	Mr. Raoof Razak Dhanani	Managing Director
3.	Mrs. Suchitra Dhanani	Whole Time Director
4.	Mrs. Isha Garg	Independent Director
5.	Mr. Saquib Salim Agboatwala	Independent Director
6.	Mr. Abhay Chintaman Chaudhari	Independent Director
7.	Mr. Sandesh Khandelwal	Chief Financial Officer
8.	Mr. Ankur Bindal	Company Secretary and Compliance Officer

## CHANGES IN THE COMPOSITION OF BOARD OF DIRECTORS

During the year under review, no changes were made in the Composition of Board of Directors.

## STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS

Pursuant to the provisions of Section 149 of the Act, all the Independent Directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In terms of Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, they have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. Also pursuant to Rule 6(3) of Companies (Appointment and Qualification of Directors) Rules, 2014. they declared that the provisions of Sub-Rule (1) and Sub-Rule (2) of Rule 6 of the said rules has been complied with.

The Board of Directors, after considering due assessment of the veracity of the declaration submitted by the Independent Directors under sub section (6) of Section 149 of the Act read with sub-regulation (9) of Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements), was of the opinion that all the Independent Directors meet the criteria of independence and have adequate expertise, integrity, proficiency and experience for discharging their duties.

## FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTOR

Your Company believes that a Board which is well familiarized with the Company and its affairs, can contribute significantly to effectively discharge its role of trusteeship in a manner that fulfils stakeholders' aspirations and societal expectations. In pursuit of this, the Directors of the Company are updated on changes/developments in the domestic/global corporate and industry scenario including those pertaining to statutes/legislations & economic environment and on matters significantly affecting the Company, to understand their roles and responsibilities, nature of the industry in which the Company operates, business model of the Company which enable them to take well informed and timely decisions.

All Independent Directors are taken through a detailed induction and familiarization programme when they join the Board of your Company and are provided with induction kits which, inter alia, include the Company's Memorandum and Articles of Association, Code of Conduct of Board of Directors, Code of Conduct for Prevention of Insider Trading and other relevant documents. Updates on relevant statutory changes are briefed to the Directors at their meeting.

Apart from the above, the Directors are also given an update on the environmental and social impact of the business, corporate governance, regulatory developments and investor relations matters.



Further, during the year, presentations were also made from time to time at the Board and its committee meetings, on regular intervals, covering the business and financial performance of the Company, business outlook and budget, expansion plans, succession plans etc. The details of familiarization programme attended by Independent Directors is available on the website at [https://sayajihotels.com/images/pdf/policies/Familiarization\\_programme\\_for\\_Independent\\_directorspdf.pdf](https://sayajihotels.com/images/pdf/policies/Familiarization_programme_for_Independent_directorspdf.pdf)

## **SEPARATE MEETING OF INDEPENDENT DIRECTORS AND PERFORMANCE EVALUATION OF BOARD BY THEM**

During the year under review, a separate meeting of Independent Directors was held on 14<sup>th</sup> February, 2023 without the presence of non-independent directors and members of the management pursuant to Schedule V of the Act and Regulation 25(3) and (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, details of which is present in the Corporate Governance Report forming part of this Annual Report.

## **RETIREMENT BY ROTATION**

Mrs. Suchitra Dhanani, Whole time Director will retire by rotation at the ensuing Annual General Meeting ('AGM') of your Company and being eligible, offers herself for re-appointment in accordance with the provisions of Section 152 (6) of the Act read with Articles of Association of the Company.

The disclosure pertaining to the director being re-appointed as required pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards – 2 is given in the explanatory statement to the Notice convening the AGM, forming part of this Annual Report.

## **MEETINGS OF THE BOARD AND ITS EFFECTIVENESS**

During the financial year under review, your Board has met Eight (8) times and details of the composition of the Board and its Committees and of the meetings held and attendance of the Directors at such meetings are provided in the Corporate Governance Report.

Further, the Company for effectiveness of Board process has adopted the Governance Guidelines which inter alia, cover aspects related to composition and role of the Board, Chairman and Directors, Board diversity, definition of independence, Director's term, retirement age and Committees of the Board. It also covers aspects relating to nomination, appointment, induction and development of Directors, Director's remuneration, Code of Conduct, Board Effectiveness Review and mandates of Board Committees

## **COMMITTEES OF THE BOARD OF DIRECTORS**

During the year under review, the Company has 5 (five) Committees as mentioned below and details with respect to the composition, charters and meeting held are given in detail in the Corporate Governance Report forming part of this Annual Report:

- Audit Committee
- Borrowing and Investment Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Scheme Implementation Committee

The details of Composition of the above-mentioned Committees are also available on the Company's website [https://sayajihotels.com/images/pdf/composition-various-committees/Composition\\_of\\_Committee\\_Meetings.pdf](https://sayajihotels.com/images/pdf/composition-various-committees/Composition_of_Committee_Meetings.pdf)

## POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

In accordance with Section 178 of the Act with Rule 6 of Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted a Nomination and Remuneration Committee (“NRC”), details of which has been disclosed in the Corporate Governance Report forming part of this Annual Report and your Company has also formulated a Nomination and Remuneration Policy (“NRC Policy”) in accordance with Section 178(3) of the Companies Act, 2013 for appointment and remuneration of Directors, Key Managerial Personnel (KMP) and senior management personnel, salient features of which are hereunder:

- NRC shall identify potential candidates who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down in the NRC Policy and to recommend the Board for their appointment and removal;
- NRC shall formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a NRC Policy, relating to the remuneration for the directors, key managerial personnel and other senior management person;
- NRC shall carry out an annual evaluation process of the Board performance and its Committees;
- NRC Policy contains provisions regarding retirement and the Board shall have the discretion in retain the Director, KMP, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, upon the recommendation of the NRC for the benefit of the Company;
- NRC policy ensures that the level and composition of remuneration is reasonable and sufficient to attract, retain, motivate and promote talent to run the Company successfully and ensures long term sustainability of talented managerial persons and create competitive advantage;
- NRC policy ensures relationship of remuneration to performance is clear and shall directly linked to their effort, performance, dedication and achievement relating to the Company's operations;
- NRC shall recommend remuneration for KMP (except WTD/MD) and Senior Management Personnel on the basis of the role and position of the individual employee, including professional experience, responsibility, job complexity and market conditions.

As per Section 134(3) and 178(4) of the Act, the web link of Nomination and Remuneration Policy of the Company is [https://sayajihotels.com/images/pdf/policies/Nomination\\_and\\_Remuneration\\_Policy.pdf](https://sayajihotels.com/images/pdf/policies/Nomination_and_Remuneration_Policy.pdf)

## AFFIRMATION ON COMPLIANCE WITH CODE OF CONDUCT OF THE COMPANY

Pursuant to Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors and Senior Management. In addition, the Company has also adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website at [https://sayajihotels.com/images/pdf/code-of-conduct/Code\\_of\\_Conduct\\_for\\_Board\\_and\\_Senior\\_Management\\_2.pdf](https://sayajihotels.com/images/pdf/code-of-conduct/Code_of_Conduct_for_Board_and_Senior_Management_2.pdf)

All Directors and members of Senior Management have as on 31<sup>st</sup> March 2023, affirmed their compliance with:

- Code of Conduct for Board of Directors and Senior Management
- Code for Independent Directors, as applicable.

The Company has obtained a Certificate from the Managing Director regarding compliances of the codes as stipulated above. The Certificate is appended as “Annexure – 2” to this Annual Report.

## **ANNUAL EVALUATION OF THE BOARD**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of your Company has carried out a formal annual evaluation of the performance of the Board as a whole, its Committees and of individual directors through a structured questionnaire, prepared after taking into consideration the guidance note issued by SEBI and ICSI on Board evaluation, covering various aspects of the Board's functioning, Committee effectiveness, director's efficiency on individual basis etc.

## **RISK MANAGEMENT**

The Company has an effective system in place for identification of elements of risk which are associated with the accomplishment of objectives, operations, development, revenue and regulations in relation to the Company and appropriate measures are taken, wherever required, to mitigate such risks beforehand.

The Company has specifically identified following risks and also preparing mitigation plans for each risk identified:

- Risk of business slowdown, inadequate growth and negative returns;
- Risk related to cyber security;
- Risk of deterioration of financial health and business interruption;
- Risk of inadequate compliance;
- Risk of Guest and Staff behavior; and
- Risk of impact on reputation and fraud.

Along with this Statutory as well as Internal Auditors report to the Audit Committee during their audit and highlight risks, if any, associated with organization and also suggest the appropriate measures, in consultation with the management and the Audit Committee, which can be taken by the Company in this regard. The Statutory Auditors also report to the Audit Committee of any instance of non-adherence to the procedures and manual which may increase the risk of frauds in the organization.

The Company has in place Risk Management Policy formulated in accordance with the provisions of Section 134(3)(n) of the Act, which is available at [https://sayjihotels.com/images/pdf/policies/Risk\\_Management\\_Policy.pdf](https://sayjihotels.com/images/pdf/policies/Risk_Management_Policy.pdf). There has been no change in the policy during the year under review.

## **MATERIAL DEVELOPMENTS IN HUMAN RESOURCE AND REMUNERATION OF EMPLOYEES**

Your Company firmly believes that a well-planned HRM program that is tailored to your organization and staff can actually improve your business's bottom line.

Our teams are integral to our business. We have embraced a culture of excellence and meritocracy to nurture our people. We believe in selecting the right talent, training them and instilling in them the spirit of Sayajiians. We focus on developing the most superior workforce so that the organization and individual employees can accomplish their work goals in service to customers. We aim also at achieving advance flexibility, innovation, competitive advantage and improved business performance.

Sayaji follows a performance measuring tool like Balance Score Card (BSC) and Key Performance Indicators (KPI), applicable depending on their position in the organization, by which periodical

evaluation of the employees' performance is done based on their area of working. This also encourage them to work hard and efficiently at all levels of work.

The Company has total number of permanent employees on roll as at 31<sup>st</sup> March, 2023 was 1433 across all its hotel units.

The information required under section 197(12) of the Act, read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is furnished in the 'Annexure – 3' to this Annual report.

Further, none of the employee in the Company falls under the provision of Section 197 (12) of the Companies Act, 2013 and Rule 5 (2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## **ADEQUACY OF INTERNAL FINANCIAL CONTROL SYSTEMS**

The Company has established an adequate system of internal controls, with documented procedures covering all corporate functions and hotel operating units. Internal controls provide:

- reasonable assurance regarding the effectiveness and efficiency of operations;
- the adequacy of safeguards for assets;
- assurance regarding reliability of financial statements;
- the reliability of financial controls and compliance with applicable laws and regulations.

The internal audit process provides a positive assurance to the Company about the internal financial control, it converges process framework, risk and control matrix and a scoring matrix, covering all critical and important functions inter-alia revenue management, hotel operations, purchase, finance, human resources and safety. It ensures that all the transactions are authorized, recorded and reported correctly and assets are safeguarded and protected against loss from unauthorized use or disposition.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the Internal, Statutory and Secretarial Auditors and external consultants and the reviews performed by management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during Financial Year 2022-23.

## **POLICIES**

The Company has adopted various policies under the Companies Act, 2013, SEBI (Prohibition of Insider Trading) Regulations, 2015, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws, which are given here below:

- Corporate Social Responsibility Policy
- Familiarization Programme for Independent directors
- Material Subsidiary Policy
- Related Party Transaction Policy
- Risk Management Policy
- Nomination and Remuneration Policy
- Policy for determination of materiality
- Policy for Preservation of the Documents and Archival of Documents
- Business Responsibility Policy
- Policy for Procedure of Inquiry in Case of Leak of Unpublished Price Sensitive Information ("UPSI")

- Whistle Blower & Vigil Mechanism Policy
- Policy on Sexual Harassment

All the policies are amended as required from time to time and are available at the Company's website under Investor's head which can be accessed through link: <https://sayajihotels.com/investors/>.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Act, the Directors of your Company, to the best of their knowledge and ability and based upon representations from the Management, hereby confirm that:

- in the preparation of the annual financial statements for the year ended 31<sup>st</sup> March, 2023, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- they have selected such accounting policies in consultation with Statutory Auditors and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs and loss of the company at the end of the Financial Year 2022-23;
- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they have prepared annual financial statements for year ended 31<sup>st</sup> March, 2023 on a going concern basis;
- they have laid down internal financial controls for your Company, which are adequate and operating effectively; and
- they have been devised proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

A statement to the effect is annexed here to as 'Annexure-4' forming part of this Annual Report.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

All the contracts, arrangements or transactions entered into during the year under review by the Company with related parties were in ordinary course of business and on an arm's length basis. Prior omnibus approval is obtained for related party transactions (RPT's) which are of a repetitive nature and entered in the Ordinary Course of Business and are at Arm's Length. A statement on RPTs specifying the details of the transactions, pursuant to each omnibus approval granted, has been placed on quarterly basis for review by the Audit Committee.

Since all the Related Party Transactions that were entered into during the financial year were on arm's length basis and in ordinary course of business. Therefore, the provisions of Section 188 of the Act are not applicable. Thus, the disclosure in Form AOC-2 is not required. Further, there are no materially significant Related Party Transactions during the year under review made by the Company with its Promoters, Directors, Key Managerial Personnel or other designated persons, which may have a potential conflict with the interest of the Company at large.

As per the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has framed a policy on dealing with RPTs which can be accessed on the Company's website under the link: [https://sayajihotels.com/images/pdf/Annexure\\_4\\_RPT\\_Policy.pdf](https://sayajihotels.com/images/pdf/Annexure_4_RPT_Policy.pdf). This Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions with the Related Parties.

## **AUDITORS**

### **STATUTORY AUDITOR**

M/s K.L. Vyas & Co., Chartered Accountants were re-appointed as Statutory Auditors of your Company at the 35<sup>th</sup> Annual General Meeting held on 28<sup>th</sup> September, 2018, for a term of five consecutive years till the financial year 2022-23. They have completed 10 years as Statutory Auditors of the Company. The provisions regarding rotation of auditors, as prescribed under the Act, are applicable to the Company. Hence, it is proposed to appoint M/s Manish Joshi and Associates, Chartered Accountants (Firm Registration No.: 011631C) as Statutory Auditors of the Company for a period of 5 consecutive years commencing from this Annual General Meeting till the Annual General Meeting of the Company to be held in 2028 to the members for their approval.

The Report given by the Auditors on the financial statements of the Company is part of this Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their report. During the year under review, the Auditors had not reported any matter under Section 143 (12) of the Companies Act, 2013.

### **SECRETARIAL AUDITOR**

The Board of Directors had appointed M/s Neelesh Gupta & Co., Practising Company Secretaries (COP No. 6846) in accordance with provisions of Section 204 of the Companies Act, 2013 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to conduct Secretarial Audit and Annual Secretarial Compliance Report for the financial year 2022-23 whose report is attached separately to this report as “Annexure 5” of this Report.

The Company has undertaken an audit for the year ended 31<sup>st</sup> March, 2023, pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for all applicable compliances as per the said Regulations. The Annual Secretarial Compliance Report duly signed by Mr. Neelesh Gupta, Practising Company Secretary is available on the website of the Company at <https://sayajihotels.com/investors/>.

### **COST AUDITOR**

The Company is not required to maintain cost records and conduct cost audit in accordance with Section 148(1) of the Act read with Rule 3 of the Companies (Cost Record and Audit) Rules, 2014 as the services of the Company are not covered under the said rules and limits.

## **CORPORATE GOVERNANCE**

Your Company has been practicing the principles of good corporate governance and is committed to maintain high standards of the corporate ethics and professionalism. The tenets of inclusiveness and transparency are integral part of our corporate governance practices.



In compliance with the provisions of Regulations 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a report on Corporate Governance is available as a separate section in this Annual Report.

A certificate pursuant to Para E Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, from M/s K. L Vyas and Company, Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached as ‘**Annexure - 6**’ to this Report.

## **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has adopted a Whistle Blower Policy, as part of vigil mechanism and has revised the Whistle Blower policy in the meeting of Board in confirmation with Section 177(9) of the Act and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to provide Directors and employees an avenue to lodge Complaints, in line with the commitment of Company to the highest possible standards of ethical, moral and legal business conduct and its commitment to open communication and to provide necessary safeguards for protection of employees from reprisals or victimization, for whistle-blowing in good faith.

The purpose of this policy is to provide a framework to protect employees wishing to raise a concern about serious irregularities within the Company. It is affirmed that no personnel of the Company have been denied to access to the Chairman of Audit Committee.

The details of the policy have been disclosed in the Corporate Governance Report, which forms a part of the Annual Report and is also available on [https://sayajihotels.com/images/pdf/whistle-blower-vigil-mechanism/Whistle Blower Vigil Mechanism Policy.pdf](https://sayajihotels.com/images/pdf/whistle-blower-vigil-mechanism/Whistle_Blower_Vigil_Mechanism_Policy.pdf)

## **MANAGEMENT DISCUSSION & ANALYSIS**

Pursuant to the provisions of Regulation 34(2)(e) read with Para B Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management’s Discussion and Analysis Report on Company’s performance – industry trends and other material changes with respect to the Company and its subsidiaries, wherever applicable, forms part of this Annual Report.

## **MD & CFO CERTIFICATION**

In terms of Regulation 17(8) read with Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Managing Director and Chief Financial Officer of the Company have issued a certificate authenticating Financial Statements for the Financial Year 2022-23 which provides a true and fair view of the affairs of the Company and the said certificate dated 29<sup>th</sup> May, 2023 was placed before the Board in its meeting held on 29<sup>th</sup> May, 2023 and was reviewed and taken on record by the Board. The said Certificate is attached as “**Annexure - 7**” to this Annual Report. Since there’s no CEO in the Company, therefore certificate is taken from MD and CFO of the Company.

## **CONSOLIDATED FINANCIAL STATEMENTS**

Section 129(3) of the Companies Act, 2013, requires preparation of consolidated financial statements of the Company and of all the subsidiaries including associate company and joint venture businesses in the same form and manner as that of its own. In conformity with the above section and Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 the Company has prepared Consolidated Financial Statements which are forming part of this Annual Report.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGOES**

Your Company is continuously striving towards conservation of energy across all its units and has also earned foreign currency in Financial Year 2022-23, complete details with regard to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo in accordance with the provisions of Section 134 (3)(m) of the Companies Act 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014 has been disclosed in “**Annexure 8**” to this Annual Report.

## **COMPLIANCE WITH SECRETARIAL STANDARDS**

During the year under review, the Company has complied with Secretarial Standards on Board meeting and General meeting, as applicable on the Company, issued by Institute of Company Secretaries of India.

## **MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF FINANCIAL YEAR AND DATE OF REPORT**

There have been no material changes and commitments, affecting the financial position of the Company which occurred between the end of the financial year 2022-23 to which the financial statements relate and the date of this report except the approval of scheme of amalgamation and demerger as specified above in this report and approved by Hon’ble NCLT, Chennai Bench. Pursuant to the Scheme, the entire Indore business of the Company will be segregated and be run by the Sayaji Hotels (Indore) Limited (“**Resulting Company 1**”) and entire Baroda and Pune Business of the Company will now be run by Sayaji Hotels (Pune) Limited (“**Resulting Company 2**”).

## **DEMATERIALIZATION OF SHARES AND LIQUIDITY**

The Company’s shares are compulsorily traded in dematerialized form on BSE. The Company have connectivity with the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), as prescribed by the Securities and Exchange Board of India. Equity shares of the Company representing 91.76% of the Company’s equity share capital are dematerialized as on 31<sup>st</sup> March, 2023. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company’s shares is INE318C01014.

Further your Company has also availed the demat facility for the Preference Shareholders from NSDL and 75% of Preference Shares are held in dematerialized form.

## **PAYMENT OF LISTING FEE AND CUSTODIAL FEE**

Your Company has paid both Annual Listing Fee and Annual Custodial Fee for the Financial Year 2023-24 to the BSE Limited and to the depository’s i.e. National Securities and Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) respectively.

## **CERTIFICATE FROM PRACTISING COMPANY SECRETARY OF NON-DISQUALIFICATION OF DIRECTORS**

The Company has obtained a certificate dated 14<sup>th</sup> September, 2023 from M/s Neelesh Gupta & Co., Practicing Company Secretaries, under Regulation 34(3) and Schedule V Para C Clause (10) (i) of LODR Regulations, 2015 confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by the Securities and Exchange Board of India (SEBI) and Ministry of Corporate Affairs (MCA) or any such statutory authority and the same is annexed hereto as ‘**Annexure – 9**’.



## **WEB ADDRESS OF ANNUAL RETURN**

Pursuant to Section 92(3) and Section 134 (3) (a), web address of the annual return as on 31<sup>st</sup> March, 2023 in form MGT-7 is [https://sayajihotels.com/images/Form\\_MGT\\_7\\_SHL\\_2022-23\\_website.pdf](https://sayajihotels.com/images/Form_MGT_7_SHL_2022-23_website.pdf)

## **ACKNOWLEDGEMENT AND APPRECIATION**

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain a fighter during this unfavorable time.

The Board places on record its appreciation for the support and co-operation your Company has been receiving from its suppliers, distributors, retailers, vendors and others associates. Your Company looks upon them as partners in its progress, it will be your Company's endeavor to build and nurture strong links with them based on mutuality of benefits, respect for and co-operation with each other, consistent with consumer interests.

Your Directors also take this opportunity to thank all Shareholders, Clients, Vendors, Banks, Government and Regulatory Authorities and Stock Exchanges for their continued support.

**For and on behalf of the Board**

**Place: Indore**  
**Date: 4<sup>th</sup> October, 2023**

**Thottappully Narayanan Unni**  
**Chairman**  
**DIN: 00079237**

**ANNEXURE “1” TO THE BOARD REPORT****FORM NO. AOC-1****PART: A****SUBSIDIARIES**

**(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries or associate companies or joint Ventures**

<b>Sr. No.</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
<b>Name of the Subsidiary</b>	<b>Sayaji Hotels (Indore) Limited</b>	<b>Sayaji Housekeeping Services Limited</b>	<b>Sayaji Hotels Management Limited</b>	<b>Sayaji Hotels (Pune) Limited</b>
Date of acquiring Subsidiary	10.05.2018	16.03.2016	14.05.2018	10.05.2018
Financial year ending on	31.03.2023	31.03.2023	31.03.2023	31.03.2023
Reporting Currency	INR (In Lakhs)	INR (In Lakhs)	INR (In Lakhs)	INR (In Lakhs)
Exchange rate on the last day of financial year	N.A.	N.A.	N.A.	N.A.
Share Capital	5.00	636.50	5.00	5.00
Reserve & Surplus	(5.07)	131.41	(563.67)	(3.72)
Total Assets	4.70	848.13	169.27	3.84
Total Liabilities excluding equity	4.63	80.22	727.94	2.56
Investments	0.00	580.14	0.00	0.00
Turnover	0.00	68.37	283.09	0.00
Profit/(Loss) before Tax	(2.75)	51.47	57.77	(2.54)
Provision for tax including deferred tax	0.41	(18.88)	167.09	0.47
Profit/(Loss) after Tax	(2.34)	32.59	(109.32)	(2.07)
Proposed Dividend	0.00	0.00	0.00	0.00
% of shareholding	100	100	100	100

**PART B:**

**ASSOCIATE AND JOINT VENTURES**

**Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

<b>Name of Associates or Joint Ventures</b>	<b>Barbeque Nation Hospitality Limited</b>
1. Latest audited Balance Sheet Date	31.03.2023
Date on which the Associate or Joint Venture was associated or acquired	29.03.2016
2. Shares of Associate or Joint Ventures held by the Company on the year end	-
No.	11602828
Amount of Investment in Associate or Joint Venture	11,940.78
Extend of Holding (in percentage)	29.77%
3. Description of how there is significant influence	M/s Sayaji Housekeeping Services Ltd (i.e. 100% subsidiary of M/s Sayaji Hotels Ltd) holds 29.77% stake in M/s Barbeque Nation Hospitality Ltd therefore it is an associate of M/s Sayaji Hotels Ltd
4. Reason why the associate/joint venture is not considered	N.A.
5. Net worth attributable to shareholding as per latest audited Balance Sheet	11940.78
6. Profit or Loss for the year	506.55
i. Considered in Consolidation	Yes
ii. Not Considered in Consolidation	-

<b>Name of Associates or Joint Ventures</b>	<b>Intellistay Hotels Private limited</b>
7. Latest audited Balance Sheet Date	31.03.2023
Date on which the Associate or Joint Venture was associated or acquired	18.08.2016
8. Shares of Associate or Joint Ventures held by the Company on the year end	-

No.	-
Amount of Investment in Associate or Joint Venture	-
Extend of Holding (in percentage)	-
9. Description of how there was significant influence	Sayaji Hotels Management Ltd (i.e 100% subsidiary of M/s Sayaji Hotels Ltd) holds 48.50% stake in M/s Intelistay Hotels Private limited therefore it is an associate of M/s Sayaji Hotels Ltd
10. Reason why the associate/joint venture is not considered	As per the audited financials of Sayaji Hotels Management Limited, entire amount of investment in Intellistay Hotels Private limited has been write-off against loss on impairment of investment
11. Net worth attributable to shareholding as per latest audited Balance Sheet	N.A.
12. Profit or Loss for the year	N.A.
iii. Considered in Consolidation	-
iv. Not Considered in Consolidation	-

**For K. L. Vyas & Company**  
**Chartered Accountants**  
**Firm Reg. No.: 003289C**

**For and on behalf of the Board of Directors**

**Himanshu Sharma**  
**Partner**  
**M. No. 402560**

**T. N. Unni**  
**Director**  
**DIN: 00079237**

**Raof Razak Dhanani**  
**Managing Director**  
**DIN: 00174654**

**Date: 4<sup>th</sup> October, 2023**  
**Place: Indore**

**Sandesh Khandelwal**  
**Chief Financial Officer**

**Ankur Bindal**  
**Company Secretary &**  
**Compliance Officer**

## ANNEXURE '2' TO BOARD REPORT

### **DECLARATION THE MANAGING DIRECTOR UNDER REGULATION 34(3) READ WITH SCHEDULE V (D) OF LODR REGULATION, 2015 REGARDING ADHERENCE TO THE CODE OF CONDUCT.**

In pursuance of Regulation 34(3) read with Point D of Schedule – V of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 (“LODR Regulations, 2015”) the Managing Director of your Company hereby confirm and declare that all the Directors and Senior Managerial have affirmed their compliance with the Code of Conduct and Ethics, framed by the Company as per Regulation 17(5) of the LODR Regulations, 2015 and Code of Independent Director as per Companies Act, 2013, as applicable, for the year ended on March 31, 2023 as applicable to them and a affirmation to the effect has been received from each Board Member and the Senior Management Personnel.

**For Sayaji Hotels Limited**

**Place: Mumbai**

**Date: 29.05.2023**

**Raof Razak Dhanani  
Managing Director  
DIN- 00174654**

## ANNEXURE '3' TO BOARD REPORT

### Disclosure pursuant to Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

**i. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2022-23:**

S. No.	Name of Director	Designation	Remuneration paid to Director in FY 2022-23	Median Remuneration in FY 2022-23	Ratio
i.	Mrs. Suchitra Dhanani	Whole Time Director	31.29	1.60	19.56
ii.	Mr. Raof Razak Dhanani	Managing Director	212.54	1.60	132.84

**ii. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year 2022-23:**

S. No.	Name	Designation	Remuneration Paid in FY 2021-22 (In Lakhs)	Remuneration Paid in FY 2022-23 (In Lakhs)	Change (In Lakhs)	Change in terms of %
i.	Mrs. Suchitra Dhanani	WTD	25.42	31.29	5.87	23.09
ii.	Mr. Raof Razak Dhanani	MD	113.48	212.54	99.06	87.29
iii.	Mr. Sandesh Khandelwal	CFO	20.09	24.72	4.63	23.05
iv.	Mr. Amit Sarraf	CS	11.02	2.64	(8.38)	(76.04)
v.	Mr. Ankur Bindal	CS	-	5.55	5.55	100.00

**iii. The percentage increase in the median remuneration of employees in the financial year 2022-23:**

Remuneration FY 2021-22 (In Lakhs)	Remuneration FY 2022-23 (In Lakhs)	Increase (In Lakhs)	%
2.1	1.6	(0.50)	(23.81)

**iv. The number of permanent employees on the roles of Company:**

Name of the Company	No. of Employees on payroll (As on 31.03.2022)	No. of Employees on payroll (As on 31.03.2023)	% Change during the year
Sayaji Hotels Ltd.	1191	1433	20.32

**v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Remuneration paid to employees excluding managerial personnel for FY 2021-22 (In Lakhs)	Remuneration paid to employees excluding managerial personnel for FY 2022-23 (In Lakhs)	% change in remuneration paid to employees excluding managerial personnel (In Lakhs)	Remuneration paid to managerial personnel for FY 2021-22 (In Lakhs)	Remuneration paid to managerial personnel for FY 2022-23 (In Lakhs)	% change in remuneration paid to managerial personnel
2927.61	4409.23	50.61	170.19	276.74	62.61

**vi. Affirmation that the remuneration is as per the remuneration policy of the Company:**

The remuneration provided by the Company to the directors and employees is as per the remuneration policy of the Company.

**vi. Names of the top ten employees in terms of remuneration drawn and the name of every employee, who:**

- If employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than Rs. 1,02,00,000/- (Rupees One Crore and Two Lakhs): Mr. Raoof Razak Dhanani
- if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Rs. 8,50,000/- per month (Rupees Eight Lakhs and Fifty Thousand): None
- If employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than 2% (two percent) of the equity shares of the company: None
- Names of the employees posted and working in a country outside India, not being directors or their relatives, drawing more than sixty lakh rupees per financial year or five lakh rupees per month: None

**The statement under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of the top ten employees in terms of remuneration drawing remuneration of Rs. 8,50,000/- or more per month or Rs. 1,02,00,000/- or more per annum:**



S. No.	Name	Designation of the employee	Remuneration received (In Lakhs)	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	Age of employee	the last employment held by such employee before joining the company	the percentage of equity shares	whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager
1.	Mr. Raof Razak Dhanani	Managing Director	212.54	Permanent	Qualification-Higher Secondary Experience-9 Years	14/11/2013	59 Years	-	8.72	Mr. Raof Razak Dhanani is relative of Mrs. Suchitra Dhanani Whole Time Director of the Company

## ANNEXURE '4' TO BOARD REPORT

### MANAGEMENT RESPONSIBILITY STATEMENT

The Company's management is responsible for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 ('the Act') for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error. This responsibility includes matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

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

These financial statements have been audited by M/s K.L. Vyas & Company, Chartered Accountants, the Statutory Auditors of the Company.

**For and on behalf of the Board of Director**

**Date: 04.10.2023**

**Place: Indore**

**Suchitra Dhanani**  
**Whole-Time Director**  
**DIN: 00712187**

**Raof Razak Dhanani**  
**Managing Director**  
**DIN: 00174654**

**ANNEXURE “5” TO THE BOARD REPORT**

**FORM NO. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup>MARCH, 2023**

**[Pursuant to section 204(1) of the Companies Act, 2013 and  
Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]**

**To,  
The Members,  
SAYAJI HOTELS LIMITED  
CIN- L51100TN1982PLC124332  
F1 C2 Sivavel Apartment 2 Alagappa Nagar,  
Zamin Pallavaram Chennai TN 600117 India**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SAYAJI HOTELS LIMITED** (hereinafter called ‘the company’). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

The Company’s Board of Directors is responsible for the matters of Compliances of the various provisions of the Companies Act, 2013 and other applicable laws. Our responsibility to conduct the audit of the Compliances made during the year upon test check basis. We have adopted such methods and procedure and based on our verification of the **SAYAJI HOTELS LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2023 has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- (iii) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’)-
  - (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable for the review period)**
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable for the review period)**
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable for the review period)**
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not Applicable for the review period)**
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable for the review period)**
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable for the review period)**
- (j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996

Further all the listing compliances and checks have been carried out in the reference with **Secretarial Compliance Report** along with all the observations made as uploaded on the stock exchange.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreement entered into by the Company with the Stock Exchange and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015;

During the period under review and as per the explanations and representations made by the management and subject to clarifications given to us, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc., mentioned above.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

Sr. No.	Com-pliance Requirement (Regulations/ circulars/ guide- lines including specific clause)	Regulation / Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
1.	Initial Disclosure to be made by an entity identified as Large Corporate	Circular No. SEBI/HO/DHS/CIR/P/2018/144	-	-	-	Has not been filed within the stipulated time limit	-	The company interpreted that this has to be submitted one time, but later they came to know that it is an annual requirement	As soon as we came to know, we submitted this return on 30.05.2	Company has complied the same with the delay of 30 Days

									022	
2.	Intimation for Amendment in Code of Fair Practices and Procedures for Disclosure of Unpublished Price Sensitive Information by replacing the name of Mr. Amit Sarraf by Mr. Ankur Bindal as Compliance Officer of the Company	Regulation 8(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015	-	-	-	Has not been filed within the stipulated time limit	-	As per Response of the Management Due to Technical issues and reasons Company has intimated the same with the delay of 2 Days	As per Response of the Management Due to Technical issues and reasons Company has intimated the same with the delay of 2 Days	As per Response of the Management Due to Technical issues and reasons Company has intimated the same with the delay of 2 Days
3.	Intimation with respect to EGM of Ahilya Hotels Limited, Unlisted entity involved in the Composite Scheme of Amalgamation and Arrangement between Sayaji Hotels Limited, Ahilya Hotels Limited, Savaji Hotels (Indore) Limited, Sayaji Hotels (Pune) Limited and Sayaji Hotels Management Limited and their respective Shareholders and Creditors could not be convened as per	Regulation 30 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015	-	-	-	Has not been filed within the stipulated time limit	-	The company took time to receive the copy of the order, hence the time taken to give the intimation.	It was disclosed as soon as order was received by the company	Order was passed on 17 <sup>th</sup> November, 2022, However was received by the company on 24 <sup>th</sup> November, 2022

	<p>the direction or Mr. Gautam Chopra, Chairman. The EGM has been dispensed by NCLT through its order dated 17.11.2022.</p>														
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We further report that:

The Board of Directors of the Company are duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Independent Director.

During the year Mr. Amit Kumar Sarraf (M. No. 28573) has resigned from the post of Company Secretary of the Company and Mr. Ankur Bindal (M.No. 57859) was appointed as a Company Secretary of the Company.

During the year Mrs. Suchitra Dhanani (DIN- 00712187) was reappointed as Whole Time Director of the Company for a further period of 3 years with effect from 6<sup>th</sup> February, 2023 to 5<sup>th</sup> February, 2026. Further Mr. Raof Razak Dhanani (DIN: 00174654) who is liable to retire by rotation and, being eligible, re-appointed as Managing Director of the company in the Annual General Meeting held on 27<sup>th</sup> September, 2022.

During the year there was revision of remuneration of Mr. Raof Razak Dhanani (DIN- 00174654), Managing Director of the company w.e.f. 1<sup>st</sup> October, 2022 and same was approved by the members of the company in the Annual General Meeting held on 27<sup>th</sup> September, 2022.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, except where meeting was held at shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out by majority as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that:

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, standards etc.

We further report that: -

During the audit period of the company, there were instances of:

## **1. Related Party Transaction**

The Company has entered into some related party transactions on the terms and conditions as may be decided by the Board of Directors of the Company in their Board Meetings and all transactions are as per the section 188 of the Companies Act, 2013 and at arm's length basis.

## **2. Internal Auditor**

During the year M/s Anirudh Sonpal & Associates were appointed as the internal auditor for units in Indore, Pune, Effotel Vadodara, Sayaji-Vadodara and Amber Convention Center-Indore. M/s Jitendra Baghel & Co. for Bhopal Unit and M/s Singhal & Sewak for Raipur Unit for the financial year 2022-23 in the Board Meeting held on 30<sup>th</sup> May, 2022.

## **3. Corporate Social Responsibility Committee**

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. Though the net profit for the FY 21-22 is more than 5 Cr., but the average net profit for immediately preceding three financial years does not turn out to be a positive number. Therefore, the Company is not required to spend any amount on CSR.

## **5. Amalgamation and Arrangement**

During the year the Company has received order dated 14<sup>th</sup> July 2022 from the NCLT Division Bench-II, Chennai\CA(CAA)/52(CHE) 2022 regarding Scheme of Amalgamation and Arrangement between Sayaji Hotels Limited and Ahilya Hotels Limited and Sayaji Hotels (Indore) Limited [Formerly known as Sayaji Hotels (Vadodara) Limited] and Sayaji Hotels (Pune) Limited and Sayaji Hotels Management Limited and their respective shareholders and creditors the applicant Company duly complied the directions received in this order which are mention below:

1. As per direction has issued by the Hon'ble National Company Law Tribunal, Chennai Bench, the Sayaji Hotels Ltd. has published advertisement of notice of Meeting of its Equity Shareholders and Unsecured Creditors in the English Daily "Business Standard" (All India Edition), "Makkal Kural" Tamil (Tamil Nadu Edition) Vernacular and "Dainik Jagran" Hindi (All India Edition) on 4<sup>th</sup> August, 2022 with a gap of at least clear 30 days before the meeting.
2. The meeting of the Equity Shareholders of Sayaji Hotels Limited was duly called and held on Friday, 9<sup>th</sup> September, 2022 at 11:30 A.M. and the Meeting of the Unsecured Creditors of Sayaji Hotels Limited was also duly called and held on Friday, 9<sup>th</sup> September, 2022 at 12:30 P.M. as per the directions issued by the Hon'ble National Company Law Tribunal, Chennai Bench.
3. Meeting of Ahilya Hotels Limited could not be convened as per the directions of Mr. Gautam Chopra, Chairperson appointed for the said meeting by the Hon'ble National Company Law Tribunal, Chennai Bench. The EGM has been dispensed by the Hon'ble National Company Law Tribunal, Chennai Bench through its order dated 17.11.2022.

NCLT has in their order appointed Ms. Alpa Jain (ACS) as Scrutinizer and Mr. Gautam Chopra, Chartered Accountant as Chairperson for meeting of the Ahilya Hotels Ltd. and Sayaji Hotels Ltd.



Our Report shall be read with Annexure A to this Report.

**For & on behalf of  
NEELESH GUPTA & CO.  
(Company Secretaries)  
(Peer Review Certificate No.: 1995/2022)**

**Place: Indore  
Date:28.08.2023**

**CS Neelesh Gupta  
FCS No.: 6381  
CP No.:6846  
UDIN: F006381E000876371**

## **ANNEXURE-A**

NCLT Bench at Chennai has passed order dated 11<sup>th</sup> July, 2023 approving the Scheme of Amalgamation and Arrangement of Ahilya Hotels Limited (Transferor Company-1), Sayaji Hotels Management Limited (Transferor Company-2) with Sayaji Hotels Limited (Transferee/Demerged Company), Sayaji Hotels (Indore) Limited (Resulting Company-1), Sayaji Hotels (Pune) Limited (Resulting Company-2)

**To,  
The Members,  
SAYAJI HOTELS LIMITED  
CIN- L51100TN1982PLC124332  
F1 C2 Sivavel Apartment 2 Alagappa Nagar,  
Zamin Pallavaram Chennai TN 600117 India**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records.

The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

- Company has held all requisite no. of Board Meetings/Audit Committee Meetings/ Nomination & Remuneration Committee Meeting/Stakeholder Relationship Committee Meeting and Independent Directors Meetings complied with the provision of Companies Act, 2013.
- Management properly maintained minutes' book and duly authenticated by the chairman.
- Management has kept and properly entered records in all statutory books in their registered office.
- All Request for transfer of shares received by the company during the year have been executed by registrars & share transfer agents.
- Notice of Board Meetings were duly sent to all the directors.
- Notice of annual general meeting has been duly sent to all the members.
- The Company has obtained secured loans from banks/ financial institutions as on 31<sup>st</sup> March, 2023 and duly entered in statutory register.
- Company has not directly indirectly advanced any loans to any of theirs Director or KMP or any other person in whom the director is interested.
- Company has not accepted any deposit (u/s 73)

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, Standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.

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

**For & on behalf of  
NEELESH GUPTA & CO.  
(Company Secretaries)  
(Peer Review Certificate No.: 1995/2022)**

**Place: Indore  
Date: 28.08.2023**

**CS Neelesh Gupta  
FCS No.: 6381  
CP No.:6846  
UDIN: F006381E000876371**

## **ANNEXURE “6” TO THE BOARD REPORT**

### **AUDITOR CERTIFICATE FOR CORPORATE GOVERNANCE**

**To,  
The Members  
Sayaji Hotels Limited  
F1 C2 Sivavel Apartment 2 Alagappa Nagar,  
Zamin Pallavaram Chennai TN 600117 IN**

This certificate is issued in accordance with the terms of our appointment and Para E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR Regulations, 2015**”). We hereby declare that:

We have examined the compliance of conditions of corporate governance by Sayaji Hotels Limited, (**‘the Company’**), for the year ended 31<sup>st</sup> March, 2023, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the LODR Regulations, 2015 as amended from time to time.

#### **Management’s Responsibility:**

The compliance of the conditions of the Corporate Governance is the responsibility of the Management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in aforesaid provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **Auditor’s Responsibility:**

Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

It is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended 31<sup>st</sup> March, 2023.

We have conducted our examination in accordance with the Guidance Note on reports or certificates for special purpose (Revised 2016) issued by the Institute of Chartered Accountants of India (ICAI). The Guidance Note requires that we comply with the ethical requirements of the code of the ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standards on Quality Control (SQC) 1, quality controls for firms that perform audits and reviews of historical financial information and other assurance and related service engagements.

#### **Opinion:**

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in aforesaid provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For K.L. Vyas & Company**  
**Chartered Accountants**  
**FRN: 003289C**

**Place: Udaipur**

**Date: 04.10.2023**

**(Himanshu Sharma)**  
**Partner**  
**M. No.: 402560**

**UDIN: 23402560DGUBOA6531**

**ANNEXURE “7” TO THE BOARD REPORT**

**MD & CFO CERTIFICATE**  
**[Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015]**

**To,**  
**The Board of Directors**  
**Sayaji Hotels Limited**

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Sayaji Hotels Limited (“the Company”) to the best of our knowledge and belief certify that:

- (A) We have reviewed the Financial Statements, Cash Flow Statements, Books of Accounts, detailed trial balance and grouping thereof for the Financial Year 2022-23 and that to the best of our knowledge and belief, we state that:
- these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - these statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (B) No transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company’s code of conduct.
- (C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (D) We have indicated to the auditors and the Audit committee
- significant changes in internal control over financial reporting during the Financial Year 2022-23.
  - significant changes in accounting policies during the period and that the same have been disclosed in the notes of the financial statements; and
  - Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company’s internal control system over financial reporting.

**For Sayaji Hotels Limited**

**For Sayaji Hotels Limited**

**Date: 29<sup>th</sup> May, 2023**  
**Place: Indore**

**Raof Razak Dhanani**  
**Managing Director**  
**DIN-00174654**

**Sandesh Khandelwal**  
**Chief Financial Officer**



**ANNEXURE '8' TO BOARD REPORT**

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

[Section 134(3) (m) of The Companies Act, 2013 read with Rule 8(3) of The Companies Accounts Rules, 2014]

(Amount in Lakhs)

S. No.	Particulars	Comments
<b>(A) Conservation of Energy</b>		
(i)	The steps taken or impact on conservation of energy	-
(ii)	The steps taken by the Company for utilizing alternate sources of energy	-
(iii)	The capital investment on energy conservation equipment	-
<b>(B) Technology Absorption</b>		
(i)	The efforts made towards technology absorption	-
(ii)	The benefit derived like product improvement, cost reduction, product development or import substitution	-
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	-
	a. The details of technology imported	-
	b. The year of import	-
	c. Whether the technology been fully absorbed	-
	d. If not fully absorbed, areas where absorption has not taken place, and the reason thereof	-
	e. The expenditure incurred on Research and Development	-
<b>(C) Foreign exchange earnings and Outgo</b>		
(i)	Foreign Exchange Earning	<b>981.59</b>
(ii)	Foreign Exchange Outgo	<b>16.95</b>

## ANNEXURE '9' TO BOARD REPORT

### **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

**To,  
The Members of  
Sayaji Hotels Limited  
F1 C2 Sivavel Apartment 2 Alagappa Nagar,  
Zamin Pallavaram Chennai TN 600117 IN**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Sayaji Hotels Limited** having **CIN-L51100TN1982PLC124332** and having registered office at **F1 C2 Sivavel Apartment 2 Alagappa Nagar, Zamin Pallavaram, Chennai TN- 600117 IN** (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers. I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

<b>Sr. No.</b>	<b>Name of Director</b>	<b>DIN</b>	<b>Date of Appointment in the Company</b>
1.	Thottappully Narayanan Unni	00079237	31/01/2002
2.	Raof Razak Dhanani	00174654	14/11/2013
3.	Suchitra Dhanani	00712187	06/02/2014
4.	Saquib Salim Agboatwala	06611659	14/02/2019
5.	Abhay Chintaman Chaudhari	06726836	23/01/2021
6.	Isha Garg	06803278	27/08/2020

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Date: 14/09/2023  
Place: Indore**

**For Neelesh Gupta & Co.  
Company Secretary**

**UDIN: F006381E001011594**

**CS Neelesh Gupta  
Proprietor  
C.P. No.: 6846**

# **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

## **[Pursuant to Regulation 34 read with Part B Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

Management Discussion and Analysis Report will provide details of performance of the Company as well as its approach to sustainability and risk management. This report describes Company's objectives, projections, estimates and expectations may constitute 'forward-looking statements' within the meaning of applicable laws and regulations. Although the expectations are based on reasonable assumptions, the actual results might differ.

### **INDUSTRY INSIGHT:**

The Indian tourism and hospitality industry have emerged as one of the key drivers of growth among the services sector in India. Tourism in India has significant potential considering the rich cultural and historical heritage, variety in ecology, terrains and places of natural beauty spread across the country. Tourism is an important source of foreign exchange in India similar to many other countries. India is the most digitally advanced traveler nation in terms of digital tools being used for planning, booking and experiencing a journey. India's rising middle class and increasing disposable income has supported the growth of domestic and outbound tourism. The Indian airline travel market is projected to double in size by FY 27 due to improving airport infrastructure and growing access to passports. India is a large market for travel and tourism. It offers a diverse portfolio of niche tourism products - cruises, adventure, medical, wellness, sports, MICE, eco-tourism, film, rural and religious tourism. India has been recognized as a destination for spiritual tourism for domestic and international tourists.

The UNWTO expects international tourism to consolidate its recovery in 2023 more specifically in Asia and the Pacific region. It attributes this growth to the recent opening of several source markets and destinations including China, which was the world's largest outbound market in 2019. Improved performance of air traffic and robust travel demand from US markets for European holidays backed by a strong US Dollar are expected to be the other contributors to global growth. Domestic tourism will continue to be a key driver of recovery of the tourism sector through 2023. Major risks threatening the ongoing recovery of tourism in 2023 remain economic, health and geopolitical risks. Prime among these are high inflation and interest rates, spike in oil and food prices, higher transport and accommodation costs, fear of a global recession, intermittent COVID-19 virus recurrences and the Russian aggression against Ukraine causing unrest through Europe. UNWTO's scenarios expect international tourist arrivals to reach 80% to 95% of pre-pandemic levels in 2023 (Source: UNWTO, Barometer January 2023).

### **Safety and Hygiene:**

Hygiene, cleanliness and the associated need for more safety and security are probably some of the most important factors and hotel industry trends of the year. The pandemic has ensured that cleanliness, which is standard in every hotel, came back into focus. In these challenging times, hygiene is simply a part of a carefree guest experience. Hotels should therefore do everything in their power to ensure that the guests enjoy a hygienic stay.

Hotels should accompany their guests at every step, from booking to arrival, and tell them what measures they have taken to ensure their safety. This is not primarily about cleaning more, as the hygiene standards in the hotel industry have always been high. It is about showing, saying, explaining, and illustrating to the guests exactly which steps are being carried out from beginning to the end.

### **Green and Sustainable Tourism:**

A focus on environmental sustainability isn't new, but the degree to which guests expect (and prefer) eco-friendly products and services is. Today's traveler wants to stay at hotels that have integrated green practices in all aspects of their business. From physical changes to hotel buildings, like the addition of

solar panels, to F&B menus with more vegetarian and vegan choices, it's evident that these environmentally friendly trends are here to stay.

Sustainable tourism is now a new way of practicing tourism. Tourism plays an important role in the economy of most countries. The well-being of the host community became the priority instead of the tourists. Sustainability has been one of the hotel industries trends for a number of years. Due to the coronavirus, environmental protection and sustainability have slipped into the background for a short time, as it initially seemed difficult to combine it with the new hygiene conditions.

Nevertheless, "green" tourism is still important for your potential guests. Protection of the environment is particularly important to Generation Z and the next generation.

### **Customization through Digitalization:**

A trend that will become more important than ever in 2023 is customization. However, this does not necessarily mean in personal conversation. It is much more a matter of creating a unique and individual experience for the guest. In order for the stay to be extraordinary, however, it takes more than just basic standards such as free Wi-Fi or a bottle of free water in the room. Guests want to be excited, both digitally and personally.

### **Act Globally and Think Locally:**

Another hotel industry trend to keep an eye on in 2023 is the conflict between advancing globalization and local context. In a world so connected by business and economic ties, it only makes sense that globalization would have implications in the hotel industry. As globalization drives incomes in countries around the world, more people can afford to travel, which means that hotels face opportunities and challenges that come with accommodating new travelers from different places. Along with this rising middle class, increased income inequality further distances the highest earners from the rest. Luxury travelers continue to have an appetite for over-the-top experiences. Like domestic travelers, International Guests are interested in local attractions and regional delicacies. Bring your surroundings to life and encourage your guests to become familiar with their local people.

In this context, it is necessary to stress the need for collaboration.

### **New concepts in our Industry:**

In addition to the classic hotel, a large number of new, alternative types of accommodation have developed on the market in recent years. Boarding houses, services apartments, co-living spaces for remote workers or single travelers are just a few examples of these alternatives.

Soon these will no longer be alternatives, but a part of the standard as well as classic hotels. Because one thing is clear, the longer hotels are empty, the more money is lost. And that is precisely why more and more experienced hoteliers are looking for creative ways to fill their hotel again and use the rooms for other purposes. This "alternative" hotel industry trend will thus continue in 2023, as far as it can be combined with the business and service strategy.

### **Opportunities and Threats:**

While considerable challenges lie ahead, the crisis also provides an unprecedented opportunity for transformation. It offers the possibility of rethinking tourism so as to leverage its impact on destinations and build more resilient communities and businesses through innovation, digitalization, sustainability and partnerships. Innovation and sustainability will be two key pillars of a recovery focused on building tourism back better and stronger. In a sector that employs 1 in 10 people globally, the goals of harnessing innovation and digitalization, embracing local values, fostering accessibility and creating decent jobs for all, especially for youth, women and the most vulnerable groups, should be at the forefront of that recovery.

### **Along with opportunities as mentioned, the present scenario has come with many threats:**

The hospitality industry has undergone a seismic transformation since 2020. This period of change is set to continue through 2022 and 2023, with shifts in demographics and technology and the post-

pandemic transition to a new normal all playing decisive roles. The pandemic disproportionately affected labor-intensive services sectors in India. Commercial air travel, tourism, catering, leisure, personal care and retail industries, manufacturing, trade and transportation—which typically employ large numbers of low-skilled workers—faced the largest job losses. Many of the jobs in these sectors cannot be performed remotely, making them vulnerable to lockdown and quarantine measures.

OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>• Re-think business model</li> <li>• Innovation and digitalization</li> <li>• Sustainability and sustainable-oriented segments (rural, nature, health)</li> <li>• Progress in adaptation plans in destinations &amp; companies</li> <li>• Utilising Artificial Intelligence in customer support</li> </ul>	<ul style="list-style-type: none"> <li>• Economic environment: world recession, rising unemployment and jobs at risk, disposable income, uncertainty weighing on consumer and business confidence</li> <li>• Climate Change</li> <li>• Implementation of Lockdowns and travel restrictions</li> <li>• Changing travel patterns</li> </ul>

**Segment-wise or product-wise performance:**

Your Company is in Hospitality sector and provides food and beverages and accommodation services to the customers. We have a single segment and the comparative performance of the Company has been detailed in the financial Statements for Financial Year 2022-23. Further details of the adequacy of internal controls and material developments in human resource are given in Directors Report which forms a part of this Annual Report.

**Global and Domestic Outlook:**

The global economy witnessed a recovery in 2022 following two years of a pandemic-inflicted environment, although economic slowdown is concentrated in advanced economies especially the Europe and UK where growth is expected to fall to 0.8% and -0.3% in 2023 because of recession and inflation. IMF forecasts growth to fall from 3.4 percent in 2022 to 2.8 percent in 2023, before settling at 3.0 percent in 2024. Advanced economies are expected to see an especially pronounced growth slowdown, from 2.7 percent in 2022 to 1.3 percent in 2023. In a plausible alternative scenario with further financial sector stress, global growth declines to about 2.5 percent in 2023 with advanced economy growth falling below 1 percent. Global headline inflation in the baseline is set to fall from 8.7 percent in 2022 to 7.0 percent in 2023 on the back of lower commodity prices but underlying (core) inflation is likely to decline more slowly. Inflation’s return to target is unlikely before 2025 in most cases. (Source: IMF - World Economic Outlook Update, April 2023).

**World Economic Outlook:**

A Survey by the IMF staff usually published twice a year. It presents IMF staff economists' analyses of global economic developments during the near and medium term. Chapters give an overview as well as more detailed analysis of the world economy; consider issues affecting industrial countries, developing countries, and economies in transition to market; and address topics of pressing current interest. Annexes, boxes, charts, and an extensive statistical appendix augment the text. The war in Ukraine has triggered a costly humanitarian crisis that demands a peaceful resolution. Economic damage from the conflict will contribute to a significant slowdown in global growth in 2023. A severe double-digit drop in GDP for Ukraine and a large contraction in Russia are more than likely, along with worldwide spillovers through commodity markets, trade, and financial channels. Even as the war reduces growth, it will add to inflation. Fuel and food prices have increased rapidly, with vulnerable populations—particularly in low-income countries—most affected. Elevated inflation will complicate the trade-offs central banks face between containing price pressures and safeguarding growth. Interest

rates are expected to rise as central banks tighten policy, exerting pressure on emerging market and developing economies. Moreover, many countries have limited fiscal policy space to cushion the impact of the war on their economies. The invasion has contributed to economic fragmentation as a significant number of countries sever commercial ties with Russia and risks derailing the post-pandemic recovery. It also threatens the rules-based frameworks that have facilitated greater global economic integration and helped lift millions out of poverty.

### **Indian economy:**

The Indian tourism and hospitality industry have emerged as one of the key drivers of growth among the service sector in India. Tourism in India has significant potential considering the rich cultural and historical heritage, variety in ecology, terrains and places of natural beauty spread across the country. Tourism is an important source of foreign exchange in India similar to many other countries.

India is now the fastest growing major economy in the world. The First Advance Estimates of National Income released by the National Statistical Office (NSO) of the Government of India in January 2023 estimates India's GDP to have grown by 7.0% in FY 2022-23 following a growth of 8.7% in FY 2021-22. The consensus of GDP growth for FY 2022-23 was in the range of 6.5% to 7.0%. (Source: India Economic Survey 2022-23 – January 2023 and National Statistical Office estimates).

The outlook for FY 2023-24 is optimistic. Retail inflation ebbed out to 5.6% in March 2023 from a peak of 7.79% in April 2022 and is expected to moderate to 5.2%. Core inflation which remained above 6% for the year eased to 5.8% in March 2023. Among the high frequency indicators, direct and indirect tax collection has shown strong momentum, bank balance sheets are strong, adequately capitalised and credit offtake during the year was highest since FY 2011-12. RBI paused increase in interest rates in April, 2023 after a 250 basis points increase during FY 2022- 23 citing reasons of resilient economic activity and expected moderation in inflation. The Indian Rupee is stable, the Current Account Deficit is expected to remain moderate and consumer sentiment is high. (Source: RBI Monetary Policy, April 2023, Revised Estimates – Ministry of Finance, April 2023).

### **RISK GOVERNANCE:**

We understand that effectively managing risk is critical to the execution of our strategic objectives. We strike a balance between managing potential risks and seizing emerging opportunities to achieve excellence, both operationally and financially. To fulfil the Group's strategic aims, we are embedding a culture of proactive risk management by supporting acceptable and monitored risk-taking.

The number of risks that our sector is dealing with is on the rise. Hospitality sector faces a variety of potential risks that hotels need to contend with, particularly as they deal with an influx of both leisure and business travelers. Rapidly changing customer demands and a boom in guest-facing connected technologies are among the factors changing the risk landscape for hospitality companies. Following are risk identified and steps taken to mitigate them:

#### **1. Business slowdown, Inadequate growth:**

After the pandemic Covid-19, the risk of business slowdown, inadequate growth and negative returns has been increased. Especially our industry has been the most affected one which has turned the growth chart downwards. We have identified four steps—

- next-generation talent models,
- data-driven decision making,
- customer loyalty, and
- operational flexibility and responsiveness

to map out the kind of readiness that's likely to help our business even in a coming downturn. What's left to determine is the path from theory to action which we are working on.



## **2. Cyber Security – Data Privacy:**

Cybersecurity has been a big concern for a number of sectors, but the hospitality business is more focused on preventing data and identify theft. A security breach has huge ramifications. At the very least, businesses are required to contact other guests (past and present) and inform them that their data may have been compromised. This alone can be costly and may also lead to brand damage. If stolen data is used by fraudsters, the businesses may face liability claims for failure to protect data and maintain reasonable safeguards. As more hospitality and travel companies use digital systems to automate tasks and manage their data, we are identifying the potential risks and putting all efforts to bring their solution to the table.

## **3. Inadequate Compliances:**

As the regulations proliferate and stakeholder expectations increase, organizations are exposed to a greater degree of compliance risk than ever before. Specifically, compliance risk is the threat posed to a company's financial, organizational, or reputational standing resulting from violations of laws, regulations, codes of conduct, or organizational standards of practice. Since the array of potential compliance risks facing an organization is typically very complex, we are adopting an effective framework which outlines and organizes the elements of an effective risk mitigation strategy that can be applied to each compliance risk domain.

## **4. Guest behavior:**

In hospitality industry, Guests represent the fuel, without guests and travelers, our business wouldn't make any money. However, guests can also potentially be the biggest threats – both directly and indirectly – to profitability. Lawsuits from people who are injured or damage to guestrooms can represent a big risk to the bottom line. We have internal controls in place to handle guest destruction and ensure travelers' safety during their stay. Small things, such as closer management of property and resources, helps in preventing incidents like this from happening in the first place.

## **5. Staff:**

Staff is another critical risk. During the pandemic, many employees were rooted in their jobs because it was so difficult to find work elsewhere. As the situation improves, staff will have more options both in and outside the industry. This means hotels are at greater risk of having their key personnel poached by their competitors. Hiring and retraining are options, but they come with additional expenses.

We need to address any demographic, wage level and worker satisfaction issues to ensure that our staff remains motivated and content. New retention plans and innovative strategies help in keeping employees engaged. At the same time, we ensure that our employees aren't actively working against us. Property theft is a big issue at many hospitality companies, given the number of amenities they deal with on a daily basis. While a stolen towel might not seem like much, theft adds up over the course of the year.

## **6. Branding:**

As the hotel industry has consolidated, operators' brands have expanded into a vast number of territories, and are often instantly recognizable to customers. Therefore, it is of vital importance to operators that the brand is protected in every unit. Hence, we ensure that high and consistent standards are maintained throughout all locations, which is challenging due to the geographical distance separating each establishment. We reduce this risk by establishing strong brand guidelines which are communicated effectively to staff in all Units.

Brand protection may equally involve the need to enforce intellectual property rights. Any infringement by an inferior brand may affect customer's perception of our brand. Hence, we ensure



that all rights are appropriately registered and regular intellectual property audits are carried out, if standards are not maintained.

## **HOSPITALITY POLICIES AND GOVERNMENT INITIATIVES BOOSTING THE INDUSTRY:**

### **SAATHI Initiative:**

- Ministry of Tourism has partnered with the Quality Council of India (QCI), to assist the Hospitality Industry in their preparedness to continue operations safely and mitigate risks arising out of the COVID-19 pandemic through an initiative called SAATHI (System for Assessment, Awareness and Training for Hospitality Industry).
- A hotel/unit goes through the SAATHI framework and agrees to fully follow the requirements wherever applicable possible, and a self-certification is issued. Self-certified Hotel/units attend webinars to clarify doubts through live interactions
- If Hotel/unit desires, they may undertake site-assessment based on SAATHI framework through QCI accredited agencies and an assessment report with opportunities for improvement is shared with the assessed unit.

### **Tax Incentives:**

- An investment-linked deduction under Section-35 AD of the Income Tax Act is in place for establishing new hotels under 2-star category and above across India, thus permitting a 100% deduction in respect of the whole or any expenditure of capital nature.
- In 2019, the Government reduced GST on hotel rooms with tariffs of Rs. 1,001 (US\$ 14.32) to Rs. 7,500 (US\$ 107.31) per night to 12% and those above Rs. 7,501 (US\$ 107.32) to 18% to increase India's competitiveness as a tourism destination.

### **Strengthening the Hospitality & Tourism Industry:**

- In Union Budget 2023-24, US\$ 290.64 million was allocated to Ministry of Tourism as the sector holds huge opportunities for jobs an entrepreneurship for youth in particular and to take promotion of tourism on mission mode, with active participation of states, convergence of government programmes and public-private partnerships.
- An app will be developed covering all relevant aspects of tourism. States will be encouraged to set up Unity Malls in State Capital as the most prominent tourism centers to promote One District One Product, GI products, handicrafts and products of other States.

## **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

- The Company's Total Revenue was **Rs. 29273.43** Lakhs in 2022-23 as compared to **Rs. 18936.69** Lakhs in the previous year, an increase of about **54.59 %**
- Earnings before Interest, Depreciation, Taxes, Amortizations and Exceptional Items (EBIDTA) was **Rs. 10588.21** Lakhs as compared to **Rs. 7558.77** Lakhs, an increase of about **40.08 %**.
- Profit before Tax was **Rs. 7419.30** Lakhs as compared to **Rs. 3369.27** Lakhs in the previous year, an increase of about **120.20%**.
- The Net Profit after tax for the year was **Rs. 5509.15** Lakhs as compared to **Rs. 2646.12** Lakhs in the previous year, an increase of about **108.20 %**.
- Total comprehensive income was **Rs. 5428.81** Lakhs as against **Rs. 2760.65** Lakhs in the previous year, an increase of about **96.65%**.
- The Cash and cash equivalent as at 31st March, 2023 was **Rs. 189.50** Lakhs as against **Rs. 674.46** Lakhs in the previous year, a decrease of about **(71.90%)**.

- The Company continuously trying to improve the cash flow by applying the various techniques as lease instead of buying of the property, improving inventory management, improvement in debtors ageing and encouragement to electronic payments etc.
- The Company and the Hotels have taken various initiatives to protect the Health and Safety of Guests and Employees. All precautions based on World Health Organization Guidelines and directions of the Central and State Governments have been implemented and are being strictly adhered to.
- The detailed Financial and Operational Performance present in notes to accounts for the financial year 2022-23 which forms a part of this Annual Report.

### **DETAILS OF CHANGES IN KEY FINANCIAL RATIO & RETURN ON NET WORTH**

The key financial ratios of the Company where there has been significant change (25% or more) and change in Return on Net Worth are summarized below along with detailed explanation:

Particulars	Unit	2022-23	2021-22	% of Change	Detailed explanation, if there is any significant change
Debtors Turnover Ratios	Times	32.47	32.00	1.47	Increase in Revenue from Operation has resulted in an improvement in ratio.
Inventory Turnover Ratio	Times	28.00	12.00	134.44	Increase in Revenue from Operation has resulted in an improvement in ratio.
Interest Coverage Ratio	Times	5.28	2.82	47.12	Increase in Net Profits & decrease in interest has resulted in an improvement in ratio.
Current Ratios	Times	1.51	1.03	45.54	Increase in Current Assets in F.Y. 2022-23 compared to F.Y. 2021-22 has resulted in an improvement in ratio.
Debt Equity Ratios	%	13.47	55.49	(75.72)	Decrease in Debt in F.Y. 2022-23 compared to F.Y. 2021-22 has resulted in an improvement in ratio.
Operating Profit Margin	%	40.19	38.88	3.37	Increase in Revenue from Operation has resulted in an improvement in ratio.
Net Profit Margin	%	20.91	16.43	27.28	Increase in Net Profits has resulted in an improvement in ratio.
Return on Net Worth	%	39.41	31.14	26.56	Increase in Net Profits has resulted in an improvement in ratio.

## REPORT ON CORPORATE GOVERNANCE

### [In compliance, with Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Director's present the Company's Report on Corporate Governance for the year ended on 31<sup>st</sup> March, 2023.

## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

- Your Company's corporate governance philosophy revolved around fair and transparent governance and disclosure practices in line with the principles of Good Corporate Governance. This philosophy is backed by principles of concerns, commitment, Ethics, Excellence and learning in all its acts and relationships with stakeholders, clients, associates and community at Large. The Company believes that good Corporate Governance is a continuous process and strives to meet the shareholder's expectations.
- To succeed, we believe, requires highest standards of corporate behavior towards everyone we work with, the communities we touch and the environment on which we have an impact. This is our road to consistent, competitive, profitable and responsible growth and creating long-term value for our shareholders, our people and our business partners. The above principles have been the guiding force for whatever we do and shall continue to be so in the years to come. The corporate governance philosophy of the Company has been further strengthened with the adoption of the Code of Conduct, Whistle Blower Policy and Code for Prohibition of Insider Trading and such other policies.
- Your Company not only adheres to the prescribed Corporate Governance practices as per the Listing Regulations but is also committed to sound Corporate Governance principles and practices. It constantly strives to adopt emerging best practices being followed by the country.

The Company is compliant with the updated provisions stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

## BOARD OF DIRECTORS

The Board of Directors ('the Board') are responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long-term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. We keep our governance practices under continuous review and benchmark ourselves to best practices across the country.

The Board of Directors have the ultimate responsibility of ensuring effective management, long term business strategy, general affairs, performance and monitoring the effectiveness of the Company's corporate governance practices. The Board plays a critical role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders.

### ❖ **Composition and Category of Directors:**

The Board of Directors of your Company consists of an optimum combination of Executive and Non-Executive Directors. The composition of the Board consists of a fine blend of professionals from diverse backgrounds which enables the Board to discharge its responsibilities more efficiently and provide effective leadership by taking the Company's business to achieve greater heights.

As on 31<sup>st</sup> March, 2023 the Board has six directors out of which two are Executive Directors and four are Non-Executive Independent Directors i.e., more than half of the Board comprises of Independent Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015 read with Section 149 of the Act and represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business.

As mandated by Regulation 26(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, none of the Director on the Board is a member in more than ten (10) committees or acts as chairperson of more than five (5) committees (considering only audit committee and stakeholder's relationship committee) across all public limited companies (listed or unlisted) in which he/she is a Director. All the directors have informed about their directorship and committee membership/chairpersonship. All the Independent Directors have given a declaration that they meet the criteria of independence as specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. Further, all Independent Directors of the Company have declared that they have complied with the provisions of sub-rules (1) and (2) of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 with respect to inclusion of their names in the data bank of the Indian Institute of Corporate Affairs ("IICA"). The terms and conditions of appointment of Independent Directors can be accessed on the Company's web link.

The names and categories of the Directors on the Board as on 31<sup>st</sup> March, 2023 are given herein below:

S. No.	Name of the Director	Category
1.	Mr. Thottappully Narayanan Unni	Chairman & Non-Executive Independent Director
2.	Mr. Raoof Razak Dhanani	Managing Director
3.	Mrs. Suchitra Dhanani	Whole-Time Director
4.	Mr. Saquib Salim Agboatwala	Non-Executive Independent Director
5.	Mr. Abhay Chintaman Chaudhari	Non-Executive Independent Director
6.	Mrs. Isha Garg	Non-Executive Independent Director

*In the opinion of Board, based on the best of information and according to the declaration of non-disqualification received from independent director, All the Independent Directors as on 31<sup>st</sup> March, 2023 fulfills the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.*

#### ❖ Board Meeting:

During the year under review, the Board of the Company met 8 (eight) times. Meetings were usually held at corporate office of the Company at Amber Convention Center, Bypass Road, Near Best Price, Hare Krishna Vihar, Nipania, Indore, 452016.

The Board business generally includes consideration of important corporate actions and events including:

- Approval of quarterly and annual results.
- To borrow monies and to invest the funds of the Company.
- Resignation and appointment of Key Managerial Personnel;
- Oversight of the performance of the business;
- Review the functioning of Subsidiaries and all units of the company;
- Review of the functioning of the Committees;
- Other strategic, transactional and governance matters as required under the Act, Listing Regulations and other applicable legislations;
- Issue of Duplicate Share Certificates or exchange of Share Certificates pursuant to the request received by the RTA;
- Opening/Closing of Bank accounts and authorization of Company personnel for the same;

- Revision in the remuneration of Directors and sitting fees of Board and Committee Meetings;
- Matters related to giving effect to the Scheme of Arrangement between Ahilya Hotels Limited, Sayaji Hotels Management Limited, Sayaji Hotels Limited, Sayaji Hotels (Indore) Limited, Sayaji Hotels (Pune) Limited and their respective Shareholders and Creditors.

The following are the details of attendance of each director at the meetings of the board of Director and the last Annual General Meeting along with the dates on which it was held:

Name of Director	1	2	3	4	5	6	7	8	39 <sup>th</sup> AGM held on 27 <sup>th</sup> September, 2022
	30 <sup>th</sup> May 2022	28 <sup>th</sup> July 2022	10 <sup>th</sup> August 2022	24 <sup>th</sup> September 2022	29 <sup>th</sup> September 2022	30 <sup>th</sup> September 2022	12 <sup>th</sup> November 2022	14 <sup>th</sup> February 2023	
Thottappully Narayanan Unni	P	P	P	P	P	P	P	P	P
Raof Razak Dhanani	P	P	A	P	P	A	A	P	A
Suchitra Dhanani	P	P	A	A	P	P	A	P	A
Saquib Salim Agboatwala	P	A	P	P	P	A	A	P	A
Abhay Chintaman Chaudhari	A	P	P	A	P	A	P	P	A
Isha Garg	P	P	P	P	P	P	P	P	A
<b>P</b>	<b>Present in the meeting</b>								
<b>A</b>	<b>Absent in the meeting</b>								
<b>-</b>	<b>Not applicable</b>								

❖ **Number of Directorship or Committees membership as on 31<sup>st</sup> March, 2023:**

Name of Director	No. of other directorship excluding Savaji Hotels Ltd.	No. of Membership in other Board Committee*	No. of Chairmanship in other Board Committee*	Category of Directorship and name of the other Listed companies
Thottappully Narayanan Unni	5	4	3	Independent Director Chairperson- Barbeque-Nation Hospitality Ltd
Raof Razak Dhanani	12	0	0	Non-Executive Director Barbeque-Nation Hospitality Ltd
Suchitra Dhanani	10	2	0	Non-Executive Director Barbeque-

				Nation Hospitality Ltd
Saquib Salim Agboatwala	3	2	0	-
Abhay Chintaman Chaudhari	3	4	1	Independent Director Barbeque-Nation Hospitality Ltd
Isha Garg	2	2	0	-

*\*Only Audit Committee & Stakeholders Relationship Committee has been considered as per Listing Regulations.*

❖ **Disclosure of relationship between directors inter-se:**

Name	Relationship	Name of other Director in inter-se relationship
Mr. Raof Razak Dhanani	Brothers' wife	Mrs. Suchitra Dhanani
Mrs. Suchitra Dhanani	Brother-in -Law	Mr. Raof Razak Dhanani

❖ **Number of shares held by Non-Executive Directors:**

S. No.	Name of the Director	Number of Shares held
1.	Mr. Thottappully Narayanan Unni	0
2.	Mr. Saquib Salim Agboatwala	0
3.	Mr. Abhay Chintaman Chaudhari	0
4.	Mrs. Isha Garg	0

❖ **Familiarization Programmes Imparted to Independent Directors:**





The details of familiarization program along with the link [https://sayajihotels.com/images/pdf/policies/Familiarization\\_programme\\_for\\_Independent\\_directorspdf.pdf](https://sayajihotels.com/images/pdf/policies/Familiarization_programme_for_Independent_directorspdf.pdf) of the website where its details are disclosed is given in the Board Report forming part of this Annual Report.


❖ **Chart setting out the Skills/ Expertise / Competence of the Board of Directors:**

Given below is a list of core skills, expertise and competencies of the individual Directors:

S. No	Name of the Directors	Photo	Date of Appointment	Skills/ Expertise and competencies of Director
1.	Thottappully Narayanan Unni (DIN-00079237)		31/01/2002	Mr. T.N. Unni aged 83 Years, having wide experience and knowledge in accounts, taxation, Corporate Governance etc. is a practicing Chartered Accountant by profession and the Chairman of the Board of Company as well as of Audit and Stakeholders Relationship Committee of the company.



2.	Raooft Razak Dhanani (DIN- 00174654)		14/11/2013	<p>Mr. Raooft Dhanani aged 59 years, is <i>Managing Director</i> and also the Promoter of our Company. He holds a degree of Bachelor. He has over 8 years' experience of Hospitality industry.</p> <p>He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company. His leadership abilities have been instrumental in leading the core team of our Company.</p>
3.	Suchitra Dhanani (DIN- 00712187)		06/02/2014	<p>Mrs. Suchitra Dhanani aged 58 years, is the Whole Time Director of our Company. She holds bachelor's degree in Home science and qualified as Master in Social Works.</p> <p>She has a profound experience in taking care of Guest Satisfaction Index Department and training department of the Company and also involved in day to day matters of the Company.</p>
4.	Abhay Chintaman Chaudhari (DIN- 06726836)		23/01/2021	<p>Mr. Abhay Chintaman Chaudhari, aged 67 years is retired senior Bank officer. He had worked as Chief General Manager in State Bank of India. He was also deputed to other associates Companies of State Bank on time to time basis. He is well versed in finance, capital market, risk management etc.</p>
5.	Saquib Salim Agboatwala DIN- 06611659		14/02/2019	<p>Mr. Saquib Salim Agboatwala, aged 54 Years is a Chartered Accountant by profession. He has been President of the Jeddah Chapter of the Institute of Chartered Accountants of India and member of Saudi India Business Forum. He has wide experience in accounts and taxation.</p> <p>He had also been Finance Manager &amp; Quality Management Representative in Arabian Computer Projects Company Limited. Currently he is serving as a Consultant and Business</p>

				Advisors to their clients in India as well in overseas through his firm “Oasis Consulting”.
6.	Isha Garg DIN- 06803278		27/08/2020	Mrs. Isha Garg is Practicing Company Secretary by profession. She is also Master in Business Administration (MBA) and bachelor in Science (B.Sc.).  She has knowledge and experience in delivering services broadly ranging in Corporate Laws Consultancy, Secretarial Audit Services, Compliance Report, NBFC Laws, Capital Markets & Securities Laws, Corporate Certifications, DGFT Matters, & Representation before various Statutory Authorities, etc.

#### BOARD COMMITTEES AND CHAIRMANSHIP/MEMBERSHIP OF DIRECTORS IN COMMITTEES OF THE COMPANY AS ON 31<sup>ST</sup> MARCH, 2023

The Board has 6 Committees: 1) Audit Committee, 2) Nomination and Remuneration Committee, 3) Stakeholders’ Relationship Committee and 4) Borrowing & Investment Committee and 4) Scheme Implementation Committee 6) Independent Directors Committee.

S. No.	Name of Directors/ KMP	Audit Committee	Nomination and Remuneration Committee	Borrowing And Investment Committee	Stakeholders Relationship Committee	Scheme Implementation Committee	Independent Directors Committee
1.	Raof Razak Dhanani	-	-	Member	-	Member	-
2.	Suchitra Dhanani	Member	-	Chairperson	Member	Member	-
3.	T.N. Unni	Chairman	Member	-	Chairman	Member	Chairman
4.	Abhay Chintaman Chaudhari	Member	Member	-	Member	-	Member
5.	Saquib Salim Agboatwala	Member	Chairman	Member	Member	-	Member
6.	Isha Garg	Member	Member	-	Member	-	Member
7.	Sandesh Khandelwal	-	-	-	-	Member	-
8.	Ankur Bindal	-	-	-	-	Member	-

#### SENIOR MANAGEMENT AND CHANGES, IF ANY

Pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, Senior Management shall mean officers/personnel of the Company who are members



of its core management team excluding board of directors and normally this shall comprise all members of management one level below the chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include Company Secretary and Chief Financial Officer.

Therefore, the Senior Management of the Company comprise of:

S.No.	Name	Designation
1.	Mr. Sandesh Khandelwal	Chief Financial Officer
2.	Mr. Ankur Bindal	Company Secretary and Compliance Officer

Mr. Amit Sarraf, Company Secretary and Compliance Officer resigned from the Company with effect from 6<sup>th</sup> June, 2022 and Mr. Ankur Bindal was appointed with effect from 28<sup>th</sup> July, 2022.

## AUDIT COMMITTEE

### ❖ Brief Description of Terms of Reference:

The terms of reference of the Audit Committee satisfy the requirement of Section 177 of the Act read with Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 18 of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015.

The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Chairman of the Committee is financially literate and all other members of the Audit Committee have accounting or related financial management expertise. The Company Secretary of the Company acts as the Secretary of the Audit Committee.

The Audit Committee of the Company, inter alia, performs the following functions:

- Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board, the appointment, reappointment, terms of appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approving payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval.
- Any other matter as may be prescribed, from time to time, to be referred to the Audit Committee in terms of the Companies Act 2013, SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 and the applicable rules, regulations thereto.

### ❖ Composition, Meetings and attendance of the Audit Committee

During the year under review, the Audit Committee met Five (5) times on 30<sup>th</sup> May 2022, 28<sup>th</sup> July 2022, 10<sup>th</sup> August 2022, 12<sup>th</sup> November 2022, 14<sup>th</sup> February, 2023 with necessary quorum being present at all the meetings:

Name of Member	Status	Category	No. of meetings attended
Mr. T.N. Unni	Chairman	Non- Executive Independent	5
Mrs. Suchitra Dhanani	Member	Whole Time Director	3
Mr. Saquib Salim Agboatwala	Member	Non- Executive Independent	3
Mrs. Isha Garg	Member	Non- Executive Independent	5
Mr. Abhay Chaudhari	Member	Non- Executive Independent	4

## NOMINATION AND REMUNERATION COMMITTEE

### ❖ **Brief Description of Terms of Reference:**

The terms of reference of the Nomination & Remuneration Committee satisfy the requirement of Section 178 of the Act read with Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 19 of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015.

The Nomination & Remuneration Committee of the Company, inter alia, performs the following functions:

- a. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees.
- b. Formulation of criteria for evaluation of performance of independent directors and the Board.
- c. Devising a policy on diversity of the Board.
- d. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommending to the Board their appointment and removal.
- e. Extension or continuance of the terms of appointment of the independent directors, on the basis of the report of performance evaluation of independent directors.
- f. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the board of directors their appointment and removal and carry out evaluation of every director's performance (including that of independent directors).
- g. Performing such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 or by any other applicable law or regulatory authority.

### ❖ **Composition, Meetings and attendance of the Nomination & Remuneration Committee**

During the year under review, the Nomination & Remuneration Committee met twice i.e. 30<sup>th</sup> May, 2022 & 28<sup>th</sup> July, 2022 with necessary quorum being present at the meeting:

Name of Member	Status	Category	No. of meetings attended
Mr. Saquib Salim Agboatwala	Chairman	Non- Executive Independent	1
Mr. T.N. Unni	Member	Non- Executive Independent	2
Mr. Abhay Chaudhari	Member	Non- Executive Independent	1
Mrs. Isha Garg	Member	Non- Executive Independent	2

### ❖ **Performance Evaluation Criteria for Independent Directors:**

Pursuant to the governing provisions of the Companies Act, 2013, the Listing Regulations and Guidance Note on Board evaluation issued by SEBI, a formal annual evaluation was carried out by the Board of its own performance, its Committees and individual Directors including Independent Directors. During the year under review, one meetings of Independent Directors was held on 14<sup>th</sup> February, 2023 without presence of non-independent directors and members of the management, wherein the performance of Non-independent directors, Chairman and the Board of Directors, as a whole were evaluated. The Independent Directors also assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

Performance of Independent Director is evaluated on the basis of ranking filled in the evaluation questionnaire by the non-executive director which is prepared by inserting parameters mentioned below:

1. Knowledge and competency of Independent Directors
2. Extent of fulfillment of functions assigned
3. Ability to function as a team
4. Availability for various committee and board meeting
5. Various skills viz. leadership, commitment, contribution, Integrity, Initiative taken by them.
6. Formulation and effective execution of business strategy
7. Financial planning and performance during the year
8. Relationship of Independent director with the Board and third parties
9. Knowledge about the company and its succession plan, management and operations
10. Personal qualities of Independent Director which uplifts the growth of the Company.

## **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Corporate Social Responsibility Committee of the Board was constituted to oversee the CSR Policy and recommend and monitor the amount of expenditure to be incurred on the activities mentioned in the Schedule VII of the Act.

The terms of reference of the Corporate Social Responsibility Committee shall include the following:

- a. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act 2013 and make any revisions therein as and when decided by the Board.
- b. To recommend the amount of expenditure to be incurred on the activities referred to in (a).
- c. To monitor the Corporate Social Responsibility Policy of the company from time to time.
- d. To do such other acts, deeds and things as may be required to comply with the applicable laws.
- e. To perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 or statutorily prescribed under any other law or by any other regulatory authority.

### **❖ Composition, Meetings and attendance of the Corporate Social Responsibility Committee:**

As per the provisions of Section 135 of Companies Act, 2013, the average net profit of the Company of preceding 3 years calculated as per Section 198 of Companies Act, 2013 is not under the define limits of the act, hence there is no liability on the Company to incur expenditure on CSR activities as prescribed u/s 135 and Schedule VII of the Companies Act, 2013 hence is not required to provide particulars of CSR during the Financial Year 2022-23.

## **STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The Stakeholder's Relationship Committee has been constituted in terms of Section 178 of the Act and Regulation 20 of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015, for redressal of investor complaints, Shareholders related issues, transfer/transmission of securities etc.

The terms of reference of the Stakeholders Relationship Committee shall include the following:

- a. Monitoring the grievance and redressal of all security holders' grievances such as complaints related to non-receipt of allotment/refund, review of cases for refusal of transfer/transmission of shares, including non-receipt of share certificates, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, etc. and assisting with quarterly reporting of such complaints.
- b. Allotting of equity shares, giving effect to all transfer/ transmission of shares and debentures, dematerialization of shares and re-materialization of shares, splitting and issuing of duplicate/consolidated share certificates, complying with all the requirements related to shares, debentures and other securities from time to time.

- c. Reviewing statutory compliances pertaining to share/ security capital, processes, shareholders and depositories.
- d. Oversee the performance of the registrars and transfer agents of our Company and to recommend measures for overall improvement in the quality of investor services.
- e. Review of measures taken for effective exercise of voting rights by shareholders
- f. Review of the adherence to the service standards adopted by the company in respect of various services being rendered by the Registrar and Share Transfer Agent,
- g. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
- h. Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/ amendment or modification as may be applicable.

❖ **Composition, Meetings and attendance of the Stakeholder’s Relationship Committee:**

The Stakeholder’s Relationship Committee was constituted with the following members in compliance with the provisions of Section 178 (5) of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015.

During the year under review, one (1) meeting of Stakeholder’s Relationship Committee has been held on 14<sup>th</sup> February, 2023 with necessary quorum being present at the meeting.

Name of Member	Status	Category	No. of meetings attended
Mr. T.N. Unni	Chairperson	Non- Executive Independent	1
Mrs. Suchitra Dhanani	Member	Whole-Time Director	1
Mr. Saquib Salim Agboatwala	Member	Non- Executive Independent	1
Mrs. Isha Garg	Member	Non- Executive Independent	1
Mr. Abhay Chaudhari	Member	Non- Executive Independent	1

❖ **Name and Designation of Compliance Officer:**

Mr. Ankur Bindal

Company Secretary and Compliance Officer.

❖ **Shareholders’ Complaints:**

The details of the shareholders’ complaints received and resolved during the financial year 2022-23 are as follows:

Sr. No.	Particular	Number of Complaints
a.	Number of shareholders’ complaints received	0
b.	Number of complaints not solved to the satisfaction of shareholders	0
c.	Number of pending complaints	0

**BORROWING AND INVESTMENT COMMITTEE**

The Committee authorizes making of investments/ICDs and the borrowings from lenders including Banks and other persons within the limits prescribed by the Board/Companies Act, 2013.

- To take decision on borrowing, providing guarantee/security and to make investment subject to the provisions of the Companies Act, 2013 and limit approved by the shareholders of the Company.

- To assist and make recommendations to the Board on:
  - a. Investment strategy and investment risk management;
  - b. Investment performance and outlook;
  - c. Compliance with the investment component;
  - d. External group borrowings;
  - e. Undertaking special projects delegated by the Board.

During the Financial Year under review, no meeting of Borrowing and Investment Committee has been held.

❖ **Composition, Meetings and attendance of the Borrowing and Investment Committee:**

Name of Member	Status	Category	No. of meetings attended
Mrs. Suchitra Dhanani	Chairperson	Executive & Whole-Time Director	N.A.
Mr. Raof Razak Dhanani	Member	Executive & Managing Director	N.A.
Mr. Saquib Salim Agboatwala	Member	Non- Executive Independent	N.A.

**SCHEME IMPLEMENTATION COMMITTEE**

This Committee was specifically constituted to handle and manage the issues related to the Composite scheme of Amalgamation and Arrangement between the Company, Sayaji Hotels Management Ltd., Sayaji Hotels (Pune) Ltd., Sayaji Hotels (Indore) Ltd. (Formerly known as Sayaji Hotels (Vadodara) Ltd. and Ahilya Hotels Ltd.

The terms of reference of the Scheme Implementation Committee shall include the following:

- a. To do all such needful as may be necessary for solving all difficulties that may arise for carrying out in the Scheme; or (e) may modify the scheme as may be necessary; or (f) may do all acts, deeds, matters and things necessary for putting the Scheme into effect."
- b. To comply with any conditions or limitations the Hon'ble NCLT or any other statutory authority(ies) may deem fit to direct or impose.

❖ **Composition, Meetings and attendance of the Scheme Implementation Committee:**

During the year under review, one (1) meeting of Scheme Implementation Committee has been held on 28<sup>th</sup> July, 2022 with necessary quorum being present at the meeting:

Name of Member	Status	Category	No. of meetings attended
Mr. Raof Razak Dhanani	Member	Executive & Managing Director	1
Mr. T.N. Unni	Member	Non- Executive Independent	1
Mrs. Suchitra Dhanani	Member	Executive & Whole-Time Director	1
Mr. Sandesh Khandelwal	Member	Chief Financial Officer	1
Mr. Ankur Bindal	Member	Company Secretary and Compliance Officer	1

**REMUNERATION OF DIRECTORS**

**Criteria for making payments to Non-Executive Directors including all pecuniary relationship or transactions of Non- Executive Directors:**

The Independent Directors are not paid any remuneration other than sitting fees for attending the meetings of the Board and Committee meetings as approved by the Board.

There has been no pecuniary relationship or transaction of the Non-Executive Director vis-a-vis the Company during the year except sitting fees paid to them as detailed below:

(In Rs.)

Name of Director	Category	Salary including Perquisites & PF	Sitting fees	Notice Period	Total
Mr. T.N. Unni	Independent Non-Executive	-	200,000	-	200,000
Mr. Saquib Salim Agboatwala	Independent Non-Executive	-	125,000	-	125,000
Mr. Abhay Chaudhari	Independent Non-Executive	-	145,000	-	145,000
Mrs. Isha Garg	Independent Non-Executive	-	190,000	-	190,000

There are no severance fees payable to any of the Directors. The Non-Executive Independent Directors were paid sitting fees of Rs. 7,500/- for attending each meeting of the Board and Rs. 5,000/- for each committee meetings attended by them. However, the Board of Directors at their meeting no. 02/2022-23 held on 28<sup>th</sup> July, 2022 has revised the sitting fees as follows:

- Board Meetings Rs. 15,000/-
- Committee Meetings Rs. 10,000/-

#### GENERAL BODY MEETING

I. Location and time, where last three Annual General Meetings held along with the detail of special resolution passed thereat, are as follows:

Year	Date	Time	Venue	No. of Special Items transacted	Special Resolution passed
2021-22	27.09.2022	3:30 P.M.	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM) at deemed venue situated at F1 C2 Sivavel Apartment, No. 2, Alagappa Nagar, Zamin Pallavaram, Chennai – 600117 Tamil Nadu	NIL	1. To re-appoint Mrs. Suchitra Dhanani (DIN: 00712187) as Whole Time Director of the Company for a further period of 3 years with effect from 6 <sup>th</sup> February, 2023 to 5 <sup>th</sup> February, 2026. 2. To revise the remuneration of Mr. Raof Razak Dhanani (DIN: 00174654), Managing Director of the Company.
2020-21	28.09.2021	11:00 A.M.	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM) at deemed venue situated at F1 C2 Sivavel Apartment, No. 2,	2	1. The appointment of <b>Mr. Abhay Chintaman Chaudhari (DIN 06726836)</b> who was appointed as an Additional Director in the category of Independent Director by the Board with effect from 23rd January, 2021, upon the recommendation and



			Alagappa Nagar, Zamin Pallavaram, Chennai – 600117 Tamil Nadu		approval of the Nomination and Remuneration Committee 2. payment of remuneration of Rs. 12,50,000/- per month (inclusive of perquisites and allowances) to Mr. Raof Razak Dhanani (DIN 00174654), Managing Director of the Company for the remaining part of his tenure, subject to the approval of the shareholders through special resolution in the General Meeting of the Company.
2019-20	27.12.2020	11.00 A.M.	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM) at deemed venue situated at F1 C2 Sivavel Apartment, No. 2, Alagappa Nagar, Zamin Pallavaram, Chennai – 600117 Tamil Nadu	3	1. Appointment of Mrs. Isha Garg (DIN-06803278) as the director (Category Independent) of the Company to hold office for 5 consecutive years from 27 <sup>th</sup> August, 2020 to 26 <sup>th</sup> August, 2025.  2. Re-appointment of Mrs. Suchitra Dhanani as Whole-Time Director for a term of 3 years with effect from 06.02.2020 to 05.02.2023 and fix remuneration.  3. Selling the entire investment of 68,93,998 Equity Shares of Malwa Hospitality Private Limited (Subsidiary Company) to the existing directors, promoters, shareholders and relative of the directors

During the year under review, the Company has sought approval of members through postal ballot, the details of the same are given below:

**I. Postal ballot notice dated 11<sup>th</sup> October, 2022:**

**Items of special Business:**

Reclassification of Promoters of the Company from "Promoter" to "Public" Category

a. Details of voting

Total Valid Votes		Votes in favour			Votes against		
Voters	No. of Votes	Voters	No. of Votes	Voting Percentage	Voters	No. of Votes	Voting Percentage
13	632516	12	632496	100%	1	20	0

b. Details of Scrutinizer: M/s Neelesh Gupta & Co.

c. Date of Scrutinizer's report: 10<sup>th</sup> November, 2022.

d. Date of passing the resolution (last date for voting): 10<sup>th</sup> November, 2022

The scrutinizer's report for the above postal ballot has been placed on the Company's website and can be accessed at [https://sayajihotels.com/images/pdf/postal-ballot/BSE\\_Voting\\_Results\\_and\\_Scrutinizer\\_Report.pdf](https://sayajihotels.com/images/pdf/postal-ballot/BSE_Voting_Results_and_Scrutinizer_Report.pdf)

The postal ballot was conducted in accordance with the procedure set out in Section 108 and 110 of the Companies Act, 2013 read with Rule 20 and 22 of Companies (Management and Administration) Rules, 2014, Regulation 44 of the Listing Regulations and various circulars issued by MCA and SEBI in this regard.

## **II. Extra-ordinary General Meeting:**

Extra-ordinary General Meeting was held on 9<sup>th</sup> September, 2022 for the purpose of obtaining the approval of Members of the Company on Scheme of Arrangement between Ahilya Hotels Limited, Sayaji Hotels Management Limited, Sayaji Hotels Limited, Sayaji Hotels (Indore) Limited, Sayaji Hotels (Pune) Limited and their respective Shareholders and Creditors pursuant to the order of Hon'ble National Company Law Tribunal.

## **DETAILS OF MATERIAL SUBSIDIARIES**

During the year under review, there were no material subsidiary/ies of the Company.

## **MEANS OF COMMUNICATION**

### **❖ Quarterly Results:**

The Quarterly/Half yearly/Annual Financial Results have been submitted to the Stock Exchange (BSE) to enable them to put on their website and communicate to their members. The same are hosted on the company's website at <https://sayajihotels.com/investors/>.

### **❖ Newspapers wherein results normally published:**

The Quarterly/Half yearly/Annual Financial Results are normally published by the company in English and Tamil language newspapers in Makkal Kural for Tamil Version and Financial express for English Version.

### **❖ Website of the Company:**

The Company's corporate website i.e. <https://sayajihotels.com/> provides comprehensive information on the Company's portfolio of businesses. The website has an entire section dedicated to Company's profile, its core values, corporate governance, business lines and industry sections. An exclusive section on 'Investors' enables them to access information at their convenience. The entire Annual Report as well as quarterly, half yearly, annual financial statements, releases and shareholding pattern are available in downloadable format as a measure of added convenience to the investors.

Official news releases, if any, are displayed on the Company's website <https://sayajihotels.com/>. There is no institutional investor in the company.

## **GENERAL SHAREHOLDER INFORMATION**

### **❖ Financial Year:**

The Financial Year of the Company starts from 1<sup>st</sup> day of April and ends on 31<sup>st</sup> day of March of next year.

### **❖ Financial Calendar 2023 (tentative):**

First Quarter Results: First/Second week of August, 2023



Second Quarter Results: First/Second week of November, 2023  
 Third Quarter Results: First/Second week of February, 2024  
 Fourth Quarter as well as Annual Results: Third/Fourth week of May, 2024

❖ **Dividend Payment Date:**

The Directors of the company have not recommended any dividend for the Financial Year 2022-23 except the dividend on unlisted preference shares which is to be paid to preference shareholders as mentioned in the Notice of Annual General Meeting.

❖ **Name and Address of Stock Exchange:**

Sr. No.	Name of Stock Exchange	Address	Stock Code
1.	BSE LIMITED	BSE Limited, P.J. Towers, Dalal Street Fort, Mumbai-400 001	523710

Annual Listing fees for the Financial Year 2022-23 has paid by the Company to BSE Limited.

❖ **Market Price Data:**

The high and low Market Price of the Company's shares traded on the BSE Limited, during each month in the financial year 2022 - 2023 are given below:

Month	BSE Sensex Closed	Equity Share Price			No. of Shares traded during the month	Turnover
		High	Low	Close		
<b>Apr-22</b>	57060.87	310	255.1	299.5	10832	3043154
<b>May-22</b>	55566.41	299.95	225	240.25	12785	3186811
<b>Jun-22</b>	53018.94	257.5	200	216	84735	20585288
<b>Jul-22</b>	57570.25	244.9	210.35	232	7769	1788658
<b>Aug-22</b>	59537.07	272	225.35	252	169246	41421858
<b>Sep-22</b>	57426.92	343.95	253	323.9	32119	9722452
<b>Oct-22</b>	60746.59	425	308.05	349.8	25534	9618401
<b>Nov-22</b>	63099.65	358.45	290.2	312.6	20263	6459386
<b>Dec-22</b>	60840.74	395	305.55	346.15	23075	8120553
<b>Jan-23</b>	59549.90	377	322.6	335.65	17036	5929728
<b>Feb-23</b>	58962.12	374.85	330.2	336	5592	1934033
<b>Mar-23</b>	58991.52	352.25	292.7	307.05	7756	2483004

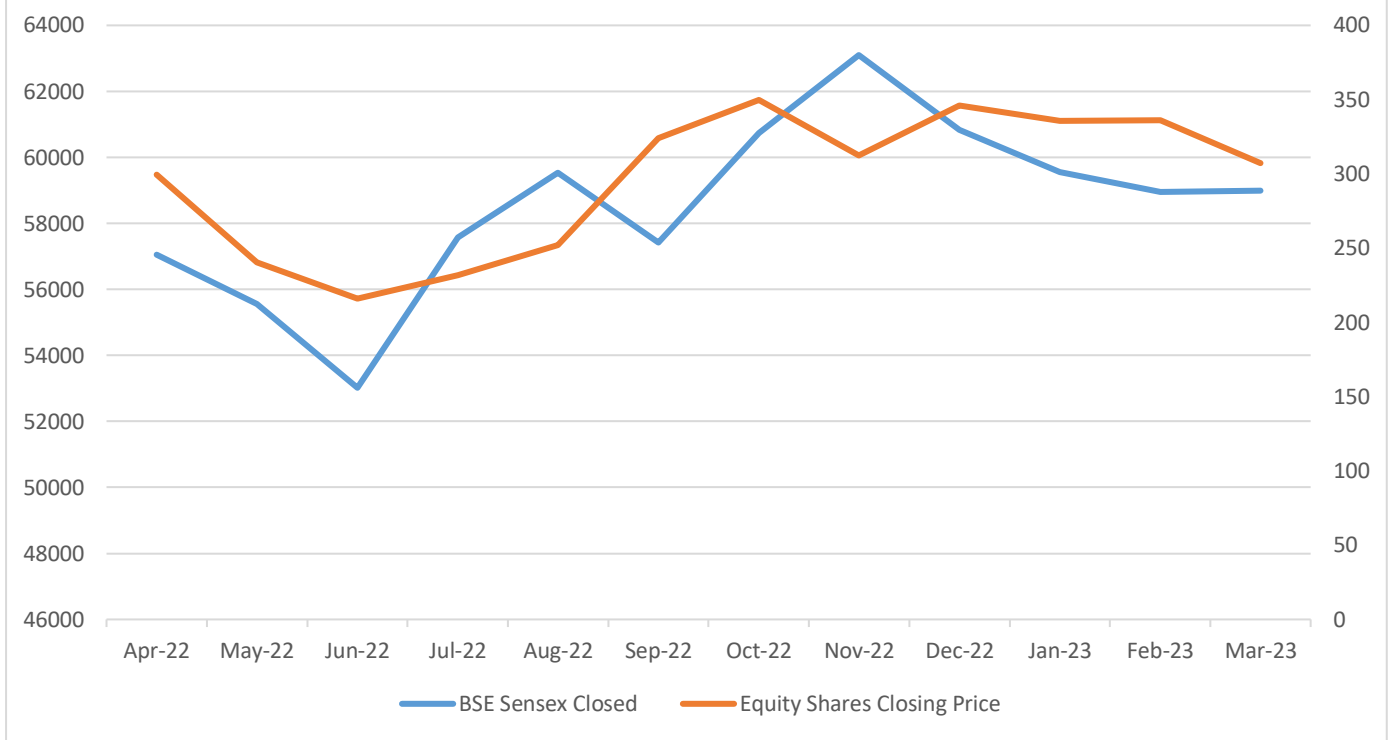


Chart Showing high and low Market Price of the Company’s shares traded on the BSE Limited.

❖ **Registrar to an issue and Share Transfer Agent:**

All the work related to the shares held in the physical form as well as shares held in the electronic (demat) form is being done at one single point and for this purpose SEBI registered Registrar and Share Transfer Agent has been appointed, whose details are given below:

**Link Intime India Pvt. Limited**

C-101, 247 Park, LBS Marg, Vikhroli West,  
 Mumbai - 400083  
 e-mail: mumbai@linkintime.co.in  
 Phone (022) 49186000, Fax: (022) 49186060

❖ **Share Transfer System:**

Transfer of the shares are done through the depositories with no involvement of the Company. For the transfer of shares held in physical form, the authority has been delegated to the Company’s officials who generally consider and approve the share transfer requests on a fortnightly basis.

The shares sent for physical transfer are generally registered and returned within a period of 15 days from the date of receipt of request, subject to documents being valid and complete in all respects. As per the requirement of Regulation 40(9) of the Listing Regulations, the Company has obtained half-yearly certificates from Practicing Company Secretary for due compliance of share transfer formalities and filed the same with the Stock Exchange.

❖ **Distribution of Shareholding:**

The shareholding distribution of equity shares as on 31<sup>st</sup> March, 2023 is given hereunder:

No. of Shares (Slab)	No. of Share Holders	% of Total		
			No. of shares	% of share Capital
1-500	3445	94.9297	303530	1.7327
501-1000	83	2.2871	63307	0.3614

1001-2000	35	0.9645	53744	0.3068
2001-3000	18	0.496	44582	0.2545
3001-4000	6	0.1653	21428	0.1223
4001-5000	5	0.1378	23754	0.1356
5001-10000	7	0.1929	44943	0.2566
10001 or more	30	0.8267	16962712	96.8302
<b>TOTAL</b>	<b>3629</b>	<b>100%</b>	<b>17518000</b>	<b>100%</b>

The Equity Shareholding Pattern as on 31<sup>st</sup> March, 2023-

Category	No. of Shares held	%
A. Promoters and promoter group	1,31,29,623	74.95
<b>B. Banks, Financial Institutions, Insurance Companies &amp; Mutual Funds</b>		
i. Banks	300	0.00
ii. Financial Institutions	0	0.00
iii. Insurance Companies	0.00	0.00
iv. Mutual Funds/UTI	4000	0.02
Central & State Governments	0.00	0.00
Foreign Institutional Investors	0.00	0.00
NRIs / Foreign Nationals	3084814	17.61
Directors	0.00	0.00
Public and Others	1299263	7.42
<b>TOTAL</b>	<b>17518000</b>	<b>100.00</b>

Note: for detailed shareholding pattern, kindly refer MGT-7 available on website of the Company at [www.sayajihotels.com](http://www.sayajihotels.com).

The Preference Shareholding Pattern as on 31<sup>st</sup> March, 2023-

Category	No. of Shares held	%
C. Promoters and promoter group	1000000	100%
<b>D. Banks, Financial Institutions, Insurance Companies &amp; Mutual Funds</b>		
i. Banks	-	-
ii. Financial Institutions	-	-
iii. Insurance Companies	-	-
iv. Mutual Funds/UTI	-	-
Central & State Governments	-	-
Foreign Institutional Investors	-	-
NRIs / Foreign Nationals	-	-
Directors	-	-
Public and Others	-	-
<b>TOTAL</b>	<b>10,00,000</b>	<b>100.00</b>

#### ❖ Dematerialization of Shares:

As on 31<sup>st</sup> March, 2023 91.76 % of the total equity shares were held in dematerialized form.  
As on 31<sup>st</sup> March, 2023 75 % of the total Preference Shares were held in dematerialized form.

#### ❖ Hotel Location:

The locations of all the hotels of Sayaji have been available at <https://sayajihotels.com/>.

#### ❖ Commodity price risk or foreign exchange risk and hedging activities:

Your Company has managed the foreign exchange risk with appropriate hedging activities in accordance with policies of the Company. The Company uses forward exchange contracts to hedge against its foreign currency exposures. Foreign exchange transactions are covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time.

❖ **Address for Correspondence:**

All Member's correspondence should be forwarded to M/s. Link Intime India Private Limited, the Registrar and Transfer Agent of the Company or to the Investor Service Department at the Registered Office of the Company at the addresses mentioned below:

**Link Intime Private Limited:**

C-101, 247 Park, LBS Marg, Vikhroli West,  
Mumbai – 400083  
e-mail: [mumbai@linkintime.co.in](mailto:mumbai@linkintime.co.in)  
Phone (022) 49186000,  
Fax: (022) 49186060

**Registered Office of the Company:**

F1 C2 Sivavel Apartment, 2 Alagappa Nagar,  
Zamin Pallavaram, Chennai Tamil Nadu – 600117  
Phone: 044-29871174  
E-mail: [cs@sayajigroup.com](mailto:cs@sayajigroup.com)

SEBI vide its circular dated 26<sup>th</sup> March, 2018 issued new policy measures w.r.t. SEBI Complaints Redress System (SCORES). As per the new process, SEBI has requested the Members to approach the Company directly at the first instance for their grievance. All companies against whom complaints are pending on SCORES, have to take necessary steps to resolve the complaint and submit action taken report within thirty days of receipt of complaint and also keep the complainant duly informed of the action taken.

❖ **Detail of credit rating obtained:**

ICRA Limited (Credit Rating Agency) has revised the long-term rating for the captioned Line of Credit (LOC) to [ICRA] BBB+ (pronounced ICRA triple B plus) from [ICRA] BBB (pronounced ICRA triple B). The outlook on the long-term rating is stable. The intimation regarding above mentioned change in credit rating has been submitted to stock exchanges as well as uploaded on the website of the company.

## OTHER DISCLOSURES

❖ **Related Party Transactions:**

All the contracts / arrangements / transactions entered by the Company during the financial year with related parties were in its ordinary course of business and on an arm's length basis which is disclosed in Board Report as well as in notes to Financial Statements. None of the transactions with any of related parties were in conflict with the Company's interest.

The Company's major related party transactions are generally with its subsidiaries and associates. The related party transactions are entered into based on considerations of various business exigencies, such as synergy in operations, sectoral specialization and the Company's long term strategy for sectoral investments, optimization of market share, profitability, legal requirements, liquidity and capital resources.

There is no materially significant related party transaction entered during the financial year under review. The Company has formulated a policy on materiality of Related Party Transactions and dealing with Related Party Transactions and the same has been disclosed on the Company's website at the following link: [https://sayajihotels.com/images/pdf/Annexure\\_4\\_RPT\\_Policy.pdf](https://sayajihotels.com/images/pdf/Annexure_4_RPT_Policy.pdf).

All related party transactions including transactions of repetitive in nature are placed before the Audit Committee for approval and further reviewed periodically.

❖ **Statutory Compliances/Penalty:**

Following is the details of non-compliance by the listed entity and penalties, strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets during the last three years:

Sr. No.	Financial Year	Details	Action/Comments of Company
1.	2022-23	All the details of the non-compliance during the year has been placed in Secretarial Audit Report attached as <b>Annexure 5</b> to this Annual Report.	The penalty of Rs. 1,45,000/- along with GST was imposed on account of the typographical error made while preparing the XBRL document for submission of disclosure of Related Party Transactions as per Regulation 23(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the reporting period was wrongly mentioned as 01.04.2021 – 31.03.2022 in place of 01.04.2022 – 31.03.2023). The Company rectified the error and made the disclosure on 28 <sup>th</sup> December, 2022 and made the application for waiver of such fine and the same has been waived off by the Stock Exchange
2.	2021-22	No non-compliance or penalty has been imposed during the year under review.	Not Required
3.	2020-21	All the details of the non-compliance during the year has been placed in Secretarial Audit Report attached as <b>Annexure 3</b> to this Annual Report.	The Company has rectified the Non-Compliances and filed a waiver request with BSE Limited for imposing such stringent penalty as the said non-compliance happened as a result of disruption of operation and business due to pandemic Covid-19 only.  BSE Limited has waived 3 out of 5 penalties and partly waived 2 penalties. The amount of partial penalty is Rs. 440000/- + taxes.

❖ **Disclosure on Website:**

Following information has been disseminated on the website of the Company at [www.sayajihotels.com](http://www.sayajihotels.com):

- (a) Annual Reports
- (b) Details of Board of the Directors
- (c) Code of Conduct for Board of Directors and Senior Management
- (d) Code of conduct for the Independent Directors
- (e) Code of conduct under SEBI (PIT) Regulations, 2015
- (f) Corporate Governance Report
- (g) Composition of the Various committees of the Board of Directors
- (h) General Meeting Transcript
- (i) Details of the Business
- (j) Financial Results
- (k) Investors Complaint
- (l) Investors Details
- (m) Shareholding pattern
- (n) Whistle Blower/Vigil mechanism
- (o) Terms and conditions for appointment of Independent Directors
- (p) Policies

- (q) Internal Complaint Committee (SHWW Prevention, Prohibition And Redressal) Act, 2013
- (r) Notices
- (s) Reports under Regulation 40(9)
- (t) Announcements under Regulation 30 of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015
- (u) Compliance Certificate under Regulation 74 (5) of SEBI (DP) Regulation, 2018
- (v) Reports under Regulation 7(3)
- (w) Reconciliation of the share capital Audit
- (x) Statement of the investors complaint report
- (y) Financial statement of the Subsidiary
- (z) E Voting
- (aa) Postal Ballot
- (bb) Composite Scheme
- (cc) Financial statement of the unlisted Companies
- (dd) Disclosures of Related Party Transactions
- (ee) Disclosure of Reasons for Encumbrances by Promoters

**❖ Compliance with Mandatory and Non-Mandatory Requirements under Chapter IV of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015:**

The Company is regularly complying with the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 as stipulated therein. Information, certificates and returns as required under the provisions of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 are sent to the stock exchanges within the prescribed time. The Company has also complied with all the mandatory requirement of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015.

The status of compliance with the non-mandatory requirements is as under:

**1. Modified Opinion(s) in Audit Report:**

There are no modified opinion(s) on the financial statements for the financial year 2022-23.

**2. Reporting of Internal Auditor:**

The Internal Auditor of the Company directly reports to the Audit Committee on functional matters.

The Company has complied with the applicable provisions of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 including Regulation 17 to 27 and Regulation 46 of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015. The Company has submitted quarterly compliance report on Corporate Governance with the Stock Exchanges, in accordance with the requirements of Regulation 27(2)(a) of the Listing Regulations.

**❖ Governance of Subsidiary Companies and policy for determining “Material” Subsidiaries:**

The minutes of the Board Meetings of the subsidiary companies along with the details of significant transactions and arrangements entered into by the subsidiary companies are shared with the Board of Directors on a quarterly basis. The financial statements of the subsidiary companies are presented to the Audit Committee. The Company does not have a material subsidiary as on the date of this Report, having a net worth exceeding 10% of the consolidated net worth or income of 10% of the consolidated income of your Company. The Board has formulated a policy for determining material subsidiaries pursuant to the provisions of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 which is available on the website of the Company at [https://sayajihotels.com/images/pdf/policies/Material\\_Subsiary\\_Policy\\_2.pdf](https://sayajihotels.com/images/pdf/policies/Material_Subsiary_Policy_2.pdf).

As per the provision of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 along with the policy framed by the Company, the Company does not have any material subsidiary company.

**❖ Disclosures of commodity price risks or foreign exchange risks and commodity hedging activities specified under Schedule V (C) 10(g) to the SEBI Listing Regulations:**

The Company does not deal in commodities and hence the disclosure pursuant to the same is not required to be given. The Company faces exposure to fluctuations in currency for which it uses forward exchange

contracts to hedge against its foreign currency exposures. The details of foreign exchange exposures as on 31<sup>st</sup> March, 2023 are disclosed in Notes to the Financial Statements.

❖ **Non acceptance of any recommendation of any Committee of the Board which was mandatorily required:**

During the year, the Board has accepted all recommendations received from all of its Committees.

❖ **Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:**

The total fees paid to the M/s K.L. Vyas & Co., Statutory Auditor by the Company and its subsidiaries on a consolidated basis for the Financial Year 2022-23 is Rs. 13.02 Lakh, details of which is placed at notes to the financial Statements forming part of this Annual Report.

❖ **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

During the Financial Year ended 31<sup>st</sup> March, 2023, the Company has not received any complaint in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Particulars	Number of Complaints
Number of Complaints filed during the Financial year under review	0
Number of Complaints disposed of during the financial year under review	0
Number of Complaints pending as on the end of financial year	0

**Disclosures by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount during FY 2022-23:**

S. No.	Nature of Entity	Name of firms/Companies in which Directors are interested	Loans/Advances	Amount in Lakhs
1	Subsidiary company	Sayaji Hotels Management Ltd	Loans	519.77

**In the Books of Sayaji Housekeeping Services Ltd: Subsidiary of Sayaji Hotels Limited:**

S. No.	Nature of Entity	Name of firms/Companies in which Directors are interested	Loans/Advances	Amount in Lakhs
1	Common directors in both the companies	Malwa Hospitality Private Limited	Loans	175.00
2	Common directors in both the companies	Prinite Hospitality Private Limited	Loans	433.00

❖ **Other Information:**

Particular	Information
Board Meeting for consideration of Accounts for the financial year ended on 31 <sup>st</sup> March, 2023	29 <sup>th</sup> May, 2023
Date of closing of the financial year	31 <sup>st</sup> March, 2023
Date of Email of the Annual Reports	On or before 10 <sup>th</sup> Day of October, 2023



No. of Shares in the Demat & % of the total shares in the Demat	1,60,74,995 Equity Shares (91.76 % of the total paid up Equity share capital of the Company) 7,50,000 Preference Shares (75.00 % of the total paid up Preference share capital of the Company)
Total No. of shareholders as at 31 <sup>st</sup> March, 2023	3561
Particulars of Shares kept under the suspense A/c as per Regulation 39(4) of Securities and Exchange Board of India SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015	Not applicable
Details of the outstanding ADR/GDR/ Warrants	Not applicable
Cutoff date for remote e-voting	20 <sup>th</sup> October, 2023
Remote E-Voting period	From 28 <sup>th</sup> October, 2023 09:00 A.M. IST To 1 <sup>st</sup> November, 2023 05:00 P.M. IST
Name of the Scrutinizers	Mr. Neelesh Gupta
Name of the Compliance Officer	Mr. Ankur Bindal
Last date for receipt of Proxy Forms	Not Applicable
Date, Time & Venue of the 40 <sup>th</sup> Annual General Meeting	Date – 2 <sup>nd</sup> November, 2023 Time – 03:30 P.M. Venue –To be held through VC/OAVM and deemed venue to be the Registered Office : F1 C2, Sivavel Apartment, 2 Alagappa Nagar, Zamin Pallavaram, Chennai (TN) – 600117 IN
Dividend Payment Date	Not Applicable
Probable date of dispatch of warrants	Not Applicable



## INDEPENDENT AUDITORS' REPORT

**To,  
The Members,  
Sayaji Hotels Limited,**

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

#### **Opinion**

We have audited the standalone financial statements of Sayaji Hotels Limited (“the Company”), which comprise the Balance Sheet as at 31<sup>st</sup> March 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

#### **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 the matters described below to be the key audit matters to be communicated in our report.

<b>Key Audit Matter</b>	<b>Auditor’s Response</b>
<b><i>Revenue Recognition</i></b>	<b><u>Principal Audit Procedures</u></b> We conducted an evaluation of the Company's internal controls pertaining to its revenue transactions. This assessment involved testing of the key controls that were identified during the audit process.

<p>Refer Notes 33 to the Standalone Financial Statements.</p>	<p>We have performed substantive detail testing by selecting a sample of revenue transactions, that we considered appropriate to test the evidence of effectiveness of the internal controls and adherence to accounting policies in recognising the revenue, and the rebates and discounts thereagainst.</p>
<p><b><i>Fees and Other Reimbursements to Operating Properties</i></b></p> <p>To ensure accounting of the expenses comprising the Basic Management Fee, Incentive Fee and reimbursement of expenses based on the terms of the Agreements entered into with the Operating Company and on the operating results of the respective Hotel properties under Agreement.</p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>Our audit approach was as follows:</p> <p>Review of each of the Hotel operating agreements entered into.</p> <p>Validation of the Gross Income, the Gross Operating profit of each of the property from the books and records of the property.</p> <p>We verified the calculation of the fees and reimbursement of expenses in accordance with the terms outlined in the aforementioned agreements. Our examination aimed to ensure that the fees were accurately calculated and the expenses were appropriately reimbursed, adhering to the specific provisions laid out in the agreements.</p>

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

The Company’s Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the standalone financial statements and our auditor’s report thereon.

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

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

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

### **Responsibility of Management for Standalone Financial Statements**

The Company’s Management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone 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. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 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.

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

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 Companies Act, 2013, we give in the "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement 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 specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No.46 to the financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

**For K.L. Vyas & Company,  
Chartered Accountants,  
FRN: 003289C**

**Place of Signature: Indore  
Date: 29<sup>th</sup> May, 2023**

**(Himanshu Sharma)  
Partner  
M. No. 402560  
UDIN: 23402560BGUBHX3625**

**ANNEXURE –A TO THE AUDITORS’ REPORT**

**ANNEXURE REFERRED TO IN CLAUSE 1 OF REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF SAYAJI HOTELS LIMITED ON THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup>MARCH, 2023.**

(i) (a) (A) The company has maintained proper records showing full particulars including quantitative details and situation of Property, plant and equipment.

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

(b) We are informed that the Property, plant and equipment of the company have been physically verified by the management according to a phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its assets. Pursuant to the programme, physical verification was carried out during the year and no material discrepancies were noticed.

(c) According to the information and explanations given to us and on the basis of our examination of the conveyance deed provided to us, we report that, the title deeds, comprising of all the immovable properties of land and buildings which are freehold, are in the name of the Company as at the balance sheet date.

In respect of immovable properties been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company, however, there is a notice for cancellation of lease by the Indore Development Authority for cancelling the lease of one leasehold land situated in Indore with carrying value of Rs.2291.62 Lacs, which company is contesting.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The physical verification of the inventory is being conducted on a monthly basis by the management and no material discrepancies were noticed.

(b) In respect of working capital limits sanctioned by banks, the quarterly returns or statements filed by the company with such banks are in agreement with books of account of the company, and no material discrepancies were noticed.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments in, provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the company has provided loans or stood guarantee to any other entity as below:

Particulars	Rs. in Lakhs	
	Guarantees	Loans
<b>A. Subsidiaries, Associated &amp; JVs</b>		
Aggregate amount during the year – Subsidiaries	-	10.00
Balance outstanding as at Balance Sheet date – Subsidiaries.	-	519.77
<b>B. Other Parties</b>		
Aggregate amount during the year – Others	-	300.00
Balance outstanding as at Balance Sheet date – Others	-	303.19

- (b) According to information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
- (c) According to information and explanations given to us and on the basis of our examination of the records of the company in respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.
- (d) According to information and explanations given to us and on the basis of our examination of the records of the company in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) According to information and explanations given to us and on the basis of our examination of the records of the company there is no loan granted by the Company which has fallen due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.
- (v) The company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2023 and therefore, the provisions of the clause 3(v) of the Order are not applicable to the company.



(vi) According to the information and explanation given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for the goods sold and services rendered by the Company, Accordingly, clause 3(vi) of the Order is not applicable.

(vii)

(a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, service tax & cess and other material statutory dues as may be applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, Cess and other material statutory dues were in arrears as at 31<sup>st</sup> March, 2023, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, details of the dues of sale tax, income tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute are given below.

<b>Name of Statue</b>	<b>Nature of Dues</b>	<b>Period to which the amount relates</b>	<b>Forum where the dispute is pending</b>	<b>Total Amount (Rs. in Lakhs)</b>
Income Tax Act, 1961	Income Tax	A.Y.2013-14, 2014-15, 2015-16	Commissioner of Income Tax(Appeals), (Faceless)	28.39
M.P. Value Added Tax Act 2002, M.P. Luxury, Entertainment & Advertisement Tax Act, 2011 & M.P. Entry Tax Act, 1976	Service Tax, Luxury Tax and Entry Tax	2012-2013 & 2014- 2015	Appellate Tribunal, Commercial Tax, Indore	102.26
M.P. Municipal Corporation Act, 1956	Property Tax	2016-17 2017-18	The Mayor-In- Council, Indore Municipal Corporation, Indore	65.18
			<b>TOTAL</b>	<b>195.83</b>

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

(ix) (a) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of loans or borrowing to financial institutions, banks, Government or dues to debenture holders.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
- (c) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that proceeds from term loans have been applied for the purpose for which loans were obtained.
- (d) According to the information and explanations given to us and based on our examination of the balance sheet of the Company, no funds raised on short term basis have been utilized for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

**For K.L. Vyas & Company,  
Chartered Accountants,  
FRN: 003289C**

**Place of Signature: Indore  
Date: 29<sup>th</sup> May, 2023**

**(Himanshu Sharma)  
Partner  
M. No. 402560**

**UDIN: 23402560BGUBHX3625**

**ANNEXURE –B TO THE AUDITORS’ REPORT**

**REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)**

We have audited the internal financial controls over financial reporting of Sayaji Hotels Limited (“the Company”) as of 31<sup>st</sup> March, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the 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 31<sup>st</sup> March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For K.L. Vyas & Company,  
Chartered Accountants,  
FRN: 003289C**

**Place of Signature: Indore**

**Date: 29<sup>th</sup> May, 2023**

**(Himanshu Sharma)  
Partner  
M. No. 402560**

**UDIN: 23402560BGUBHX3625**

**SAYAJI HOTELS LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH, 2023**

(Amount in Rs. Lakhs)

Particulars	Note No.	As at 31st March,2023	As at 31st March,2022
<b>ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant & Equipment	2	14,965.88	16,593.58
(b) Capital Work-In-Progress	3	90.52	1.33
(c) Intangible Assets	4	2.10	0.43
(d) Investment In Subsidiary, Joint Venture & Associate	5	652.50	652.50
(e) Financial Assets			
(i) Investments	6	0.21	0.21
(ii) Loans	7	1,256.10	1,087.62
(iii) Other Financial Assets	8	483.00	425.84
(f) Deferred Tax Assets (Net)	9	1,626.85	1,521.12
(g) Other Non-Current Assets	10	1,203.70	127.18
<b>Total Non-Current Assets</b>		<b>20,280.86</b>	<b>20,409.81</b>
<b>2 Current assets</b>			
(a) Inventories	11	885.59	987.35
(b) Financial Assets			
(i) Investments	12	788.42	-
(ii) Trade Receivables	13	962.74	660.07
(iii) Cash and Cash Equivalents	14	189.50	674.46
(iv) Bank Balances Other Than (iii) above	15	643.19	10.43
(v) Loans	16	1,057.21	948.18
(vi) Other Financial Assets	17	8.39	131.23
(c) Current Tax Assets (Net)	18	27.65	21.46
(d) Other Current Assets	19	1,059.30	777.63
<b>Total Current Assets</b>		<b>5,621.99</b>	<b>4,210.81</b>
<b>TOTAL ASSETS</b>		<b>25,902.85</b>	<b>24,620.62</b>
<b>EQUITY AND LIABILITIES</b>			
<b>1 EQUITY</b>			
(a) Equity Share Capital	20	1,751.80	1,751.80
(b) Other Equity	21	12,227.45	6,744.64
<b>Total Equity</b>		<b>13,979.25</b>	<b>8,496.44</b>
<b>2 LIABILITIES</b>			
<b>2.1 Non-current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	22	1,797.96	3,960.22
(ia) Lease Liabilities	23	5,505.28	5,630.85
(ii) Other Financial Liabilities	24	102.80	1,594.78
(b) Provisions	25	477.73	516.43
(c) Deferred Tax Liabilities (Net)	9	-	-
(d) Deferred Revenue	26	307.02	352.73
<b>Total Non-Current Liabilities</b>		<b>8,190.79</b>	<b>12,055.01</b>

<b>2.2 Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	27	85.14	754.07
(ia) Lease Liabilities	28	329.00	818.63
(ii) Trade Payables	29		
A. total outstanding dues of micro enterprises and small enterprises; and		34.21	54.14
B. total outstanding dues of creditors other than micro enterprises and small enterprises.		1,251.60	857.83
(iii) Other Financial Liabilities	30	11.79	32.63
(b) Provisions	31	598.95	421.91
(c) Current Tax Liabilities (Net)		-	-
(d) Other Current Liabilities	32	1,422.12	1,129.96
<b>Total Current Liabilities</b>		<b>3,732.81</b>	<b>4,069.17</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>25,902.85</b>	<b>24,620.62</b>

Significant Accounting Policies and other Notes **1-57**

These notes form an integral part of these financial statements

In term of our report attached

**For K.L.Vyas & Company**  
**Chartered Accountants**  
**Firm Regn. No. 003289C**

**For and on behalf of Board of Directors**

**Himanshu Sharma**  
**Partner**  
**M.No. 402560**

**T.N Unni**  
**Director**  
**DIN. 00079237**

**Raof Razak Dhanani**  
**Managing Director**  
**DIN No. 00174654**

**Place: Indore**  
**Date: 29th May 2023**

**Sandesh Khandelwal**  
**Chief Financial Officer**

**Ankur Bindal**  
**Company Secretary**



<b>SAYAJI HOTELS LIMITED</b>				
<b>STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2023</b>				
[ Rs. in Lakhs Except EPS]				
	<b>Particulars</b>	<b>Note No.</b>	<b>For the year ended 31st March, 2023</b>	<b>For the year ended 31st March, 2022</b>
I	<b>Income</b>			
II	Revenue From Operations	33	26,345.80	16,106.44
III	Other Income	34	2,927.63	2,830.25
IV	<b>Total Revenue (II+III)</b>		<b>29,273.43</b>	<b>18,936.69</b>
V	Expenses :			
	Food and Beverages Consumed	35	4,803.75	2,885.69
	Employee Benefits Expenses	36	5,217.52	3,383.87
	Finance Costs	37	1,151.47	1,849.47
	Depreciation And Amortization Expenses	2&4	2,017.44	2,340.03
	Operating Expenses	38	6,710.06	4,065.65
	Other Expenses	39	1,953.89	1,042.71
	<b>Total Expenses</b>		<b>21,854.13</b>	<b>15,567.42</b>
VI	<b>Profit/(Loss) before exceptional items and tax (IV-V)</b>		<b>7,419.30</b>	<b>3,369.27</b>
VII	<b>Exceptional items</b>		-	-
VIII	<b>Profit/(Loss) before tax (VI-VII)</b>		<b>7,419.30</b>	<b>3,369.27</b>
IX	Tax Expense :			
	(1) Current Tax		1,975.50	483.74
	(2) Deferred Tax		(96.88)	237.46
	(3) Earlier year taxes		31.53	1.95
	<b>Total (IX)</b>		<b>1,910.15</b>	<b>723.15</b>
X	<b>Profit (Loss) for the year after tax (VIII-IX)</b>		<b>5,509.15</b>	<b>2,646.12</b>
XI	<b>Other Comprehensive Income</b>			
	(a) Items that will not be reclassified to profit or loss			
	(i) Actuarial Gain/(Loss) on Defined Benefit Plan		(35.20)	115.94
	(ii) Income tax relating to items that will not be reclassified to profit or loss		8.86	(29.18)
	(b) Items that will be reclassified to profit or loss			
	(i) Changes in Cash Flow Hedge Reserve		-	36.25
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	(8.48)
	Other Comprehensive Income for the year net of tax		<b>(26.34)</b>	<b>114.53</b>
XII	<b>Total Comprehensive Income for the year (Comprising Profit/(Loss) and Other Comprehensive Income for the year)</b>		<b>5,482.81</b>	<b>2,760.65</b>
XIII	Earnings per equity share	40		
	(1) Basic		30.88	14.53
	(2) Diluted		30.88	14.53
Significant Accounting Policies and other Notes		1-57		
These notes form an integral part of these financial statements				
In term of our report attached				
<b>For K.L.Vyas &amp; Company</b>		<b>For and on behalf of Board of Directors</b>		
<b>Chartered Accountants</b>				
<b>Firm Regn. No. 003289C</b>				
<b>Himanshu Sharma</b>		<b>T.N Unni</b>	<b>Raooof Razak Dhanani</b>	
<b>Partner</b>		<b>Director</b>	<b>Managing Director</b>	
<b>M.No. 402560</b>		<b>DIN 00079237</b>	<b>DIN 00174654</b>	
<b>Place: Indore</b>		<b>Sandesh Khandelwal</b>	<b>Ankur Bindal</b>	
<b>Date: 29th May 2023</b>		<b>Chief Financial Officer</b>	<b>Company Secretary</b>	

**SAYAJI HOTELS LIMITED**

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023**

**A. Equity Share Capital**

(Amount in Rs. Lakhs)

Balance as at 1st April, 2022	Changes in equity share capital during the year	Balance as at 31st March, 2023
1,751.80	-	1,751.80

**B. Other Equity**

(Amount in Rs. Lakhs)

Particulars	Equity component of compound financial instruments	Reserve and surplus			Effective portion of Cash Flow Hedges	Total
		Securities Premium Reserve	General Reserve	Retained Earnings		
Balance as at 1st April, 2022	940.01	5,944.60	641.48	(781.45)	-	6,744.64
Profit/(Loss) for the year	-	-	-	5,509.15	-	5,509.15
Other Comprehensive Income for the year	-	-	-	(26.34)	-	(26.34)
<b>Total Comprehensive Income for the Year</b>	-	-	-	<b>5,482.81</b>	-	<b>5,482.81</b>
Cash dividends	-	-	-	-	-	-
Dividend distribution tax on cash dividend	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-
Issue of share capital	-	-	-	-	-	-
<b>Balance as at 31st March, 2023</b>	<b>940.01</b>	<b>5,944.60</b>	<b>641.48</b>	<b>4,701.36</b>	-	<b>12,227.45</b>

**A. Equity Share Capital**

(Amount in Rs. Lakhs)

Balance as at 1st April, 2021	Changes in equity share capital during the year	Balance as at 31st March, 2022
1,751.80	-	1,751.80

**B. Other Equity**

(Amount in Rs. Lakhs)

Particulars	Equity component of compound financial instruments	Reserve and surplus			Effective portion of Cash Flow Hedges	Total
		Securities Premium Reserve	General Reserve	Retained Earnings		
Balance as at 1st April, 2021	940.01	5,944.60	641.48	(3,514.32)	(27.77)	3,984.00
Profit/(Loss) for the year	-	-	-	2,646.11	-	2,646.11
Other Comprehensive Income for the year	-	-	-	86.76	27.77	114.53
<b>Total Comprehensive Income for the Year</b>	-	-	-	<b>2,732.87</b>	<b>27.77</b>	<b>2,760.64</b>
Cash dividends	-	-	-	-	-	-
Dividend distribution tax on cash dividend	-	-	-	-	-	-
Transfer from retained earnings	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-
Issue of share capital	-	-	-	-	-	-
<b>Balance as at 31st March, 2022</b>	<b>940.01</b>	<b>5,944.60</b>	<b>641.48</b>	<b>(781.45)</b>	-	<b>6,744.64</b>

Significant Accounting Policies and other Notes

1-57

These notes form an integral part of these financial statements

In term of our report attached

**For K.L.Vyas & Company**

Chartered Accountants

Firm Regn. No. 003289C

**For and on behalf of Board of Directors**

**Himanshu Sharma**

Partner

M.No. 402560

**T.N Unni**

Director

DIN. 00079237

**Raof Razak Dhanani**

Managing Director

DIN. 00174654

Place: Indore

Date: 29th May 2023

**Sandesh Khandelwal**  
Chief Financial Officer

**Ankur Bindal**  
Company Secretary

<b>Sayaji Hotels Limited</b>		
<b>Statement of Cash Flow for the year ended 31st March, 2023</b>		
<b>(Amount in Rs. Lakhs)</b>		
<b>Particulars</b>	<b>For the year ended 31st March, 2023</b>	<b>For the year ended 31st March, 2022</b>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before Tax from continuing operations</b>	<b>7,419.30</b>	<b>3,369.27</b>
<b>Non-cash/Non-Operating adjustment to reconcile profit before tax to net cash flows</b>		
Depreciation & Amortisation including adjustments	2,017.44	2,340.03
Deferred Income Amortisation	(39.03)	(44.30)
Deferred Expense Amortisation	4.69	4.69
Excess provision written back	(5.16)	(41.30)
(Profit)/Loss on Sale/Disposal of Property, Plant & Equipment	-	(1.63)
Interest Expense	238.81	906.00
Finance cost on lease payable & Other Financial Liabilities	720.03	771.48
Finance cost on Preference Share	192.63	171.99
Interest Received	(177.49)	(74.74)
Finance income on security deposit	(85.14)	(103.12)
Dividend Income	(2,425.10)	(2,400.20)
Lease Rent & Lease Rent Concession	492.33	20.93
Balances Written off	(11.17)	(1.23)
Provision for doubtful debts made	45.95	28.06
<b>Operating profit before Working Capital changes</b>	<b>8,388.09</b>	<b>4,945.93</b>
<b>Adjustments for::</b>		
Increase/(Decrease) in other liabilities	285.48	290.10
Increase/(Decrease) in other financial liabilities	(1,512.82)	(380.11)
Increase/(Decrease) in provisions	108.30	(11.48)
Increase/(Decrease) in trade payables	373.84	(236.56)
Decrease/(Increase) in loans(financial assets)	(192.37)	(780.47)
Decrease/(Increase) in other Bank Balances	(632.76)	(0.85)
Decrease/(Increase) in Inventories	101.76	616.08
Decrease/(Increase) in trade receivable	(337.45)	(338.45)
Decrease/(Increase) in other assets	(1,362.88)	(63.03)
Decrease/(Increase) in other financial assets	65.68	160.64
<b>Cash generated from operations</b>	<b>5,284.87</b>	<b>4,201.80</b>
Taxes (Paid)/Refund	(2,013.21)	(507.15)
<b>Net Cash from Operating Activity (A)</b>	<b>3,271.66</b>	<b>3,694.65</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant & Equipment	(406.27)	(135.93)
Sale/Disposal of Property, Plant & Equipment	-	4.21
Dividend Income	2,425.10	2,400.20
Investment others	(788.42)	-
Interest Received	177.49	74.74
<b>Net Cash Flow from Investing Activity(B)</b>	<b>1,407.90</b>	<b>2,343.22</b>

<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Long Term Borrowings	(3,006.74)	(2,505.45)
Proceeds/(Repayment) of loans from others	(17.08)	(279.11)
Payment of Lease Liability	(1,901.89)	(1,446.92)
Interest Paid/other borrowing cost paid	(238.81)	(906.00)
<b>Net cash used in Financing Activity (C)</b>	<b>(5,164.52)</b>	<b>(5,137.48)</b>
<b>Net increase/decrease in cash and cash equivalents(A+B+C)</b>	<b>(484.96)</b>	<b>900.39</b>
Cash and cash equivalents at the beginning of the year	674.46	(225.93)
Cash and cash equivalents at the close of the year	189.50	674.46
Significant Accounting Policies and other Notes 1-57		
These notes form an integral part of these financial statements		
In term of our report attached		
<b>Notes:</b>		
1. The above cash flow statement has been prepared under the indirect method set out in Ind AS -7 'Statement of Cash Flows'.		
2. For the purpose of Statement of Cash Flow, Cash and Cash Equivalents comprises the followings:		
	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Balance with Banks	148.26	643.22
Cash on hand	41.24	31.24
	<b>189.50</b>	<b>674.46</b>
<b>For K.L.Vyas &amp; Company</b>		
<b>Chartered Accountants</b>		
<b>Firm Regn. No. 003289C</b>		
<b>For and on behalf of Board of Directors</b>		
<b>Himanshu Sharma</b>	<b>T.N Unni</b>	<b>Raof Razak Dhanani</b>
<b>Partner</b>	<b>Director</b>	<b>Managing Director</b>
<b>M.No. 402560</b>	<b>DIN. 00079237</b>	<b>DIN. 00174654</b>
<b>Place: Indore</b>	<b>Sandesh Khandelwal</b>	<b>Ankur Bindal</b>
<b>Date: 29th May 2023</b>	<b>Chief Financial Officer</b>	<b>Company Secretary</b>

## Note-1

### A. Reporting entity

Sayaji Hotels Limited (“SHL” or the “Company”), is a company domiciled in India and limited by shares (CIN: L51100TN1982PLC124332). The shares of the company are publicly traded on Bombay Stock Exchange of India Limited. The address of the Company’s registered office is F1 C2 Sivavel Apartment, 2 Alagappa Nagar, Zamin Pallavaram Chennai, Chennai, TN 600117 IN. The Company is primarily engaged in the business of owning, operating & managing hotels.

The Financial Statements for the year ended 31st March, 2023, were approved by Board of Directors and authorized for issue on 29<sup>th</sup> May, 2023.

### B. Basis of Preparation

#### 1. Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (“Ind AS”) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and other provisions of the Companies Act, 2013 as amended from time to time.

#### 2. Basis of measurement/Use of Estimates

- (i) The Financial Statements are prepared on accrual basis under the historical cost convention except certain financial assets and liabilities (including derivatives instruments) that are measured at fair value. The methods used to measure fair values are discussed in notes to financial statements.

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.

Assets held for sale has been measured at fair value less cost to sell.

- (ii) The preparation of financial statements requires judgments, estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized. Major Estimates are discussed in Part D.

#### 3. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company’s functional currency. All financial information presented in INR has been rounded to the nearest Lakhs (upto two decimals), except as stated otherwise.

**C. Significant accounting policies**

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

**1. Current and non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized 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 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 settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

**2. Property Plant & Equipment**

**2.1. Initial recognition and measurement**

An item of property, plant and equipment's recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Items of Property, Plant and Equipment are measured at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset, borrowing cost, inclusive of non-refundable taxes & duties, to the location and condition necessary for it to be capable of operating in the manner intended by management.

When parts of an item of property, plant and equipment have different useful lives, they are recognized separately.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of Property, Plant and Equipment are capitalized.

**2.2. Subsequent costs**

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of Property, Plant and Equipment are recognized in profit or loss as incurred.

**2.3. Derecognition**

Property, Plant and Equipment are derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

**2.4. Depreciation/amortization**

Depreciation of each part of an item of Property, Plant and Equipment is recognized in profit or loss on a Written Down Value Method over the estimated useful lives as prescribed in Schedule II of Companies Act, 2013, except in respect of the following categories of assets, in whose case the life of assets had been re-assessed as under based on technical evaluation, taking into account the nature of asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturer's warranties and maintenance support.

**Class of Assets****Useful Life**

Assets constructed on leased premises.

Over the lease period

Leasehold lands are amortized over the lease term unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

Freehold land is not depreciated.

Depreciation on additions to/deductions from fixed assets during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.

Where it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably, subsequent expenditure on a PPE along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.

In circumstance, where a property is abandoned, the cumulative capitalized costs relating to the property are written off in the same period.

**3. Non-current assets (or disposal groups) held for sale**

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from



employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition. Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

#### **4. Capital work-in-progress**

The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs.

Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets.

Deposit works/cost plus contracts are accounted for on the basis of statements of account received from the contractors.

#### **5. Intangible assets and intangible assets under development**

##### **5.1. Initial recognition and measurement**

An intangible asset is recognized if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the company and the cost of the asset can be measured reliably.

Intangible assets that are acquired by the Company, which have finite useful lives, are recognized at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

##### **5.2. Subsequent costs**

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

**5.3. Derecognition**

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

**5.4. Amortization**

Intangible assets having definite life are amortized on Written Down Value method in their useful lives. Useful life of computer software is estimated at five years. If life of any intangible asset is indefinite, then it is not amortized and tested for Impairment at the reporting date.

**6. Borrowing Cost**

Borrowing costs that are directly attributable to the acquisition, construction/exploration/development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete.

All other borrowing costs are charged to revenue as and when incurred.

Borrowing costs consist of (a) interest expense calculated using the effective interest method as described in Ind AS 109 – ‘Financial Instruments’ (b) finance charges in respect of finance leases recognized in accordance with Ind AS 116 – ‘Leases’ (c) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs and (d) other costs that an entity incurs in connection with the borrowing of funds. Income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization.

**7. Investment in Subsidiary, Associate & Joint Venture**

These are Company’s Separate Financial Statements. Company has opted to show investments in Subsidiary, Associates & Joint Venture at cost. Dividend from these is recognized as and when right to receive is established.

Impairment loss is recognized as per Ind AS 36.

**8. Inventories**

Stock of Food and Beverages and stores and operating supplies are carried at the lower of cost and net realizable value. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition, including duties and taxes (other than those refundable). Cost is determined on Weighted Average Basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The diminution in the value of obsolete, unserviceable and surplus stores & spares is ascertained on review and provided for.

**9. Cash and Cash Equivalent**

Cash and cash equivalent in the balance sheet comprise cash at banks and cash on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of change in value.

**10. Government Grants**

Government grants that compensate the company for the cost of asset are recognized initially as deferred income when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant and are recognized in profit or loss on a systematic basis over the useful life of the related asset. Grants that compensate the Company for expenses incurred are recognized over the period in which the related costs are incurred and are deducted from the related expenses.

**11. Provisions and contingent liabilities and Contingent Assets**

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

**12. Foreign currency transactions and translation**

Transactions in foreign currencies are initially recorded at the functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss in the year in which it arises.

Non-monetary items are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

**13. Revenue Recognition**

Effective April 1, 2018, the Company adopted Ind AS 115 “Revenue from Contracts with Customers” which introduces the five-step model described as follows: -

1. Identify the contract with a customer.
2. Identify the separate performance obligations in the contract.
3. Determine the transaction Price.
4. Allocate the transaction price to the separate performance obligations.
5. Recognize revenue when (or as) each performance obligation is satisfied.

**Revenue from operations:**

The Company derives revenues primarily from sale of rooms, food and beverages, allied services relating to hotel operations such as management fees for the management of the hotels.

- A.** Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

The Company presents revenues net of indirect taxes in statement of Profit and loss.

**B. Trade receivables and Contract Balances**

The company recognises contract assets on an amount equals to consideration related to goods and services already transferred to customers when the right to receive such consideration is conditioned upon something other than passage of time.

Unconditional right to receive consideration are recognised as trade receivable.

Trade receivable and contract assets are subject to impairment as per Ind AS 109 ‘Financial Instruments’.

The company recognises amount already received from customer against which transfer for goods and services are not made as contract liability.

**Interest Income**

For all financial instruments measured at amortized cost and interest-bearing financial assets classified as fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

**Dividend**

Dividend Income is recognized when the Company's right to receive is established which generally occurs when the shareholders approve the dividend.

**Other Income**

Other Income is recognized in the statement of profit and loss when increase in future economic benefits related to an increase in an asset or a decrease of a liability has arisen that can be measured reliably.

**14. Employee Benefits**

**14.1 Short Term Benefit**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under performance related pay if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**14.2 Post-Employment benefits**

Employee benefit that are payable after the completion of employment are Post-Employment Benefit (other than termination benefit). These are of two type:

**14.2.1 Defined contribution plans**

Defined contribution plans are those plans in which an entity pays fixed contribution to separate entities under the plan and will have no legal or constructive obligation to pay further amounts to employee in future under the Plan. Provident Fund and Employee State Insurance are Defined Contribution Plans in which company pays a fixed contribution and will have no further obligation.

**14.2.2 Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Company pays Gratuity as per provisions of the Gratuity Act, 1972. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a liability to the company, the present value of liability is recognized as provision for employee benefit. Any actuarial gains or losses are recognized in OCI in the period in which they arise.

**14.3 Long Term Employee Benefit**

Benefits under the Company's leave encashment constitute other long term employee benefits.

Leave Encashment is determined based on the available leave entitlement at the end of the year.

**15. Income Taxes**

Income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case the current and deferred tax are also recognized in OCI or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years. Current income taxes are recognized under 'Income tax payable' net of payments on account, or under 'Tax receivables' where there is a debit balance. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes, except when the deferred income tax arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

MAT (Minimum Alternate Tax) is recognized as an asset only when and to the extent it is probable evidence that the Company will pay normal income tax and will be able to utilize such credit during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Statement of Profit and loss and is included in Deferred Tax Assets. The Company reviews the same at each balance sheet date and if required, writes down the carrying amount of MAT credit entitlement to the extent there is no longer probable that Company will be able to absorb such credit during the specified period.

Additional income taxes that arise from the distribution of dividends are recognized at the same time that the liability to pay the related dividend is recognized.

**16. Leases As Lessee**

Ind AS 116 - Leases, has become applicable effective annual reporting period beginning April 1, 2019. The Company has adopted the standard beginning April 1, 2019, using the modified retrospective approach for transition. Accordingly, the company has not restated the comparative information. Further, in respect of leases that were classified as operating leases applying Ind AS 17 there is no impact on Opening Retained Earnings.

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

short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease contracts may contain both lease and non-lease components. The Company allocates payments in the contract to the lease and non-lease components based on their relative stand-alone prices and applies the lease accounting model only to lease components.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for initial direct costs incurred, lease payments made at or before the commencement date, any asset restoration obligation, and less any lease incentives received. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are also adjusted for any re-measurement of lease liabilities. Unless the Company is reasonably certain to obtain ownership of the leased assets or renewal of the leases at the end of the lease term, recognised right-of-use assets are depreciated to a residual value over the shorter of their estimated useful life or lease term.

The lease liability is initially measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments (including 'in-substance fixed' payments) and variable lease payments that depend on an index or a rate, less any lease incentives receivable. 'In-substance fixed' payments are payments that may, in form, contain variability but that, in substance, are unavoidable. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

Variable lease payments that do not depend on an index or a rate are recognised as an expense in the period over which the event or condition that triggers the payment occurs. In respect of variable leases which guarantee a minimum amount of rent over the lease term, the guaranteed amount is considered to be an 'in-substance fixed' lease payment and included in the initial calculation of the lease liability. Payments which are 'in-substance fixed' are charged against the lease liability.

Consequently, in the statement of profit and loss for the current period, the nature of expenses in respect of operating leases has changed from lease "Rent" / "Other expenses" in previous period to "Depreciation and amortisation expense" for the right of use assets and "Finance cost" for interest accrued on lease liability. As a result, the "Rent" / "Other expenses", "Depreciation and amortisation expense" and "Finance cost" of the current period is not comparable to the earlier periods.

#### **17. Impairment of Non-Financial Assets**

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment



losses recognized in respect of CGUs are reduced from the carrying amounts of goodwill of that CGU, if any and then the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

### **18. Operating Segments**

In accordance with Ind AS 108 – Operating Segments, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. For management purpose company is organized into major operating activity of hoteliering in India. The indicators used for internal reporting purposes may evolve in connection with performance assessment measures put in place.

### **19. Dividends**

Dividends and interim dividends payable to a Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.

### **20. Material Prior Period Errors**

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest prior period presented, the opening balances of assets, liabilities and equity for the earliest prior period presented, are restated.

### **21. Earnings Per Share**

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

### **22. Statement of Cash Flows**

Statement of cash flows is prepared in accordance with the indirect method prescribed in Ind AS-7 'Statement of cash flows.

### **23. 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.

**23.1. Financial assets****Initial recognition and measurement**

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

**Subsequent measurement****Debt instruments at amortized cost**

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

**Debt instrument at FVTOCI (Fair Value through OCI)**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

**Debt instrument at FVTPL (Fair value through profit or loss)**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

**Equity investments**

All equity investments in entities other than subsidiaries, associates and joint ventures are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or

FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instruments, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer cumulative gain or loss within the equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Equity investments in subsidiaries, associate and joint ventures are measured at cost.

### **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

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

### **Impairment of financial assets**

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.
- Lease Receivables under Ind AS 116.
- Loan Commitments which are not measured as at FVTPL.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

Trade receivables or contract assets resulting from transactions within the scope of Ind AS 115, if they do not contain a significant financing component

Trade receivables or contract assets resulting from transactions within the scope of Ind AS 115 that contain a significant financing component, if the Company applies practical expedient to ignore separation of time value of money, and

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

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that 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 entity reverts to recognizing impairment loss allowance based on 12-month ECL.

## **23.2 Financial liabilities**

### **Initial recognition and measurement**

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

### **Subsequent measurement**

Financial liabilities are carried at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any material transaction that are any integral part of the EIR. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

### **Derivative financial instruments**

The Company uses forwards to mitigate the risk of changes in interest rates, exchange rates and commodity prices. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.

### **Hedges that meet the criteria for hedge accounting are accounted for as follows:**

#### **a) Cash flow hedge**

The Company designates derivative contracts or non-derivative financial assets / liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of other comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective

remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

**b) Fair Value Hedge**

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to Statement of Profit and Loss over the period of maturity.

- 24.** The company discloses certain financial information both including and excluding exceptional items. The presentation of information excluding exceptional items allows a better understanding of the underlying trading performance of the company and provides consistency with the company's internal management reporting. Exceptional items are identified by virtue of either their size or nature so as to facilitate comparison with prior periods and to assess underlying trends in the financial performance of the company. Exceptional items can include, but are not restricted to, gains and losses on the disposal of assets/investments, impairment charges, exchange gain/loss on long term borrowings/ assets and changes in fair value of derivative contracts.

**D. Major Estimates made in preparing Financial Statements**

**1. Useful life of property, plant and equipment**

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Useful life of the assets other than Plant and machinery are in accordance with Schedule II of the Companies Act, 2013.

The Company reviews at the end of each reporting date the useful life of property, plant and equipment, and are adjusted prospectively, if appropriate.

**2. Leases**

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and there by assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

**3. Post-employment benefit plans**

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

**4. Provisions and contingencies**

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

**5. Impairment Test of Non-Financial Assets**

The recoverable amount of investment in subsidiary is based on estimates and assumptions regarding in particular the future cash flows associated with the operations of the investee company. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

**E. Recent Accounting Pronouncements**

**Ministry of Corporate Affairs (MCA), on March 31, 2023, through the Companies (Indian Accounting Standards (Ind AS)) Amendment Rules, 2023 amended certain existing Ind ASs with effect from April 01, 2023. Following are few key amendments relevant to the Company:**

**Ind AS 1 – Presentation of Financial Statements & Ind AS 34 – Interim Financial Reporting –** Material accounting policy information (including focus on how an entity applied the requirements of Ind AS) shall be disclosed instead of significant accounting policies as part of financial statements.

**Ind AS 107 – Financial Instruments: Disclosures –** Information about the measurement basis for financial instruments shall be disclosed as part of material accounting policy information.

**Ind AS 8 – Accounting policies, changes in accounting estimate and Errors-**Clarification on what constitutes an accounting estimate provided.

**Ind AS 12 – Income Taxes –** This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences.

The Company does not expect the effect of this on the financial statements to be material, based on preliminary evaluation.

SAYAJI HOTELS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

2. PROPERTY PLANT & EQUIPMENT

(Amount in Rs. Lakhs)

Particulars	Gross block				Depreciation/Amortization				Net book value	
	As at 01.04.2022	Additions	Deletions/ Adjustment	As at 31.03.2023	Upto 01.04.2022	For the Year	Deletions/ Adjustment	Upto 31.03.2023	As at 31.03.2023	As at 31.03.2022
<b>OWNED ASSETS</b>										
Freehold Land	2,634.84	-	-	2,634.84	-	-	-	-	2,634.84	2,634.84
Leasehold Land #	2.44	-	-	2.44	-	-	-	-	2.44	2.44
Buildings	11,329.43	63.25	-	11,392.68	6,471.21	675.12	-	7,146.33	4,246.35	4,858.22
Plant and Equipments	2,403.55	133.96	-	2,537.51	1,477.47	177.25	-	1,654.72	882.79	926.08
Furniture & Fixtures	1,498.10	57.17	-	1,555.27	1,195.50	126.00	-	1,321.50	233.77	302.60
Service Equipment	261.45	26.12	-	287.57	229.84	15.27	-	245.11	42.46	31.61
Vehicles	42.05	1.00	-	43.05	2.61	6.64	-	9.25	33.80	39.44
Computers	255.99	33.18	-	289.17	205.00	20.56	-	225.56	63.61	50.99
<b>RIGHT OF USE ASSETS *</b>										
Land	4,058.41	-	-	4,058.41	213.00	71.00	-	284.00	3,774.41	3,845.41
Hotel Properties	6,671.30	74.33	-	6,745.63	2,795.83	898.39	-	3,694.22	3,051.41	3,875.47
Offices	138.13	-	-	138.13	111.65	26.48	-	138.13	-	26.48
<b>Total</b>	<b>29,295.69</b>	<b>389.01</b>	<b>-</b>	<b>29,684.70</b>	<b>12,702.11</b>	<b>2,016.71</b>	<b>-</b>	<b>14,718.82</b>	<b>14,965.88</b>	<b>16,593.58</b>

# Transferred to Right of Use Assets

\*1. Right of Use assets mainly comprise land and hotel properties and offices. Leases contain a wide range of different terms and conditions. The term of property leases ranges from 1 to 198 years. Many of the Company's property leases contain extension or early termination options.

2. Amounts recognised in profit or loss:

(Amount in Rs. Lakhs)

Particulars	31st March, 2023
Depreciation of Right of Use Assets	995.87
Additional Lease Payments shown as Lease Rent ^	492.33
Interest on Lease Liabilities	720.03
<b>Total</b>	<b>2,208.23</b>

^Additional Lease Payments are based on the performance i.e. Gross operating profit, revenues etc. of the Hotel property leased and for which no lease liability has been recognised as it is contingent & variable in nature.

(Amount in Rs. Lakhs)

Particulars	Gross block				Depreciation/Amortization				Net book value	
	As at 01.04.2021	Additions	Deletions/ Adjustment	As at 31.03.2022	Upto 01.04.2021	For the Year	Deletions/ Adjustment	Upto 31.03.2022	As at 31.03.2022	As at 31.03.2021
<b>Owned Asset</b>										
Freehold Land	2,634.84	-	-	2,634.84	-	-	-	-	2,634.84	2,634.84
Leasehold Land	2.44	-	-	2.44	-	-	-	-	2.44	2.44
Buildings	11,275.38	54.05	-	11,329.43	5,657.85	813.36	-	6,471.21	4,858.22	5,617.53
Plant and Equipments	2,389.65	13.90	-	2,403.55	1,269.90	207.57	-	1,477.47	926.08	1,119.75
Furniture & Fixtures	1,473.94	38.37	(14.21)	1,498.10	1,030.66	178.91	(14.07)	1,195.50	302.60	443.28
Service Equipment	257.71	3.74	-	261.45	212.65	17.19	-	229.84	31.61	45.06
Vehicles	53.42	1.75	(13.12)	42.05	1.55	11.78	(10.72)	2.61	39.44	51.87
Computers	235.97	23.41	(3.39)	255.99	199.65	8.70	(3.35)	205.00	50.99	36.32
<b>RIGHT OF USE ASSETS</b>										
Land	4,058.41	-	-	4,058.41	142.00	71.00	-	213.00	3,845.41	3,916.41
Hotel Properties	6,671.30	-	-	6,671.30	1,805.01	990.82	-	2,795.83	3,875.47	4,866.29
Offices	138.13	-	-	138.13	74.78	36.87	-	111.65	26.48	63.35
<b>Total</b>	<b>29,191.19</b>	<b>135.22</b>	<b>(30.72)</b>	<b>29,295.69</b>	<b>10,394.05</b>	<b>2,336.20</b>	<b>(28.14)</b>	<b>12,702.11</b>	<b>16,593.58</b>	<b>18,797.14</b>



## SAYAJI HOTELS LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

## 3. CAPITAL WORK-IN-PROGRESS

(Amount in Rs. Lakhs)

Particulars	As at 01.04.2022	Additions	Capitalised	As at 31.03.2023
Capital work in progress	1.33	90.52	1.33	90.52
<b>Total</b>	<b>1.33</b>	<b>90.52</b>	<b>1.33</b>	<b>90.52</b>

(Amount in Rs. Lakhs)

Particulars	As at 01.04.2021	Additions	Capitalised	As at 31.03.2022
Capital work in progress	0.62	1.33	0.62	1.33
<b>Total</b>	<b>0.62</b>	<b>1.33</b>	<b>0.62</b>	<b>1.33</b>

## 3.1 The amount of expenditures recognised in CWIP during construction period

(Amount in Rs Lakhs)

Particulars	For the year Ended as on 31/03/2023	For the year Ended as on 31/03/2022
<b>(a) Expenses Recognised in P/L</b>		
Employee Benefits Expenses	-	-
<b>Total expenses</b>	-	-
<b>(b) Capital Inventory and stores</b>	90.52	1.33
<b>Total additions during the year (a) + (b)</b>	<b>90.52</b>	<b>1.33</b>

## 3.2 Capital-Work-in Progress (CWIP) Aging Schedule

(Amount in Rs Lakhs)

Particulars	Amount in CWIP for period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Year 2022-23</b>					
<b>Projects in progress</b>					
Project Name - HORIZON		-	-	-	-
Project Name - SUITE ROOMS	90.52				90.52
<b>Total</b>	<b>90.52</b>	-	-	-	<b>90.52</b>
<b>Projects temporarily suspended</b>					
Project Name	-	-	-	-	-
<b>Total 2022-23</b>	<b>90.52</b>	-	-	-	<b>90.52</b>
<b>Year 2021-22</b>					
<b>Projects in progress</b>					
Project Name - HORIZON	0.35				0.35
Project Name - SUITE ROOMS	0.98				0.98
<b>Total</b>	<b>1.33</b>	-	-	-	<b>1.33</b>
<b>Projects temporarily suspended</b>					
Project Name	-	-	-	-	-
<b>Total</b>	<b>-</b>	-	-	-	<b>-</b>
<b>Total 2021-22</b>	<b>1.33</b>	-	-	-	<b>1.33</b>

## 3.3 For Capital-Work-in Progress (CWIP) whose completion is overdue or has exceeded its cost compared to its original plan, the project-wise details of when the project is expected to be completed as of March 31, 2023 and March 31, 2022 are as follows :

(Amount in Rs Lakhs)

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Projects in progress</b>					
A 2022-23	90.52	-	-	-	90.52
B 2021-22	-	-	-	-	-
<b>Projects temporarily suspended</b>					
A. 2022-23					
Project -Name	-	-	-	-	-
Total 2022-23	-	-	-	-	-
B 2021-22					
Project Name	-	-	-	-	-
Total 2021-22	-	-	-	-	-

## 4. INTANGIBLE ASSETS

(Amount in Rs. Lakhs)

Particulars	Gross block			Depreciation/Amortization			Net book value			
	As at 01.04.2022	Additions	Deletions/ Adjustment	As at 31.03.2023	Upto 01.04.2022	For the Year	Deletions/ Adjustment	Upto 31.03.2023	As at 31.03.2023	As at 31.03.2022
Software & Licences	123.31	2.40	-	125.71	122.88	0.73	-	123.61	2.10	0.43
<b>Total</b>	<b>123.31</b>	<b>2.40</b>	<b>-</b>	<b>125.71</b>	<b>122.88</b>	<b>0.73</b>	<b>-</b>	<b>123.61</b>	<b>2.10</b>	<b>0.43</b>

(Amount in Rs. Lakhs)

Particulars	Gross block			Depreciation/Amortization			Net book value			
	As at 01.04.2021	Additions	Deletions/ Adjustment	As at 31.03.2022	Upto 01.04.2021	For the Year	Deletions/ Adjustment	Upto 31.03.2022	As at 31.03.2022	As at 31.03.2021
Software & Licences	123.31	-	-	123.31	119.05	3.83	-	122.88	0.43	2.43
<b>Total</b>	<b>123.31</b>	<b>-</b>	<b>-</b>	<b>123.31</b>	<b>119.05</b>	<b>3.83</b>	<b>-</b>	<b>122.88</b>	<b>0.43</b>	<b>2.43</b>

**SAYAJI HOTELS LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

**NON - CURRENT ASSETS**

**5 Investment in Subsidiary**

(Amount in Rs. Lakhs)

Particulars	Number of shares Current Year/(Previous Year)	Face Value per share Current Year/(Previous Year)	As at 31st March,2023	As at 31st March,2022
<b>Subsidiary* (Unquoted at cost)</b>				
Sayaji Housekeeping Services Ltd (Equity Shares)	63,65,000 (6365000)	10 (10)	636.50	636.50
Sayaji Housekeeping Services Ltd (Preference Shares)	10,000 (10000)	10 (10)	1.00	1.00
Sayaji Hotels(Indore ) Limited	50000	10	5.00	5.00
Sayaji Hotels Management limited	50000	10	5.00	5.00
Sayaji Hotels(Pune) Limited	50000	10	5.00	5.00
<b>Total</b>			<b>652.50</b>	<b>652.50</b>
<b>Aggregate value of unquoted investments</b>			<b>652.50</b>	<b>652.50</b>

\* As per Ind AS 27 (Separate Financial Statements)

**6 Non Current Financial Asset: Investments**

(Amount in Rs. Lakhs)

Particulars	Number of shares Current Year/(Previous Year)	Face Value per share Current Year/(Previous Year)	As at 31st March,2023	As at 31st March,2022
<b>A. Trade Investments (Unquoted At FVTPL#)*</b>				
Genex Hotels Pvt. Ltd.	1,100 (1,100)	10.00 (10.00)	0.11	0.11
<b>Sub-Total (A)</b>			<b>0.11</b>	<b>0.11</b>
<b>B. Other Investments (Unquoted at FVTPL)*</b>				
Bharat Equity Services Ltd.	1,00,000 (100000)	10.00 (10.00)	0.10	0.10
<b>Sub-Total (B)</b>			<b>0.10</b>	<b>0.10</b>
<b>Total (A+B)</b>			<b>0.21</b>	<b>0.21</b>
<b>Aggregate value of unquoted investments</b>			<b>0.21</b>	<b>0.21</b>

\* As per Ind AS 27 (Separate Financial Statements)

# FVTPL - Fair Value Through Profit and Loss

**7 Non Current Financial Asset: Loans**

(Amount in Rs. Lakhs)

Particulars	As at 31st March,2023	As at 31st March,2022
<b>Unsecured, Considered Good</b>		
Security Deposits*	1,256.10	1,087.62
Less: Receivables credit impaired	-	-
Less: Receivable with significant increase in credit risk	-	-
<b>Total</b>	<b>1,256.10</b>	<b>1,087.62</b>

\*As on 31.03.2023 Include Rs.1000 lakhs (Previous year Rs 931.88 lakhs) deposit given to Prinite Hospitality Pvt Ltd and Rs.79.07 lakhs (31 March, 2021 Rs.70.97 Lakhs) given to M/s Vicon Imperial Private Ltd.

**7.1**

Type of Borrower	2022-2023		2021-2022	
	Amount of loan or advance in the nature of loan outstanding.	Percentage to the total Loan and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding.	Percentage to the total Loan and Advances in the nature of loans
Promoter	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related parties	1,079.07	85.91%	1,002.85	92.21%
Other	177.03	14.09%	84.77	7.79%
<b>Total</b>	<b>1,256.10</b>	<b>100.00%</b>	<b>1,087.62</b>	<b>100.00%</b>

## SAYAJI HOTELS LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

**8 Non-current Financial Assets: Others** (Amount in Rs. Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Fixed Deposits Against lien & Bank Guarantee*	482.63	425.84
Fixed Deposits Others	0.37	-
<b>Total</b>	<b>483.00</b>	<b>425.84</b>

\*Maturity after 12 months &amp; pledged with bank against margin money.

**9 Deferred Tax assets (net)** (Amount in Rs. Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>On account of Timing Difference in</b>		
Expenses Disallowed under I.T. Act., 1961	228.73	196.45
Depreciation on fixed assets	1,036.46	1,071.92
Right of Use Assets (Net of Lease Liabilities)	458.00	399.14
Unabsorbed Loss Carried Forward	-	-
Others	6.88	9.69
<b>Total Deferred Tax Assets</b>	<b>1,730.07</b>	<b>1,677.20</b>
Others	2.03	3.18
Preference Shares	101.19	149.67
Unrealized Gain on MF	-	-
Transaction cost on borrowings	-	3.24
<b>Total Deferred Tax Liabilities</b>	<b>103.22</b>	<b>156.09</b>
<b>Net Deferred Tax(Liability)/Assets*</b>	<b>1,626.85</b>	<b>1,521.11</b>
<b>Amount debited/(Credited) to Reserves &amp; Surplus</b>	<b>(105.74)</b>	<b>266.64</b>

\* Deferred tax assets for the year have been arrived at by taking the tax rate of 25.17% ( 31 March, 2022 25.17%) which is inclusive of surcharge &amp; education cess.

**Movement in Deferred Tax Asset/Liability For the year ended 31st March, 2023** (Amount in Rs. Lakhs)

Particulars	Opening Balance As on 01.04.2022	Recognized in profit or loss	Recognized in OCI/Equity	Closing Balance As on 31.03.2023
<b>Deferred tax assets:</b>				
Expenses Disallowed under I.T. Act., 1961	196.45	23.42	8.86	228.73
Depreciation on fixed assets	1,071.92	(35.46)	-	1,036.46
Right of Use Assets (Net of Lease Liabilities)	399.14	58.86	-	458.00
Unabsorbed Loss Carried Forward	-	-	-	-
Others	9.69	(2.81)	-	6.88
<b>Total Deferred Tax Assets</b>	<b>1,677.20</b>	<b>44.01</b>	<b>8.86</b>	<b>1,730.07</b>
<b>Deferred tax Liabilities:</b>				
Others	3.18	(1.15)	-	2.03
Preference shares	149.67	(48.48)	-	101.19
Unrealized Gain on MF	-	-	-	-
Transaction cost on borrowings	3.24	(3.24)	-	-
<b>Total Deferred Tax Liabilities</b>	<b>156.09</b>	<b>(52.87)</b>	<b>-</b>	<b>103.22</b>
<b>Net Deferred Tax(Liability)/Assets</b>	<b>1,521.11</b>	<b>96.88</b>	<b>8.86</b>	<b>1,626.85</b>

**10 Other non-current assets** (Amount in Rs. Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Prepaid Lease Charges	127.22	-
Capital Advances*	966.09	18.35
Raipur Lease- Stamp Duty Payment Unamortised	37.48	42.17
Electricity Deposit & Other Deposits	72.91	66.66
<b>Total</b>	<b>1,203.70</b>	<b>127.18</b>

\*Given for business purpose.

## SAYAJI HOTELS LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

**CURRENT ASSETS****11 Inventories**

(Amount in Rs. Lakhs)

Particulars	As at 31st March,2023	As at 31st March,2022
(Valued at cost or NRV whichever is less & certified by management)		
Operating Supplies	729.32	866.73
Food & Beverages	156.27	120.62
<b>Total</b>	<b>885.59</b>	<b>987.35</b>

## Disclosure As per Ind AS 2, Inventories

## (i) Amount of inventories recognised as expense during the year is as under:

(Amount in Rs. Lakhs)

Particulars	As at 31st March,2023	As at 31st March,2022
Operating Supplies	2,049.05	1,569.67
Food & Beverages	4,803.75	2,885.69
<b>Total</b>	<b>6,852.80</b>	<b>4,455.36</b>

(ii) Refer Note 26.2 for information on inventory pledged as security by the Company.

**12 Investments**

Particulars	As at 31st March,2023	As at 31st March,2022
<b>Measured at FVTPL</b>		
Investments in SBI Mutual Fund - Quoted (22377.2899 Units @ 3523.3030 NAV as on 31.03.2023)	788.42	---
<b>Total</b>	<b>788.42</b>	<b>---</b>

**13 Current Financial Assets: Trade Receivables**

(Amount in Rs. Lakhs)

Particulars	As at 31st March,2023	As at 31st March,2022
A. Trade Receivables Considered good- Secured (A)	-	-
<b>Total (A)</b>	<b>-</b>	<b>-</b>
B. Trade Receivables Considered good- Unsecured	962.74	642.25
Less : Provision for doubtful debts	-	-
<b>Total (B)</b>	<b>962.74</b>	<b>642.25</b>
C. Trade Receivable which have significant increase in credit risk	54.71	28.95
Less: Provision for doubtful debts	(54.71)	(11.13)
<b>Total (C)</b>	<b>-</b>	<b>17.82</b>
D. Trade Receivables - credit impaired	-	-
<b>Total (D)</b>	<b>-</b>	<b>-</b>
<b>Total (A+B+C+D)</b>	<b>962.74</b>	<b>660.07</b>

**SAYAJI HOTELS LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

**13.1 Trade Receivables ageing schedule**

Particulars	Outstanding for following periods from date of transaction as at 31-03-2023					Total
	Less Than 6 months	6 Month - 1 Year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	870.37	23.06	35.79	13.23	20.29	962.74
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	53.37	0.15	1.19	-	54.71
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk.	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>870.37</b>	<b>76.43</b>	<b>35.94</b>	<b>14.42</b>	<b>20.29</b>	<b>1,017.45</b>
Less - Allowance for doubtful trade receivables.	-	(53.37)	(0.15)	(1.19)	-	(54.71)
<b>Total</b>	<b>870.37</b>	<b>23.06</b>	<b>35.79</b>	<b>13.23</b>	<b>20.29</b>	<b>962.74</b>

Particulars	Outstanding for following periods from date of transaction as at 31-03-2022					Total
	Less Than 6 months	6 Month - 1 Year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	509.57	73.89	34.51	10.32	13.96	642.25
(ii) Undisputed Trade receivables - which have significant increase in credit risk	16.39	3.08	0.46	2.00	7.02	28.95
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk.	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>525.96</b>	<b>76.97</b>	<b>34.97</b>	<b>12.32</b>	<b>20.98</b>	<b>671.20</b>
Less - Allowance for doubtful trade receivables.	-	-	(1.54)	(1.32)	(8.27)	(11.13)
<b>Total</b>	<b>525.96</b>	<b>76.97</b>	<b>33.43</b>	<b>11.00</b>	<b>12.71</b>	<b>660.07</b>

**14 Cash and Cash Equivalents**

(Amount in Rs. Lakhs)

Particulars	As at 31st March,2023	As at 31st March,2022
<b>Cash on Hand</b>	41.24	31.24
<b>Balances with Bank</b>		
In current Accounts With Scheduled Banks	148.26	643.22
<b>Total</b>	<b>189.50</b>	<b>674.46</b>

**15 Bank balances other than above**

(Amount in Rs. Lakhs)

Particulars	As at 31st March,2023	As at 31st March,2022
Fixed Deposits Against lien (with less than 12 months maturity)	526.98	10.43
Fixed Deposits Others	116.21	-
<b>Total</b>	<b>643.19</b>	<b>10.43</b>

**SAYAJI HOTELS LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

**16 Current Financial Assets: Loans (Amount in Rs. Lakhs)**

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Unsecured, Considered good</b>		
Staff Advances & Loan	15.52	20.75
Other loans and advances*	1,041.69	927.43
Less: Receivables credit impaired	-	-
Less: Receivable with significant increase in credit risk	-	-
<b>Total</b>	<b>1,057.21</b>	<b>948.18</b>

\*Loans and advances have been given for business purposes.

**16.1 Disclosures where Loans and Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act 2013) are as under :-**

Type of Borrower	2022-2023		2021-2022	
	Amount of loan or advance in the nature of loan outstanding.	Percentage to the total Loan and Advances in	Amount of loan or advance in the nature of loan outstanding.	Percentage to the total Loan and Advances in
Promoter	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related parties	519.77	49.16%	765.47	80.73%
Other	537.44	50.84%	182.71	19.27%
<b>Total</b>	<b>1,057.21</b>	<b>100.00%</b>	<b>948.18</b>	<b>100.00%</b>

**17 Current Financial Assets: Other (Amount in Rs. Lakhs)**

Particulars	As at 31st March, 2023	As at 31st March, 2022
Others	8.39	131.23
<b>Total</b>	<b>8.39</b>	<b>131.23</b>

**18 Current Tax Assets (Net) (Amount in Rs. Lakhs)**

Particulars	As at 31st March, 2023	As at 31st March, 2022
Advance Income Tax (Net of Current Tax Provision)	27.65	21.46
<b>Total</b>	<b>27.65</b>	<b>21.46</b>

**19 Other current assets (Amount in Rs. Lakhs)**

Particulars	As at 31st March, 2023	As at 31st March, 2022
Prepaid Expenses	125.86	157.31
Current portion of Unamortised Stamp Duty Payment of Raipur Lease	4.69	4.69
Telephone Deposit	0.32	0.32
Other current assets	1.09	-
Advance to suppliers for goods & services*	98.14	106.77
Balance with Govt. authorities	829.20	508.54
<b>Total</b>	<b>1,059.30</b>	<b>777.63</b>

\*Advances to suppliers for goods & services include advances against purchases & services which is receivable in kind in next 12 Months & are for business purpose.

**EQUITY**

**20 Equity Share Capital (Amount in Rs. Lakhs)**

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>AUTHORISED</b>		
30,000,000 Equity Shares of Rs.10/- each (Previous year 30,000,000 Equity Shares of Rs.10/- each)	3,000.00	3,000.00
1,000,000 Preference Shares of Rs. 100/- each (Previous year 1,000,000 Preference Shares of Rs. 100/- each)	1,000.00	1,000.00
<b>Total</b>	<b>4,000.00</b>	<b>4,000.00</b>
<b>ISSUED</b>		
1,75,18,000 Equity Shares of Rs. 10/- each (Previous year 1,75,18,000 Equity Shares of Rs. 10/- each)	1,751.80	1,751.80
<b>Total</b>	<b>1,751.80</b>	<b>1,751.80</b>
<b>SUBSCRIBED &amp; PAID-UP</b>		
1,75,18,000 Equity Shares of Rs. 10/- each (Previous year 1,75,18,000 Equity Shares of Rs. 10/- each)	1,751.80	1,751.80
<b>Total</b>	<b>1,751.80</b>	<b>1,751.80</b>

**SAYAJI HOTELS LIMITED**
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**
**Terms/rights attached to equity shares :**

**20.1** The company has only one class of equity shares having a par value of Rs.10/- per share. Each Holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year ended 31st March 2023, the amount of per share dividend recognised as distributions to equity shareholders was Rs. Nil (31 March 2022, Rs. Nil)

**20.2** Details of Share holders holding more than 5% of Shares are as under:-

Name	Category	As at 31st March,2023		As at 31st March,2022	
		% of Shareholding	No of Shares	% of Shareholding	No of Shares
Late Shri Sajid R. Dhanani*	Promoter	6.55%	1147511	13.90%	2435511
Suchitra Dhanani	Promoter	8.70%	1524029	1.35%	236029
Raof Razak Dhanani	Promoter	8.72%	1527630	8.72%	1527630
Anisha Raof Dhanani	Promoter	14.28%	2501708	14.25%	2495508
Kayum Razak Dhanani	Promoter	5.40%	946048	5.40%	946048
Ahilya Hotels Limited	Promoter	14.01%	2455000	14.01%	2455000

\*(Share transmission is pending in the name of legal heirs)

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

**20.3** Details of shares held by Promoters as at 31st March,2023 is as under:-

Name of Promoters/Promoter Group	No.of shares Held	% of Total Shares	% Change during the year
Late Sajid Razak Dhanani	1147511	6.55%	-7.35%
Anisha Raof Dhanani	2501708	14.28%	0.03%
Raof Razak Dhanani	1527630	8.72%	-
Suchitra Dhanani	1524029	8.70%	7.35%
Kayum Razak Dhanani	946048	5.40%	-
Azhar Yusuf Dhanani	844001	4.82%	-
Shamim Sheikh	600200	3.43%	-
Sadiya Raof Dhanani	505598	2.89%	-
Saba Raof Dhanani	505082	2.88%	-
Sumera Raof Dhanani	505082	2.88%	-
Bipasha Dhanani	50000	0.29%	-
Rafiqa Maqsood Merchant	17378	0.10%	-
Mansoor M Memon	100	0.00%	-
Ahilya Hotels Limited	2455000	14.01%	-
<b>Total</b>	<b>13129367</b>	<b>74.95%</b>	

**20.4** Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year :-

Particulars	As at 31st March,2023		As at 31st March,2022	
	Number of Shares	Rs. in Lakhs	Number of Shares	Rs. in Lakhs
Outstanding at the beginning of the year	17,51,80,000	1,751.80	17,51,80,000	1,751.80
Add : Fresh issue during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>17,51,80,000</b>	<b>1,751.80</b>	<b>17,51,80,000</b>	<b>1,751.80</b>

**20.5** Preference Share Capital issued by the company are treated as Compound Financial Instruments in terms of Ind AS 32- Financial Instrument: Presentation. Accordingly same is classified as other equity and borrowings. Necessary disclosures are given in note no. 20 & 21

**21 Other Equity**
**(Amount in Rs. Lakhs)**

Particulars	Note No.	As at 31st March,2023	As at 31st March,2022
Equity Component of Cumulative Preference Shares	20.1	940.01	940.01
Securities Premium Reserve	20.2	5,944.60	5,944.60
General Reserve	20.3	641.48	641.48
Retained Earnings	20.4	4,701.36	(781.45)
<b>Total</b>		<b>12,227.45</b>	<b>6,744.64</b>



(Amount in Rs. Lakhs)

Particulars	As at 31st	As at 31st
	March,2023	March,2022
<b>21.1 Equity Component of Compound financial instrument</b>		
Opening at beginning	940.01	940.01
Addition during the year (Net of Taxes)	-	-
Utilised during the year	-	-
<b>Closing at end</b>	<b>940.01</b>	<b>940.01</b>
<b>21.2 Securities Premium Reserve</b>		
Opening at beginning	5,944.60	5,944.60
Addition during the year	-	-
Utilised during the year	-	-
<b>Closing at end</b>	<b>5,944.60</b>	<b>5,944.60</b>
<b>21.3 General Reserve</b>		
Opening at beginning	641.48	641.48
Addition during the year	-	-
Utilised during the year	-	-
<b>Closing at end</b>	<b>641.48</b>	<b>641.48</b>
<b>21.4 Retained Earnings</b>		
Opening at beginning	(781.45)	(3,514.33)
Adjustments relating to Fixed Assets	-	-
Addition during the year	5,509.15	2,646.12
Transfer to Corporate	-	-
Transfer from Units	-	-
Net actuarial Gain / (Loss) on defined benefit plan	(26.34)	86.76
<b>Closing at end</b>	<b>4,701.36</b>	<b>(781.45)</b>
<b>21.5 Cash Flow Hedge Reserve</b>		
Opening at beginning	-	(27.77)
Addition during the year	-	27.77
<b>Closing at end</b>	<b>-</b>	<b>-</b>
<b>Total Other Equity</b>	<b>12,227.45</b>	<b>6,744.64</b>

**Terms/rights attached to preference shares :**

- 21.6 That during Financial year 2014-15 company had issued 10,00,000, 10% Cumulative Redeemable Preference Shares of Rs. 100/- each at a premium of Rs.50/- each. Out of above, pending 83338 shares were subscribed & paid up during the year 2015-16.(P.Y. 10,00,000 Preference Shares) of Rs.100/- each)
- 21.7 That above shares were to be redeemed within five years from the date of issue of same, but the redemption period of the 10% Cumulative Preference shares is extended by the Preference Shareholders mutually for the further period of 5 years from the original date of the allotment.
- 21.8 These shares are in the nature of compound financial instruments. And so they are bifurcated into equity and liability component in accordance with Ind AS 32. Equity component is computed as below:

Particulars	(Amount in Rs. Lakhs)
Preference Share Capital (Subscribed and paid up)	1,000.00
Add: Securities Premium on issue	500.00
Less: Liability component (Present value of Contractual Cash Outflows)	(559.99)
<b>Equity Component</b>	<b>940.01</b>

- 21.9 That above Preference share holders are having preference over payment of dividend to equity share holders and accordingly arrears of preference dividends is required to be cleared before payment to Equity Share holders. And on the date of Balance Sheet, dividend on preference shares for more than 3 years are in arrears. And accordingly vide Second Proviso to Section 47(2) of the Companies Act, 2013, in case company is unable to pay dividend on preference shares for two years or more then such class of preference shareholders shall have a right to vote on all the resolutions placed before the company.

- 21.10 Details of Share holders holding more than 5% of 10% Cumulative Preference Shares are as under:-

Name	Category	As at 31st March,2023		As at 31st March,2022	
		% of Shareholding	No of Shares	% of Shareholding	No of Shares
Saba Dhanani	Promoter	12.5%	125000	12.5%	125000
Azhar Dhanani	Promoter	12.5%	125000	12.5%	125000
Zuber Yusuf Dhanani	Promoter	12.5%	125000	12.5%	125000
Sadiya Dhanani	Promoter	12.5%	125000	12.5%	125000
Kayum Dhanani	Promoter	12.5%	125000	12.5%	125000
Sara Dhanani	Promoter	12.5%	125000	12.5%	125000
Sanya Dhanani	Promoter	12.5%	125000	12.5%	125000
Suchitra Dhanani	Promoter	12.5%	125000	12.5%	125000

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

**SAYAJI HOTELS LIMITED**

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21.11 Details of shares held by Promoters as at 31st March,2023 is as under:-

Name of Promoters/Promoter Group	No.of shares Held	% of Total Shares	% Change during the year
Saba Dhanani	125000	12.5%	-
Azhar Dhanani	125000	12.5%	-
Zuber Yusuf Dhanani	125000	12.5%	-
Sadiya Dhanani	125000	12.5%	-
Kayum Dhanani	125000	12.5%	-
Sara Dhanani	125000	12.5%	-
Sanya Dhanani	125000	12.5%	-
Suchitra Dhanani	125000	12.5%	-
<b>Total</b>	<b>1000000</b>	<b>100%</b>	<b>-</b>

22 Non-current Liabilities: Borrowings

(Amount in Rs. Lakhs)

Particulars	As at 31st March,2023	As at 31st March,2022
<b>A. Secured Borrowings</b>		
<b>Term Loans</b>		
From Banks	-	141.51
From Financial Institutions	-	640.70
From NBFC	-	1,572.68
<b>Total(A)</b>	<b>-</b>	<b>2,354.89</b>
<b>B.Unsecured Borrowing</b>		
Liability Component of Cummulative Preference Shares	1,797.96	1,605.33
<b>Total(B)</b>	<b>1,797.96</b>	<b>1,605.33</b>
<b>Total(A+B)</b>	<b>1,797.96</b>	<b>3,960.22</b>

22.1

All secured loans have been netted from the installments falling due within twelve months after the reporting date. Breakup of amount due within 12 months and after summarized position is as under:-

Particulars	As at 31st March,2023		As at 31st March,2022	
	Current	Non-Current	Current	Non-Current
<b>From Banks</b>				
State Bank of India	-	-	48.75	141.51
Axis Bank Ltd	-	-	-	-
HDFC Bank Ltd	-	-	-	-
<b>Sub Total (i)</b>	<b>-</b>	<b>-</b>	<b>48.75</b>	<b>141.51</b>
<b>From Financial Institutions</b>				
TFCI	-	-	200.00	640.70
<b>Sub Total (ii)</b>	<b>-</b>	<b>-</b>	<b>200.00</b>	<b>640.70</b>
<b>From NBFC</b>				
Aditya Birla Finance Ltd	-	-	403.10	1,572.68
<b>Sub Total (iii)</b>	<b>-</b>	<b>-</b>	<b>403.10</b>	<b>1,572.68</b>
<b>GRAND TOTAL (i)+(ii)+(iii)</b>	<b>-</b>	<b>-</b>	<b>651.85</b>	<b>2,354.89</b>

22.2 NATURE OF SECURITIES AND TERMS OF REPAYMENT OF EACH LOAN

22.2.1 Term loans outstanding of State Bank of India include term loans account. Loan were secured by way of mortgage of land & building at Indore hotel, Vadodara,Pune and Lease Hold Rights of the Amber Convention Center along with building Structure thereon & hypothecation of movables, present & future except stocks of food beverages, operating supplies, stores,spares, book-debts (excluding credit card receivables), bills etc. offered specifically to the bankers for securing the working capital finance. The terms of repayment of all term loans of State Bank of India is on quarterly basis & interest is payable on monthly basis.

22.2.2 Term loan outstanding from TFCIL was secured on pari-passu basis by way of mortgage of land & building at Indore, Pune & Vadodara & hypothecation of the movables, present & future, except stocks of food beverages, operating supplies, stores,spares, book-debts (excluding credit card receivables), bills etc. And by way of Mortgage of lease hold right of Amber Garden, Indore along with building Structure thereon. The term of repayment of the term loan is on quarterly basis & the interest is payable on monthly basis, This loan is personally guaranteed by Smt Suchitra Dhanani.

22.2.3 Corporate loan outstanding from Aditya Birla was secured by first pari passu Charge with existing term lender by way of mortgage of land and building at Indore, Pune, Vadodara, Lease Hold Rights of the Amber Convention Center along with building and Hypothecation of the plant and machinery and other movable fixed assets of company (present and future except vehicles Funded through Vehicle Loan). The term of repayment of prinpal and interest is on monthly basis

**SAYAJI HOTELS LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

**22.3 Registration of Charges or satisfaction with Registrar of Companies (ROC): Listed below**

Name of Bank/NBFC/FI/others	Amount	Reason	Date of creation/modification/satisfaction
Aditya Birla Finance Limited	380.00	Satisfaction of charge	29.03.2023
Aditya Birla Finance Limited	2,500.00	Satisfaction of charge	23.03.2023
State Bank of India	1,603.00	Satisfaction of charge	07.04.2022
State Bank of India	195.00	Satisfaction of charge	09.03.2023
Tourism Finance Corporation of India Limited	1,000.00	Satisfaction of charge	22.06.2022
Karnataka Bank Limited	500.00	Creation of charge	16.09.2022
Axis Bank Limited	380.00	Modification of Charge	30.05.2022
Axis Bank Limited	50.00	Satisfaction of charge	27.05.2022

**23 Lease Liabilities**

(Amount in Rs. Lakhs)

Particulars	As at 31st March,2023	As at 31st March,2022
Lease Liability Payable	5,505.28	5,630.85
<b>Total</b>	<b>5,505.28</b>	<b>5,630.85</b>

**24 Non Current Financial Liabilities: Other**

(Amount in Rs. Lakhs)

Particulars	As at 31st March,2023	As at 31st March,2022
Deposits From Tenants	71.13	65.81
Others*	31.67	1,528.97
<b>Total</b>	<b>102.80</b>	<b>1,594.78</b>

\*Payable towards cancellation of agreement for land at Indore hotel. This amount is now payable FY 2023-24. Interest @ 12% p.a is payable on the outstanding amount.

**25 Provisions**

(Amount in Rs. Lakhs)

Particulars	As at 31st March,2023	As at 31st March,2022
Provision for Employee Benefits		
Provision for Gratuity	255.69	260.15
Leave Encashment	222.04	256.28
<b>Total</b>	<b>477.73</b>	<b>516.43</b>

**26 Deferred Revenue**

(Amount in Rs. Lakhs)

Particulars	As at 31st March,2023	As at 31st March,2022
<b>(a) Subsidy received from M.P. State Tourism Development Corp. Ltd.*</b>		
Balance at the beginning of the year	371.31	415.61
Add: Received During the Year	-	-
Less: Amortised During the Year	(39.03)	(44.30)
	<b>332.28</b>	<b>371.31</b>
Less : Current Portion	(40.89)	(40.89)
<b>Non Current Balance at the end of the year</b>	<b>291.39</b>	<b>330.42</b>
<b>(b) Life Membership Fees</b>		
Balance at the beginning of the year	29.01	35.70
Add: Received During the Year	-	-
Less: Amortised During the Year	(6.69)	(6.69)
	<b>22.32</b>	<b>29.01</b>
Less : Current Portion	(6.69)	(6.69)
<b>Non Current Balance at the end of the year</b>	<b>15.63</b>	<b>22.32</b>
<b>Total Balance at the end of the year</b>	<b>307.02</b>	<b>352.74</b>

\* During year 2016-17, company has received Capital Subsidy under M.P. Tourism Policy, 2010 (as amended in 2014) amounting to Rs. 729.93 Lakhs against its "Amber Convention Centre", Indore. As per IND AS-20 "Accounting for Government Grants and disclosure of Government assistance", the above subsidy is treated as deferred income and is recognised in profit and loss account on a systematic and rational basis over the useful life of assets. Such allocation has been made over the periods and in proportions in which depreciation on "Amber Convention Centre" is charged.

**CURRENT LIABILITIES****27 Current Financial Liabilities: Borrowings**

(Amount in Rs. Lakhs)

Particulars	As at 31st March,2023	As at 31st March,2022
<b>A. Unsecured</b>		
Loans From related parties	3.66	3.66
Loans From others	81.48	98.56
<b>Total (A)</b>	<b>85.14</b>	<b>102.22</b>
<b>B. Current Maturities of Long-Term Loans*</b>		
From Banks	-	48.75
From Financial Institutions	-	200.00
From NBFC	-	403.10
<b>Total (B)</b>	<b>-</b>	<b>651.85</b>
<b>Grand Total (A+B)</b>	<b>85.14</b>	<b>754.07</b>

\* Refer note 21.1 &amp; 21.2 for loan wise current maturities &amp; other terms and conditions.

27.1 For breakup of amount due within 12 months from Bank, NBFC &amp; Financial Institutions please refer note 21.1

27.2 Loans from related parties &amp; others includes loan from directors &amp; associate companies.

**28 Current Financial Liabilities: Lease Liabilities**

(Amount in Rs. Lakhs)

Particulars	As at 31st March,2023	As at 31st March,2022
Lease Liability Payable	329.00	818.63
<b>Total</b>	<b>329.00</b>	<b>818.63</b>

**29 Current Financial Liabilities: Trade Payables**

(Amount in Rs. Lakhs)

Particulars	As at 31st March,2023	As at 31st March,2022
Trade Payables*		
(A) Dues of micro enterprises and small enterprises	34.21	54.14
(B) Dues of creditors other than micro enterprises and small enterprises	1,251.60	857.83
<b>Total</b>	<b>1,285.81</b>	<b>911.97</b>

\*Trade payables are for goods purchased and services taken during the normal course of business.

**29.1 Additional Information - Ageing of Trade Payable**

Particulars	Outstanding for following periods from due date of payments F.Y. 22-23				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	34.21	-	-	-	34.21
(ii) Others	1,050.33	12.44	1.58	21.49	1,085.84
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	36.42	22.71	19.64	86.99	165.76
<b>Total</b>	<b>1,120.96</b>	<b>35.15</b>	<b>21.22</b>	<b>108.48</b>	<b>1,285.81</b>
Particulars	Outstanding for following periods from due date of payments F.Y. 21-22				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	54.14	-	-	-	54.14
(ii) Others	637.40	26.30	-	63.80	727.50
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	22.71	19.64	86.99	0.99	130.33
<b>Total</b>	<b>714.25</b>	<b>45.94</b>	<b>86.99</b>	<b>64.79</b>	<b>911.97</b>

**SAYAJI HOTELS LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

29.2 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006 The principal amount and the interest due thereon remaining unpaid to any supplier as at the year end:

Particulars	As at 31st March,2023	As at 31st March,2022
Principal amount due to micro and small enterprises	34.21	54.14
Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, alongwith the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
	-	-

**30 Current Financial Liabilities: Other**

(Amount in Rs. Lakhs)

Particulars	As at 31st March,2023	As at 31st March,2022
Creditors for capital Expenditure	6.75	23.12
Prepaid Lease Income	5.04	9.51
<b>Total</b>	<b>11.79</b>	<b>32.63</b>
<b>Total (A+B)</b>	<b>11.79</b>	<b>32.63</b>

**31 Provisions**

(Amount in Rs. Lakhs)

Particulars	As at 31st March,2023	As at 31st March,2022
Provision for Employee Benefits		
Provision for Gratuity	99.93	81.67
Leave Encashment	86.78	-
Bonus	189.67	171.34
Provision for Expenses	222.57	168.90
<b>Total</b>	<b>598.95</b>	<b>421.91</b>

**32 Other Current Liabilities**

(Amount in Rs. Lakhs)

Particulars	As at 31st March,2023	As at 31st March,2022
Advance received from customers	444.23	609.66
Current portion of deferred revenue	47.58	47.58
Statutory Dues	633.47	335.83
Book Overdrafts	226.56	29.98
Others	70.28	106.91
<b>Total</b>	<b>1,422.12</b>	<b>1,129.96</b>

32.1 Advances received from customers includes advances against future bookings for functions to be held in next 12 months.

32.2 Statutory dues includes GST, VAT, luxury tax, TDS, service tax & other statutory payables.

32.3 Other current liabilities includes rent payable, interest payable and staff dues.

**SAYAJI HOTELS LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

**33 Revenue From Operations** (Amount in Rs. Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Sale of Products &amp; Services (Gross)</b>		
Rooms	10,593.12	6,156.51
Food and Beverages	13,612.10	8,575.26
Other Services*	2,140.58	1,374.67
<b>Total</b>	<b>26,345.80</b>	<b>16,106.44</b>

\*Revenue from others services includes income from club, rental income and income from banquet service etc.

**34 Other Income** (Amount in Rs. Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Interest Earned	177.49	74.74
Finance income on security deposit	85.14	103.12
Other Non –Operating Income	195.71	132.51
Dividend Income*	2,425.10	2,400.20
Excess/(Short) Provision of Earlier Year Written Back	5.16	41.30
Lease rent concession	-	34.08
Deferred Revenue Income (Subsidy)	39.03	44.30
<b>Total</b>	<b>2,927.63</b>	<b>2,830.25</b>

\*Includes dividend received from Sayaji Housekeeping Services Ltd (100% subsidiary of Sayaji Hotels Ltd)

**35 Food & Beverages Consumed** (Amount in Rs. Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Opening Stock	120.62	84.17
Add : Purchases*	4,839.40	2,922.14
	<b>4,960.02</b>	<b>3,006.31</b>
Less : Closing Stock	156.27	120.62
<b>Total</b>	<b>4,803.75</b>	<b>2,885.69</b>

\*Includes vegetable & non-vegetable items, grocery items, dairy products, tobacco products, alcoholic & non-alcoholic beverages etc.

**36 Employee Benefit Expenses** (Amount in Rs. Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Salaries, Wages and Allowances	4,685.97	3,097.80
Contribution to P.F. and other Funds	282.29	158.78
Workmen and Staff Welfare Expenses	115.55	31.52
Workmen and Staff Uniform Expenses	133.71	95.77
<b>Total</b>	<b>5,217.52</b>	<b>3,383.87</b>

**37 Finance Cost** (Amount in Rs. Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Interest on term Loan	153.16	539.56
Interest on Others	61.26	325.66
Finance cost on lease payable & Other Financial Liabilities	720.03	771.48
Other expenses	24.39	40.79
Finance cost on Preference Share	192.63	171.99
<b>Total</b>	<b>1,151.47</b>	<b>1,849.48</b>

Interest expense includes interest paid on term loans & vehicle loans. Interest on others includes interest on credit facilities. Other expenses includes bank charges, processing fees & upfront fees of loans.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

**38 Operating Expenses**

(Amount in Rs. Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Stores & Operating Supplies*	981.80	1,054.44
Repairs and Maintenance		
Building	752.27	178.67
Plant & Machinery	266.24	158.49
Others	448.02	142.09
Laundry Expenses	219.35	130.00
Guest pick up Expenses	237.45	92.15
Cable TV Expenses	27.96	23.34
Banquet Service expenses	717.29	398.36
Other Operating Expenses**	1,067.25	515.23
Power and Fuel	1,992.43	1,372.88
<b>Total</b>	<b>6,710.06</b>	<b>4,065.65</b>

\*Stores & operating supplies includes crockery & cutlery, linen & other consumables etc.

\*\*Other Operating Expenses includes house keeping & upkeeping expenses, expenses for F&B operations & club.

**39 Other Expenses**

(Amount in Rs. Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Lease Rent	492.33	55.01
Rates & Taxes	175.05	163.91
Insurance	37.35	30.13
Travelling and Conveyance	89.48	45.33
Postage, Telegram and Telephones	48.56	34.42
Advertisement and Publicity	102.48	34.06
Legal & Professional	191.10	202.82
Printing and Stationery	51.12	31.44
Credit Card Commission	114.35	75.50
Commission on Sales	428.47	263.92
Other Expenses	179.52	70.97
Auditors' Remuneration		
Statutory audit	7.30	8.00
Certification other matters	2.00	2.00
Sundry Balances W/off	(11.17)	(1.23)
Provision for doubtful debts	45.95	28.06
Loss On Disposal/Retirement of Assets	-	(1.63)
<b>Total</b>	<b>1,953.89</b>	<b>1,042.71</b>

**40 Earnings Per Share**

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
a) Amount used as the numerator profit after tax	5,509.15	2,646.12
Less: Dividend on Preference Shares & Income Tax Thereon	100.00	100.00
Net Profit/(Loss) attributable to equity share holders	5,409.15	2,546.12
b) Weighted average number of equity shares used as the denominator in computing basic earning per share.	1,75,18,000	1,75,18,000
Add: Potential no. of equity shares that could arise on conversion of warrants into equity shares.	-	-
Weighted average number of shares used in computing Diluted Earning per Share	1,75,18,000	1,75,18,000
c) Nominal value per share	10	10
d) Earnings Per Share:		
- Basic	30.88	14.53
- Diluted	30.88	14.53

41 Disclosure As per Ind AS-12 Income Taxes

**i) Income Tax recognised in statement of profit & loss account.** (Amount in Rs. Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Current Tax Expenses</b>		
Current year	1,975.50	483.74
Adjustment for earlier year	31.53	1.95
<b>Total current Tax expenses</b>	<b>2,007.03</b>	<b>485.69</b>
Deferred Tax Expenses	(96.88)	237.46
<b>Total Income tax expenses</b>	<b>1,910.15</b>	<b>723.15</b>

**ii) Income tax recognised in other comprehensive income** (Amount in Rs. Lakhs)

Particular	For the year ended 31st March, 2023			For the year ended 31st March, 2022		
	Before tax	Tax expense/ Benefit	Net of tax	Before tax	Tax expense/ Benefit	Net of tax
-Net actuarial gain/loss on defined benefit plan	(35.20)	8.86	(26.34)	115.94	(29.18)	86.76
-Changes in cash flow hedge reserve	-	-	-	36.25	(8.48)	27.77

**Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:** (Amount in Rs. Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Profit before tax</b>	<b>7,419.30</b>	<b>3,369.27</b>
<b>Tax using company's domestic tax rate 25.17% (P.Y. 25.17%)</b>	<b>1,867.44</b>	<b>848.05</b>
Add/(Less): Earlier Year tax	31.53	1.95
Add/(Less): Expenses not Allowed in Income Tax	-	(0.41)
Add/(Less): Deferred Tax Expense	-	-
Add/(Less): Exempt Income	(9.82)	(11.15)
Add/(Less): Others	21.00	(115.29)
<b>Tax as per Statement of Profit &amp; Loss</b>	<b>1,910.15</b>	<b>723.15</b>
<b>Effective Rate Of Tax</b>	<b>25.75%</b>	<b>21.46%</b>

42 Disclosure as per Ind AS-116, Leases

The Company has taken land and immovable properties on lease which are generally loan term in nature varying terms, escalation clauses and renewal right expiring within five to one hundred and ninety eight years. On renewal, the terms of the leases are renegotiated.

The overall lease rentals for the period are as follows:

(Amount in Rs. Lakhs)

Particulars	For the year ended 31st March, 2023
Minimum Lease payment/ Fixed Rentals	1,336.91
Contingent rent recognised in Profit or Loss as Lease Cost.	492.33
<b>Total</b>	<b>1,829.24</b>

The minimum future lease rentals payable in respect of non-cancellable leases entered into by the Company to the extent of minimum guarantee amount are as follows:-  
(Amount in Rs. Lakhs)

Particulars	31st March, 2023
<b>Minimum Lease payment</b>	
Not later than one year; (including notional interest component)	894.45
Later than one year and not later than five years;	4,045.50
Later than five years;	27,324.61
<b>Total</b>	<b>32,264.56</b>

The bifurcation of total lease liabilities into Current and Non-Current is as follows:

(Amount in Rs. Lakhs)

Particulars	31st March, 2023
Current (excluding interest component on lease liability)	329.00
Non - Current	5,505.28
<b>Total</b>	<b>5,834.28</b>



**SAYAJI HOTELS LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

**43 Disclosure as per Ind AS-19, Employee benefits**

**(a) Defined benefit plan**

The Company makes annual contributions to the Employee's Group Gratuity scheme of the SBI Life Insurance Co. Ltd., a funded defined benefit plan for the qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment as per the terms of the scheme. Vesting occurs upon completion of five years of service.

The present value of the defined benefit obligation and current service cost were measured using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. The following table sets out the status of the funded gratuity plan and the amounts recognized in the company's financial statements as at March 31, 2023:-

<b>Changes in Present Value of Obligation</b>		<b>(Amount in Rs. Lakhs)</b>	
<b>Particulars</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>	
Present value of obligation as on last valuation	372.00	392.80	
Current Service Cost	57.70	74.06	
Interest Cost	17.83	21.08	
Participant Contribution	-	-	
Plan Amendments: Vested portion at end of period(Past Service)	-	-	
Plan Amendments: Non-Vested portion at end of period(Past Service)	-	-	
Actuarial gain/loss on obligations due to Change in Financial Assumption	-	5.17	
Actuarial gain/loss on obligations due to Change in Demographic assumption	-	-	
Actuarial gain/loss on obligations due to Unexpected Experience	35.69	(121.11)	
Actuarial gain/loss on obligations due to Other reason	-	-	
The effect of change in Foreign exchange rates	-	-	
Benefits Paid	(85.02)	-	
Acquisition Adjustment	-	-	
Disposal/Transfer of Obligation	-	-	
Curtailment cost	-	-	
Settlement Cost	-	-	
Other(Unsettled Liability at the end of the valuation date)	-	-	
Present value of obligation as on valuation date	398.20	372.00	

<b>Changes in Fair Value of Plan Assets</b>		<b>(Amount in Rs. Lakhs)</b>	
<b>Particulars</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>	
Fair value of Plan Assets at Beginning of period	30.18	28.24	
Interest Income	1.91	1.94	
Employer Contributions	10.00	-	
Participant Contributions	-	-	
Acquisition/Business Combination	-	-	
Settlement Cost	-	-	
Benefits Paid	-	-	
The effect of asset ceiling	-	-	
The effect of change in Foreign Exchange Rates	-	-	
Administrative Expenses and Insurance Premium	-	-	
Return on Plan Assets excluding Interest Income	0.49	-	
Fair value of Plan Assets at End of measurement period	42.58	30.18	

<b>Table Showing Reconciliation to Balance Sheet</b>		<b>(Amount in Rs. Lakhs)</b>	
<b>Particulars</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>	
Funded Status	(355.62)	(341.82)	
Unrecognized Past Service Cost	-	-	
Unrecognized Actuarial gain/loss at end of the period	-	-	
Post Measurement Date Employer Contribution(Expected)	-	-	
Unfunded Accrued/Prepaid Pension cost	-	-	
Fund Asset	42.58	30.18	
Fund Liability	(398.20)	(372.00)	

<b>Table Showing Plan Assumptions</b>		<b>31-Mar-23</b>	<b>31-Mar-22</b>
<b>Particulars</b>			
Discount Rate		7.12%	5.41%
Expected Return on Plan Asset			
Rate of Compensation Increase(Salary Inflation)		6.00%	6.00%
Pension Increase Rate		N/A	N/A
Average expected future service (Remaining working Life)		N/A	N/A
Mortality Table		IALM 2012-2014 Ultimate	IALM 2012-2014 Ultimate
Superannuation at age-Male		58	58
Superannuation at age-Female		58	58
Early Retirement & Disablement (All Causes Combined)		18-29 years 32%, 30-45 years 18%	18-29 years 32%, 30-45 years 18%
above age 45		5%	5%
Between 29-45		18%	18%
below age 29		32%	32%
Voluntary Retirement		Ignored	Ignored

**SAYAJI HOTELS LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

<b>Expense Recognized in statement of Profit/Loss</b>		(Amount in Rs. Lakhs)	
<b>Particulars</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>	
Current Service Cost	57.70	74.06	
Past Service Cost(vested)	-	-	
Past Service Cost(Non-Vested)	-	-	
Net Interest Cost	15.92	18.83	
Cost(Loss/(Gain) on settlement	-	-	
Cost(Loss/(Gain) on curtailment	-	-	
Actuarial Gain/loss Applicable only for last year	-	-	
Employee Expected Contribution	-	-	
Net Effect of changes in Foreign Exchange Rates	-	-	
Benefit Cost(Expense Recognized in Statement of Profit/loss)	73.62	92.89	

<b>Expense Recognized in Other Comprehensive Income</b>		(Amount in Rs. Lakhs)	
<b>Particulars</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>	
Actuarial gain/loss on obligations due to Change in Financial Assumption	-	5.17	
Actuarial gain/loss on obligations due to Change in Demographic assumption	-	-	
Actuarial gain/loss on obligations due to Unexpected Experience	35.69	(121.11)	
Actuarial gain/loss on obligations due to Other reason	-	-	
<b>Total Actuarial (gain)/losses</b>	<b>35.69</b>	<b>(115.94)</b>	
Return on Plan Asset, Excluding Interest Income	(0.49)	0.30	
The effect of asset ceiling	-	-	
Balance at the end of the Period	35.20	(115.64)	
Net(Income)/Expense for the Period Recognized in OCI	35.20	(115.64)	

<b>Table Showing Cash Flow Information</b>		(Amount in Rs. Lakhs)	
<b>Particulars</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>	
Next Year Total (Expected)	467.11	423.00	
<b>Minimum Funding Requirements</b>	<b>467.11</b>	<b>423.00</b>	

<b>Bifurcation of Net liability</b>		(Amount in Rs. Lakhs)	
<b>Particulars</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>	
Current liability	99.93	81.67	
Non-Current Liability	298.27	290.33	
<b>Total Liability</b>	<b>398.20</b>	<b>372.00</b>	

**(b) Defined Contribution Plan**

The Company has recognised the following expenses as defined contribution plan under the head "Contribution to Provident Fund and Other Funds"(net of recoveries).

(Amount in Rs. Lakhs)		
<b>Particulars</b>	<b>For the year ended 31st March, 2023</b>	<b>For the year ended 31st March, 2022</b>
Contribution towards Provident Fund	282.29	158.78
<b>Total</b>	<b>282.29</b>	<b>158.78</b>

**(c) Other Long Term Employee benefit**

The provision of leave encashment have been made on outstanding privilege leave of employees at the end of year and calculated on the basis of basic pay of employees. Attrition rate taken same as Actuarial valuation report of gratuity liability.

The Company has recognised the following expenses as other long term employee benefit under the head "Contribution to Provident Fund and Other Funds"(net of recoveries).

(Amount in Rs. Lakhs)		
<b>Particulars</b>	<b>For the year ended 31st March, 2023</b>	<b>For the year ended 31st March, 2022</b>
Leave Encashment	52.54	87.01
<b>Total</b>	<b>52.54</b>	<b>87.01</b>

**Disclosure As per Ind AS-21, The Effects of Changes in Foreign Exchange Rates**

"Foreign Currency transactions relating to monetary assets and liabilities as at the year end translated as per accounting policy no. 11, resulted in net gain of Rs.Nil (P.Y. Nil) Rs which has been accounted under relevant heads in Statement of Profit and loss."

**SAYAJI HOTELS LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

**44 Disclosure as Per Ind AS-24, Related Party Disclosure**

**List of Related Parties**

**1 Subsidiary Companies**

Sayaji House Keeping Services Ltd  
 Sayaji Hotels(Indore) Limited  
 Sayaji Hotels Management limited  
 Sayaji Hotels(Pune) Limited

**2 Associate Companies**

Barbeque-Nation Hospitality Limited

**3 Key Management Personnel**

Mr.Raof Razak Dhanani	Managing Director
Mrs.Suchitra Sajid Dhanani,	Whole Time Director
Mr. Sandesh Khandelwal	Chief financial officer
Mr. Ankur Bindal	Company Secretary

**4 Enterprises where Key Management Personnel has control /interest**

Vicon Imperial Pvt. Ltd.  
 Prinite Hospitality Pvt Ltd  
 Kshipra Restaurants Pvt Ltd  
 Ahilya Hotels Ltd  
 Malwa Hospitality Pvt Ltd  
 M/s Liberty Restaurent Pvt Ltd

**5 Relatives of KMPs**

Zuber Y Dhanani  
 Azher Y Dhanani  
 Saba R Dhanani  
 Sadiya R Dhanani  
 Sara K Dhanani  
 Sanya S Dhanani  
 Rizwan R Sheikh  
 Varsha Khandelwal  
 Sumeira Dhanani  
 Jameel Taheer Sayed

(Amount in Rs. Lakhs)

Sr.No.	Nature of Transactions	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>A</b>	<b>KEY MANAGEMENT PERSONNEL</b>		
	Remuneration/ Salary	269.47	170.19
	Payable At The Year End	3.66	3.66
	Payment Of Interest	11.47	10.55
<b>B.</b>	<b>SUBSIDIARY COMPANIES</b>		
	Income From Business Support Services	0.36	0.36
	Business Support Services expenses	-	-
	Reimbursement of other Expenses	0.52	0.52
	Interest Income	76.69	38.11
	Dividend Income	2,425.10	2,400.20
	Loan Given	519.77	765.11
<b>C</b>	<b>ASSOCIATE COMPANIES/ FIRMS/ RELATIVES</b>		
	Rental Expenses	1,515.76	111.50
	Income From Business Support Services	58.28	92.82
	Business Support Services Expenses	54.61	10.59
	Receivable At The Year End	73.38	149.35
	Lease Rent And Cam Charges Received	116.35	88.05
	Royalty	55.20	14.81
	Payment Of Salary	44.89	29.22
	Payment Of Professional Fee	8.10	7.67

**SAYAJI HOTELS LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

**45 Disclosure as per Ind AS-27, Separate Financial Statement**

**Interest in subsidiary**

Name of Entity	Place of Business/Country Of Incorporation	% Of Ownership	
		31st March, 2023	31st March, 2022
Sayaji Housekeeping Services Limited	India	100.00%	100.00%
Sayaji Hotels(Vadodara) Limited	India	100.00%	100.00%
Sayaji Hotels Management limited	India	100.00%	100.00%
Sayaji Hotels(Pune) Limited	India	100.00%	100.00%

**46 Disclosure as per Ind AS-37, Provisions, Contingent Liabilities and Contingent Assets**

**I Contingent Liabilities not provided for**

- (i) Disputed liability of Rs 28.39 lakhs (P.Y.32.93 lakhs) not provided for in respect of Income Tax TDS (AY 2013-14,2014-15 and 2015-16).
- (ii) Disputed liability of Rs. 25.78 lakhs not provided for in respect of Service Tax pending before Appellate Authorities. (P.Y. Nil)
- (iii) Disputed liability of Rs 76.48 lakhs not provided for in respect of Commercial tax. The matters are pending before Appellate Authorities. (P.Y. Rs. 66.04 Lakhs)
- (iv) Disputed liability of Rs. 65.18 lakhs not provided for in respect of Property Tax demand (FY 2015-16, 2016-17 & 2017-18). The matter is pending before High Court, Indore. (P.Y. Rs. 55.12 lakhs).
- (v) Arrears of Cummulative Dividend on Preference Shares & Income Tax Thereon, not paid during the Year Rs.920.82 lakhs (P.Y. Rs.820.82 lakhs).
- (vi) In respect of the leasehold land of Indore hotel, Indore development authority has cancelled the lease vide order dated 20th Dec. 2017. Company had challenged the said order before Hon'ble High Court, Indore bench. Hon'ble High Court Single Bench has decided the matter against Company vide their order dated 16th July 2018. However, Company has filed revision Writ Appeal before Division Bench of Hon'ble High Court, Indore bench. The State of MP has framed rules for mitigation of lease terms/compounding and further amended the said rules on 9th April 2021 due to which SHL also became eligible under the said rules to apply for compounding/ mitigation and hence SHL applied to IDA for compounding of alleged violations of the lease deed. On 8th March 2022, High Court, Indore bench admitted the Writ Appeal and further directed IDA to decide the compounding application of SHL. Personal hearing has been done on 29th March 2022 before the IDA regarding the compounding application and order is awaited. Indore Development Authority has also filed an application before the Competent Authority under The Public Premises (Eviction) Act for eviction of the Company from said premises. High Court has granted stay on the passing of any order under the said eviction proceedings.
- (vii) Disputed liability of Rs. 19.34 lakhs not provided for in respect of cases filed in labour court. (P.Y. Rs. 19.99 lakhs)
- (viii) Disputed liability of Rs. 162.31 lakhs (PY 162.31 lakhs) not provided for in respect of solar unit adjustments. Matter is pending before High Court, Indore.

**II Commitments**

Estimated capital commitments not provided for Rs. Nil (P.Y. Rs. Nil )

**47 Disclosure as per Ind AS-108, Operating Segment**

The Company's only business being hoteliering, disclosure of segment-wise information is not applicable under Ind AS108 - 'Operating Segment' (Ind AS-108) notified by the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto.

**Information about major customers**

No single customer contributes more than 10% or more of the Company's total revenue for the years ended March 31, 2023 and March 31, 2022.

**48 Earnings in Foreign Currency :**

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Earnings in Foreign Currency</b>		
-Sale of Rooms and Food Beverages (Inclusive of Taxes)	981.59	185.65
<b>CIF Value of imports &amp; Expenditure (on accrual basis)</b>		
-Import Value of Capital Goods	-	-
-Import Value of Non-Capital Goods	16.95	44.30

**49 Disclosure as per Ind AS-107, Financial Instruments**

**Financial Risk Management**

The Company's principal financial liabilities comprise Borrowings, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade & other receivables, loan given, cash & cash Equivalent, Investment, deposits and derivative that derive directly from its operations.

The Company's Financial Risk Management is an integral part of how to plan and execute its business strategies. The Company's financial risk management is set by the Managing Board.

**Company is exposed to following risk from the use of its financial instrument:**

- a) -Credit Risk
- b) -Liquidity Risk
- c) -Market Risk

**a) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. Credit risk arises principally from trade receivables, loans & advances, cash & cash equivalents and deposits with banks and financial institutions.

**SAYAJI HOTELS LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

**Trade Receivable**

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on 7 days to 45 days credit term. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on actual incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low. The requirement of impairment is analysed as each reporting date.

**Other Financial Instruments and Cash & Cash Equivalents**

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties who meets the minimum threshold requirements under the counterparty risk assessment process. The Company monitors the ratings, credit spreads and financial strength of its counterparties. Based on its on-going assessment of counterparty risk, the group adjusts its exposure to various counterparties. The Company's maximum exposure to credit risk for the components of the Balance sheet as of March 31st, 2023 and March 31st, 2022 is the carrying amount as disclosed in Note 50(1) except for financial guarantees. The Company's maximum exposure for financial guarantee is given in Note 46.

**(i) Carrying amount of maximum credit risk as on reporting date**

**(Amount in Rs. Lakhs)**

Particulars	31st March, 2023	31st March, 2022
<b>Financial assets for which loss allowance is measured using 12 month Expected Credit Loss (ECL)</b>		
Non-current Investment	0.21	0.21
Non-current Loans	1,256.10	1,087.62
Other Non-Current Financial Assets	483.00	425.84
Cash & Cash Equivalent	189.50	674.46
Bank balances other than cash and cash equivalents	643.19	10.43
Current Loans	1,057.21	948.18
Other Current Financial Assets	8.71	131.55
<b>Financial assets for which loss allowance is measured using Lifetime Expected Credit Loss (ECL)</b>		
Investment in Subsidiaries	652.50	652.50
Trade Receivables	962.74	660.07
<b>Total</b>	<b>5,253.16</b>	<b>4,590.86</b>

**(ii) Provision for Expected Credit or Loss**

**(a) Financial assets for which loss allowance is measured using 12 month expected credit losses.**

The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognised.

**(b) Financial assets for which loss allowance is measured using life time expected credit losses**

The Company provides loss allowance on trade receivables using life time expected credit loss and as per simplified approach.

**(iv) Reconciliation of impairment loss provisions**

The movement in the allowance for impairment in respect of financial assets during the year was as follows:

**(Amount in Rs. Lakhs)**

Particulars	Trade Receivables	Investment in subsidiaries	Advances	Total
Balance as at March 31, 2022	-	0.23	-	0.23
Impairment loss recognised	-	-	-	-
Amounts written off	-	-	-	-
Balance as at March 31, 2023	-	0.23	-	0.23

**SAYAJI HOTELS LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

**b) Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(Amount in Rs. Lakhs)

Particulars	On Demand	Within 1 year	1-2 years	2-5 years	More than 5 years	Total
<b>Year ended March 31st, 2023</b>						
Term Loans*	-	-	-	-	-	-
Trade Payables	1,285.81	-	-	-	-	1,285.81
Cash credit	-	-	-	-	-	-
Other Payables	-	85.14	-	-	1,797.96	1,883.10
Finance Lease Payable	-	-	-	-	-	-
Other Financial Liabilities#	-	340.79	263.24	1,514.04	3,830.80	5,948.87
<b>Total</b>	<b>1,285.81</b>	<b>425.93</b>	<b>263.24</b>	<b>1,514.04</b>	<b>5,628.76</b>	<b>9,117.78</b>

Particulars	On Demand	Within 1 year	1-2 years	2-5 years	More than 5 years	Total
<b>Year ended March 31st, 2022</b>						
Term Loans*	-	651.85	2,354.89	0.00	-	3,006.74
Trade Payables	911.97	-	-	-	-	911.97
Cash credit	-	-	-	-	-	-
Other Payables	-	102.22	-	-	1,605.33	1,707.55
Finance Lease Payable	-	-	-	-	-	-
Other Financial Liabilities#	-	851.26	1,974.58	1,151.32	4,099.73	8,076.89
<b>Total</b>	<b>911.97</b>	<b>1,605.32</b>	<b>4,329.47</b>	<b>1,151.32</b>	<b>5,705.06</b>	<b>13,703.15</b>

\* Includes contractual interest payment based on interest rate prevailing at the end of the reporting period over the tenor of the borrowings.

# Current maturities of long-term borrowings is included in interest bearing borrowing part in above note.

Overdraft or other on demand loan facility, if any available with the Company is disclosed, to the extent undrawn in note no. 41.

**c) Market Risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Company. All such transactions are carried out within the guidelines set by the risk management committee.

**Foreign Currency sensitivity**

The Company's exposure to foreign currency changes for all other currencies is not material. Hence there is no major impact on company's profit before tax due to change in the fair value of monetary assets and liabilities.

**Interest Risk**

Interest rate risk arises from the sensitivity of financial assets and liabilities to changes in market rates of interest. The Company is exposed to interest rate risk arising mainly from long term borrowings with floating interest rates. The Company is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates.

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments is as follows:

(Amount in Rs. Lakhs)

Particulars	31st March, 2023	31st March, 2022
<b>Financial Assets</b>		
<b>Fixed Rate</b>		
Security Deposit	1,256.10	1,087.62
Bank Deposit	1,125.82	436.27
<b>Total</b>	<b>2,381.92</b>	<b>1,523.89</b>
<b>Financial Liabilities</b>		
<b>Fixed Rate</b>		
Working capital loans	-	-
Unsecured Loans	1,883.10	1,707.55
<b>Sub-Total (i)</b>	<b>1,883.10</b>	<b>1,707.55</b>
<b>Variable Rate Instruments</b>		
Term Loans	-	3,006.74
<b>Sub-Total (ii)</b>	<b>-</b>	<b>3,006.74</b>
<b>Total (i) + (ii)</b>	<b>1,883.10</b>	<b>4,714.29</b>

**SAYAJI HOTELS LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

**Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	(Amount in Rs. Lakhs)	
	Effect of Profit or Loss	
	50 bp increase	50 bp decrease
<b>31st March 2023</b>		
Financial Liabilities	-	-
	-	-
<b>31st March 2022</b>		
Financial Liabilities	(1.50)	1.50
	<b>(1.50)</b>	<b>1.50</b>

**50 Capital Risk Management**

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings less cash and cash equivalents.

Particulars	(Amount in Rs. Lakhs)	
	31st March, 2023	31st March, 2022
Gross Debt	1,883.10	4,714.29
Less : Cash and cash equivalents	(189.50)	(674.46)
<b>Net Debt (A)</b>	<b>1,693.60</b>	<b>4,039.83</b>
Total Equity (B)	13,979.25	8,496.44
<b>Gearing Ratio (A/B)</b>	<b>0.12</b>	<b>0.48</b>

**Financial Instruments By Category**

Particulars	(Amount in Rs. Lakhs)		
	As at 31st March, 2023		
	FVTPL	FVTOCI	Amortized cost
<b>Financial Assets:</b>			
Investment			
- Equity Instrument (unquoted)	0.21	-	-
- Debt Instrument (quoted)	788.42	-	-
Loans	-	-	2,313.31
Trade Receivables	-	-	962.74
Cash and Cash Equivalents	-	-	189.50
Other Bank Balance	-	-	643.19
Other financial assets	-	-	491.71
<b>Total Financial Assets</b>	<b>788.63</b>	<b>-</b>	<b>4,600.45</b>
<b>Financial Liability:</b>			
Borrowings	-	-	1,883.10
Derivative Liability	-	-	-
Trade Payable	-	-	1,285.81
Other Financial Liabilities	-	-	5,948.87
<b>Total Financial Liability</b>	<b>-</b>	<b>-</b>	<b>9,117.78</b>

Particulars	(Amount in Rs. Lakhs)		
	As at 31st March, 2022		
	FVTPL	FVTOCI	Amortized cost
<b>Financial Assets:</b>			
Investment			
- Equity Instrument (unquoted)	0.21	-	-
Loans	-	-	2,035.80
Trade Receivables	-	-	660.07
Cash and Cash Equivalents	-	-	674.46
Other Bank Balance	-	-	10.43
Other financial assets	-	-	557.39
<b>Total Financial Assets</b>	<b>0.21</b>	<b>-</b>	<b>3,938.15</b>
<b>Financial Liability:</b>			
Borrowings	-	-	4,062.44
Derivative Liability	-	-	-
Trade Payable	-	-	911.97
Other Financial Liabilities	-	-	8,728.74
<b>Total Financial Liability</b>	<b>-</b>	<b>-</b>	<b>13,703.15</b>

\*The above excludes investments in subsidiaries and associates amounting to Rs 1232.64 Lakhs

**SAYAJI HOTELS LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**  
**51 Disclosure as per Ind AS-113, Fair Value Measurement**

**Fair Value Hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are

(a) recognised and measured at fair value and

(b) measured at amortised cost and for which fair values are disclosed in financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

**As at 31st March,2023**

**Financial Instrument measured at Fair Value - recurring fair value measurement**

**(Amount in Rs. Lakhs)**

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investment				
- Equity Instrument (unquoted)	-	-	0.21	0.21
- Debt Instrument (quoted)	788.42			
-Non Current Asset held for sale	-	-	-	-
<b>Financial Liabilities</b>				
Derivatives	-	-	-	-
<b>Total</b>	<b>788.42</b>	<b>-</b>	<b>0.21</b>	<b>0.21</b>

**As at 31st March,2022**

**Financial Instrument measured at Fair Value - recurring fair value measurement**

**(Amount in Rs. Lakhs)**

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investment				
- Equity Instrument (unquoted)	-	-	0.21	0.21
-Non Current Asset held for sale	-	-	-	-
<b>Financial Liabilities</b>				
Derivatives	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>0.21</b>	<b>0.21</b>

**(A) Specific valuation technique is used to determine the fair value of the financial instruments which include:**

- i) For Investments in Equity Investments- Quoted Market prices are used and and for unquoted Equity Instruments best possible inputs are taken to identify the fair value.
- ii) For financial liabilities (vendor liabilities, domestic currency loans) :- appropriate market borrowing rate of the entity as of each balance sheet date used.
- iii) For financial assets (employee loans) : appropriate market rate of the entity as of each balance sheet date used.

**(B) The financial instruments are categorized into different levels based on the inputs used to arrive at fair value measurements as described below:**

<b>Level 1</b>	Includes financial instruments measured using quoted prices in an active market. This included listed equity instruments, traded debentures and mutual funds that have quoted price. The fair value of all equity instruments (including debentures) which are traded in the stock exchanges is valued using the closing price as at thereporting period. The mutual funds are valued using the closing NAV.
<b>Level 2</b>	Includes financial instruments that are not traded in an active market (for example, traded bonds/debentures, over the counter derivatives). The fair value in this hierarchy is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
<b>Level 3</b>	If one or more of the significant Inputs is not based on observable market data, the instrument is included in level 3. Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. Financial instruments such as unlisted equity shares, loans are included in this hierarchy.



**SAYAJI HOTELS LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

**(C) Inter level transfers:**

There are no transfers between levels 1 and 2 as also between levels 2 and 3 during the year.

**(D) Fair value of financial assets and liabilities measured at amortised cost**

**(Amount in Rs. Lakhs)**

Particulars	As at 31st March,2023		
	Level	Carrying Value	Fair Value
<b>Financial Assets</b>			
Trade Receivables	3	962.74	962.74
Cash and Cash Equivalents	3	189.50	189.50
Bank balances other than cash and cash equivalents	3	643.19	643.19
Loan to Employees	3	15.52	15.52
Security deposit	3	1,256.10	1,256.10
Other Financial Assets	3	491.71	491.71
<b>Financial Liabilities</b>			
Borrowings	3	1,883.10	1,883.10
Trade Payables	3	1,285.81	1,285.81
Other Financial Liabilities	3	5,948.87	5,948.87

**(Amount in Rs. Lakhs)**

Particulars	As at 31st March,2022		
	Level	Carrying Value	Fair Value
<b>Financial Assets</b>			
Trade Receivables	3	660.07	660.07
Cash and Cash Equivalents	3	674.46	674.46
Bank balances other than cash and cash equivalents	3	10.43	10.43
Loan to Employees	3	20.75	20.75
Security deposit	3	1,087.62	1,087.62
Other Financial Assets	3	557.39	557.39
<b>Financial Liabilities</b>			
Borrowings	3	4,062.44	4,062.44
Trade Payables	3	911.97	911.97
Other Financial Liabilities	3	8,728.74	8,728.74

**52 Disclosure as per Ind AS-115, Revenue from Contract with Customers**

**(Amount in Rs. Lakhs)**

(i) Revenue from contract with customers	For the year ended 31st March, 2023		For the year ended 31st March, 2022
	Rooms	10,593.12	6,156.51
Food and Beverages	13,612.10	8,575.26	8,575.26
Other Services	2,140.58	1,374.67	1,374.67

**(ii) Disaggregation of revenue :-**

Revenue is also disaggregated on basis of timing of revenue recognition i.e. At a point in time & over the period of time.

**(Amount in Rs. Lakhs)**

Particulars	At a point in time		Over the period of time.	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Rooms	10,593.12	6,156.51	-	-
Food and Beverages	13,612.10	8,575.26	-	-
Other Services	2,140.58	1,374.67	-	-

**SAYAJI HOTELS LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

**54 Ratios**

Sr.No	Particular	Numerator	Denominator	Unit	Current Year	Previous year	Variance in %
1	Current Ratio	Current Assets	Current Liability	Times	1.51	1.03	45.54%
2	Debt-Equity Ratio	Total Debt	Shareholders equity	%	13.47%	55.49%	-75.72%
3	Return on Equity	Net profit after tax	Average Shareholders equity	%	49.02%	37.18%	31.85%
4	Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	Times	5.28	3.59	47.12%
5	Inventory Turnover Ratio	Revenue from operations	Average Inventory	Times	28	12	134.44%
6	Trade Receivable Turnover Ratio	Revenue from operations	Average trade receivables	Times	32.47	32.00	1.47%
7	Trade Payables Turnover Ratio	Total Purchases	Average trade payables	Times	17	11	54.87%
8	Net Capital Turnover Ratio	Revenue from operations	Working Capital (i.e. Current Assets less Current Liabilities)	Times	14	114	-87.74%
9	Net Profit Ratio	Profit for the year	Revenue from operations	%	20.91%	16.43%	27.28%
10	Return on Investment	Income generated from investment	Time Weighted Average Investments	%	371.66%	367.85%	1.04%
11	Return on capital employed	Earning before interest and taxes	Capital employed	%	61.31%	61.42%	-0.18%

**Remark on Ratios having Variance more the (+/-) 25%**

Note No. 54.1 - Increase in Current Assets in F.Y. 2022-23 compared to F.Y. 2021-22 has resulted in an improvement in ratio.

Note No. 54.2 - Decrease in Debt in F.Y. 2022-23 compared to F.Y. 2021-22 has resulted in an improvement in ratio.

Note No. 54.3 - Increase in Net Profits has resulted in an improvement in ratio.

Note No. 54.4 - Increase in Net Profits has resulted in an improvement in ratio.

Note No. 54.5 - Increase in Revenue from Operation has resulted in an improvement in ratio.

Note No. 54.6 - Increase in Revenue from Operation has resulted in an improvement in ratio.

Note No. 54.7 - Increase in Revenue from Operation has resulted in an improvement in ratio.

Note No. 54.8 - Increase in Net Profits has resulted in an improvement in ratio.

Note No. 54.9 - Increase in Income from on investment has resulted in an improvement in ratio.

Note No. 54.10 - Increase in EBIT has resulted in an improvement in ratio.

**55 Corporate Social Responsibility (CSR)**

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. Though the net profit for the FY 21-22 is more than 5 Cr., but the average net profit for immediately preceding three financial years does not turn out to be a positive number. Therefore the Company is not required to spend any amount on CSR.

**56 Details of Crypto Currency or Virtual Currency**

During the year company has not invested in any virtual currency.

**SAYAJI HOTELS LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

**57 Additional Information:-**

**I Other Notes**

The Board of Directors of the Company, in its meeting held on December 4, 2021, and the Board of directors of Ahilya Hotels Limited ('AHL'), Sayaji Hotels (Indore) Limited ('SHIL'), Sayaji Hotels (Pune) Limited ('SHPL') and Sayaji Hotels Management Limited ('SHML') have approved a composite scheme of arrangement ('the Scheme') pursuant to section 230 to 232 and the other relevant provisions of the Companies Act, 2013 and Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements), 2015 as originally framed and altered/amended from time to time, for the:-

- a) Amalgamation of AHL into SHL and consequential cancellation and reduction of share capital of SHL
  - b) Demerger of Baroda and Pune business of SHL into its wholly owned subsidiary, SHPL and Indore business of SHL into its wholly owned subsidiary, SHIL and reduction of share capital of SHPL and SHIL
  - c) Amalgamation of SHML into SHL
- The respective Boards of other companies which are parts of the proposed scheme have also approved the scheme. The application for ordering a court convened meeting of shareholders & creditors is filed with appropriate authorities on June 6, 2022. In response to our application, the appropriate authorities have passed an order for convening the meeting of shareholders & creditors on September 9, 2022 and the same is duly convened. The proposed appointed date of the scheme is April 1, 2022, and the implementation of the scheme would be subject to the receipt of requisite regulatory approval. Pending approvals, the effect of the scheme has not been considered in the financial results of the Company for the quarter and year ended March 31st, 2023.

**\*\* The Company has reclassified previous year figures to conform to this year classification.**

Significant Accounting Policies and other Notes 1-57  
These notes form an integral part of these financial statements  
In term of our report attached

**For K.L.Vyas & Company**  
**Chartered Accountants**  
**Firm Regn. No. 003289C**

**Himanshu Sharma**  
**Partner**  
**M.No. 402560**

**Place: Indore**  
**Date: 29th May,2023**

**T.N Unni**  
**Director**  
**DIN. 00079237**

**Sandesh Khandelwal**  
**Chief Financial Officer**

**Raof Razak Dhanani**  
**Managing Director**  
**DIN. 00174654**

**Ankur Bindal**  
**Company Secretary**

UDIN: 23402560BGUBHZ1730

## INDEPENDENT AUDITORS' REPORT

To,  
The Members,  
Sayaji Hotels Limited,

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the consolidated financial statements of Sayaji Hotels Limited("the Company"),and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associate, which comprise the Balance Sheet as at 31<sup>st</sup> March 2023, and the Statement of Profit and Loss(including Other Comprehensive Income), Statement of changes in equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information(hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

#### 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 the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
<b><i>Revenue Recognition</i></b>	<b><u>Principal Audit Procedures</u></b> We conducted an evaluation of the Company's internal controls pertaining to its revenue transactions. This

<p>Refer Notes 33 to the Consolidated Financial Statements.</p>	<p>assessment involved testing of the key controls that were identified during the audit process.</p> <p>We have performed substantive detail testing by selecting a sample of revenue transactions, that we considered appropriate to test the evidence of effectiveness of the internal controls and adherence to accounting policies in recognising the revenue, and the rebates and discounts thereagainst.</p>
<p><b><i>Fees and Other Reimbursements to Operating Properties</i></b></p> <p>To ensure accounting of the expenses comprising the Basic Management Fee, Incentive Fee and reimbursement of expenses based on the terms of the Agreements entered into with the Operating Company and on the operating results of the respective Hotel properties under Agreement.</p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>Our audit approach was as follows:</p> <p>Review of each of the Hotel operating agreements entered into.</p> <p>Validation of the Gross Income, the Gross Operating profit of each of the property from the books and records of the property.</p> <p>We verified the calculation of the fees and reimbursement of expenses in accordance with the terms outlined in the aforementioned agreements. Our examination aimed to ensure that the fees were accurately calculated and the expenses were appropriately reimbursed, adhering to the specific provisions laid out in the agreements.</p>

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

The Company’s Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the consolidated financial statements and our auditor’s report thereon.

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

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

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

### **Responsibility of Management for Consolidated Financial Statements**

The Company’s Management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated

financial performance, and consolidated cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Group's and its Associate's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company and its subsidiary companies & Associate has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial 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 Group & its Associate 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 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 consolidated 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.

#### **Other Matters**

- (a) The Consolidated Financial Results include the Group's share of net profit of Rs. 506.55 Lakhs, and total comprehensive income of Rs. (-) 22.24 Lakhs for the year ended 31<sup>st</sup> March, 2023, as considered in the Consolidated Financial Results, in respect of 1 Associate, whose financial statement have not been audited by us. The independent auditors' report on financial statement of this entity has been furnished to us by the Management, and our opinion on the Consolidated Annual Financial Results, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the report of such other auditors and the procedures performed by us as stated in paragraph above.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of other auditors and the financial statements certified by the Management.

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

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 Companies Act, 2013, we give in the "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Group & Associate so far as it appears from our examination of those books.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates – Refer Note 47 to the consolidated financial statements.
  - ii. The Group and its associate did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies and Associate company incorporated in India.
  - iv. (a) The respective Management of the Company, its Subsidiaries & Associate has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of its subsidiaries and Associate to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of its subsidiaries (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The Management of the company and its subsidiaries & Associate has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of its subsidiaries & Associate from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company or any of its subsidiaries & Associate shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



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

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/"CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its Subsidiaries & CARO Reports issued by other auditors in respect of one Associate included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports. Further in respect of one associate, the report under section 143(11) of the Act is not available.

**For K.L. Vyas & Company,  
Chartered Accountants,  
FRN: 003289C**

**Place of Signature: Indore  
Date: 29<sup>th</sup> May, 2023**

**(Himanshu Sharma)  
Partner  
M. No. 402560  
UDIN: 23402560BGUBHZ1730**

**UDIN: 23402560BGUBHZ1730**

**ANNEXURE –A TO THE AUDITORS’ REPORT**

**REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)**

We have audited the internal financial controls over financial reporting of Sayaji Hotels Limited (“the Company”) as of 31<sup>st</sup> March, 2023 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors’ of Parent and its subsidiary companies, which are companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the 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 to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary company, which are companies incorporated in India, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For K.L. Vyas & Company,  
Chartered Accountants,  
FRN: 003289C**

**Place of Signature: Indore  
Date: 29<sup>th</sup> May, 2023**

**(Himanshu Sharma)  
Partner  
M. No. 402560  
UDIN: 23402560BGUBHZ1730**

**SAYAJI HOTELS LIMITED**  
**CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2023**

(Rs. In Lakhs)

Particulars	Note No.	As at 31st March,2023	As at 31st March,2022
<b>ASSETS</b>			
<b>1 Non-Current Assets</b>			
(a) Property, Plant & Equipment	2	14,966.02	16,593.78
(b) Capital work-in-progress	3	90.52	1.33
(c) Intangible assets	4	2.10	0.43
(d) Goodwill on consolidation		-	-
(e) Investment in Associate, Subsidiary and Joint venture	5	11,940.78	11,508.25
(f) Financial Assets			
(i) Investments	6	0.21	0.21
(ii) Trade Receivables		-	-
(g) Loans	7	1,268.40	1,095.46
(h) Other Financial Assets	8	483.00	427.84
(i) Deferred Tax assets (net)	9	1,629.78	1,690.12
(j) Other non-current assets	10	1,203.70	131.29
<b>Total Non-Current Assets</b>		<b>31,584.51</b>	<b>31,448.71</b>
<b>2 Current Assets</b>			
(a) Inventories	11	885.59	987.35
(b) Financial Assets			
(i) Investments	12	788.42	-
(ii) Trade Receivables	13	1,063.75	737.27
(iii) Cash and Cash Equivalents	14	230.65	2,764.26
(iv) Bank balances other than (ii) above	15	643.19	10.43
(v) Loans	16	786.54	894.14
(vi) Other Financial Assets	17	8.39	131.23
(c) Current Tax Assets (net)	18	57.09	39.79
(d) Other current assets	19	1,066.98	788.24
<b>Total Current Assets</b>		<b>5,530.60</b>	<b>6,352.71</b>
<b>TOTAL ASSETS</b>		<b>37,115.11</b>	<b>37,801.42</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	20	1,751.80	1,751.80
(b) Other Equity	21	23,146.26	19,734.78
<b>Total Equity</b>		<b>24,898.06</b>	<b>21,486.58</b>
<b>LIABILITIES</b>			
<b>1 Non-current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	22	1,797.97	3,960.22
(ia) Lease liability	23	5,505.28	5,630.85
(ii) Other Financial Liabilities	24	102.80	1,594.78
(b) Provisions	25	481.40	520.99
(c) Deferred Tax Liabilities (Net)		-	-
(d) Deferred Revenue	26	307.01	352.73
<b>Total Non-Current Liabilities</b>		<b>8,194.46</b>	<b>12,059.57</b>

**SAYAJI HOTELS LIMITED**  
**CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2023**

(Rs. In Lakhs)

Particulars	Note No.	As at 31st March,2023	As at 31st March,2022
<b>2 Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	27	342.56	913.04
(ii) Lease Liability	28	329.00	818.63
(iii) Trade Payables	29		
A. total outstanding dues of micro enterprises and small enterprises; and		34.21	54.14
B. total outstanding dues of creditors other than micro enterprises and small enterprises.		1,263.89	863.92
(iii) Other Financial Liabilities	30	16.15	37.06
(b) Provisions	31	605.47	426.83
(c) Current Tax Liabilities (Net)		-	-
(d) Other Current Liabilities	32	1,431.31	1,141.65
<b>Total Current Liabilities</b>		<b>4,022.59</b>	<b>4,255.27</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>37,115.11</b>	<b>37,801.42</b>
Significant Accounting Policies and other Notes		1-57	
These notes form an integral part of these financial statements In Terms of our Report Attached			
<b>For K.L.Vyas &amp; Company</b>		<b>For and on behalf of Board of Directors</b>	
Chartered Accountants			
Firm Regn. No. 003289C			
<b>Himanshu Sharma</b>	<b>T.N Unni</b>	<b>Raof Razak Dhanani</b>	
Partner	Director	Managing Director	
M.No. 402560	DIN-00079237	DIN-00174654	
<b>Place: Indore</b>	<b>Sandesh Khandelwal</b>	<b>Ankur Bindal</b>	
<b>Date: 29th May 2023</b>	<b>Chief Financial Officer</b>	<b>Company Secretary</b>	

**SAYAJI HOTELS LIMITED**  
**CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2023**

(Rs. In Lakhs)

	Particulars	Note No.	For the Year ended	For the Year ended
			31st March, 2023	31st March, 2022
I	<b>Income</b>			
II	Revenue From Operations	33	26,628.05	16,314.92
III	Other Income	34	485.44	885.00
IV	<b>Total Revenue (II+III)</b>		<b>27,113.49</b>	<b>17,199.92</b>
V	<b>Expenses :</b>			
	Food and Beverages Consumed	35	4,803.75	2,889.84
	Employee Benefits Expenses	36	5,255.60	3,429.50
	Finance Costs	37	1,169.89	1,959.04
	Depreciation And Amortization Expenses	2&4	2,017.49	2,411.31
	Operating Expenses	38	6,710.06	4,133.10
	Other Expenses	39	2,058.52	1,128.06
	<b>Total Expenses</b>		<b>22,015.31</b>	<b>15,950.85</b>
VI	<b>Profit before Exceptional Item and share of profit/(loss) of associate and tax (IV-V)</b>		<b>5,098.18</b>	<b>1,249.07</b>
VII	<b>Exceptional Item</b>			
	Profit/ Loss on sale of share of associate	40	-	4,361.24
VIII	<b>Profit before share of profit/(loss) of associate and tax (VI-VII)</b>		<b>5,098.18</b>	<b>5,610.31</b>
IX	Share of Profit/(Loss) of Associate		<b>506.55</b>	<b>(989.15)</b>
X	<b>Profit Before Tax (VIII+IX)</b>		<b>5,604.73</b>	<b>4,621.16</b>
XI	<b>Tax Expense :</b>			
	(1) Current Tax		1,988.60	1,064.94
	(2) Deferred Tax		69.19	248.99
	(3) Tax Adjustment of Earlier Year		37.45	1.95
			<b>2,095.24</b>	<b>1,315.88</b>
XII	<b>Profit (Loss) for the year from the Continuing Operations(X-XI)</b>		<b>3,509.49</b>	<b>3,305.28</b>
XIII	<b>Profit (Loss) for the year from the DisContinuing Operations</b>		-	-
XIV	<b>Tax Expenses of Discontinuing Operations</b>		-	-
XV	<b>Profit (Loss) for the year from the DisContinuing Operations(XIII-XIV)</b>		-	-
XVI	<b>Profit/(Loss) for the Period(XII+XV)</b>		<b>3,509.49</b>	<b>3,305.28</b>
XVII	<b>Other Comprehensive Income</b>			
	A Items that will not be reclassified to profit or loss			
	(i) Actuarial Gain/(Loss) on Defined Benefit Plan		(32.84)	122.44
	(ii) Income tax relating to items that will not be reclassified to profit or loss		8.86	(30.87)
	B Items that will be reclassified to profit or loss			
	(i) Changes in Cash Flow Hedge Reserve		-	36.25
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	(8.48)
XVIII	<b>Total Comprehensive Income for the year (XVI+XVII)(Comprising Profit/(Loss) and Other Comprehensive Income for the year) before share of associate</b>		<b>3,485.51</b>	<b>3,424.62</b>

**SAYAJI HOTELS LIMITED**

**CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2023**

(Rs. In Lakhs)

	Particulars	Note No.	For the Year ended	For the Year ended
			31st March, 2023	31st March, 2022
XIX	Share of Profit/ (Loss) of associate		(22.24)	(59.10)
XX	<b>Total Comprehensive Income for the year (XVIII+XIX)(Comprising Profit / (Loss) and Other Comprehensive Income for the year)</b>		<b>3,463.27</b>	<b>3,365.52</b>
	<b>Net profit attributable to</b>			
	Owners of the parent		3,509.49	3,305.28
	Non controlling interests		-	-
	<b>Other Comprehensive Income attributable to</b>			
	Owners of the parent		(46.22)	60.24
	Non controlling interests		-	-
	<b>Total Comprehensive Income attributable to</b>			
	Owners of the parent		3,463.27	3,365.52
	Non controlling interests		-	-
XXI	Earnings per equity share	41		
	(1) Basic		19.46	18.30
	(2) Diluted		19.46	18.30
Significant Accounting Policies and other Notes These notes form an integral part of these financial statements In Terms of our Report Attached		1-57		
<b>For K.L.Vyas &amp; Company</b> Chartered Accountants Firm Regn. No. 003289C		<b>For and on behalf of Board of Directors</b>		
<b>Himanshu Sharma</b> Partner M.No. 402560		<b>T.N Unni</b> Director DIN No-00079237	<b>Raooof Razak Dhanani</b> Managing Director DIN-00174654	
Place: Indore Date: 29th May 2023		<b>Sandesh Khandelwal</b> Chief Financial Officer	<b>Ankur Bindal</b> Company Secretary	

SAYAJI HOTELS LIMITED  
Consolidated Statement Of Changes In Equity For The Period Ended 31st March, 2023

A. Equity Share Capital

(Amount in Rs. Lakhs)

Balance as at 1st April, 2022	Changes in equity share capital during the year	Balance as at 31st March, 2023
1,751.80	-	1,751.80

B. Other Equity

(Amount in Rs. Lakhs)

Particulars	Attributable to owners of parent							Total Equity attributable to owners of parent	Non-Controlling Interest	Total
	Equity component of compound financial instruments	Reserve and surplus				Effective portion of Cash Flow Hedges	Share of OCI of Associates Accounted for using Equity Method			
Securities Premium		General Reserve	Retained Earnings	Share of Equity Component Directly credited to Equity						
Balance as at 1st April, 2022	940.01	5,944.60	641.48	(2,832.38)	15,198.29	69.33	(226.57)	19,734.76	-	19,734.76
Ind AS Adjustment on account of Leases	-	-	-	-	-	-	-	-	-	-
Profit/(Loss) for the year	-	-	-	3,002.94	-	-	-	3,002.94	-	3,002.94
Other Comprehensive Income for the year	-	-	-	(23.98)	-	-	(22.24)	(46.22)	-	(46.22)
Other	-	-	-	-	-	-	-	-	-	-
Share of associate	-	-	-	506.55	(51.77)	-	-	454.78	-	454.78
Sale of Investment in Associate	-	-	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-	-	-
<b>Total Comprehensive Income for the Year</b>	-	-	-	3,485.51	(51.77)	-	(22.24)	3,411.50	-	3,411.50
Cash dividends	-	-	-	-	-	-	-	-	-	-
Equity Component	-	-	-	-	-	-	-	-	-	-
Excess of Investment over Net Assets	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31st March, 2023</b>	<b>940.01</b>	<b>5,944.60</b>	<b>641.48</b>	<b>653.13</b>	<b>15,146.52</b>	<b>69.33</b>	<b>(248.81)</b>	<b>23,146.26</b>	<b>-</b>	<b>23,146.26</b>



**SAYAJI HOTELS LIMITED**  
Consolidated Statement Of Changes In Equity For The Period Ended 31st March, 2023

**A. Equity Share Capital**

**A. Equity Share Capital**

(Amount in Rs. Lakhs)

Balance as at 1st April, 2021	Changes in equity share capital during the year	Balance as at 31st March, 2022
1,751.80	-	1,751.80

**B. Other Equity**

(Amount in Rs. Lakhs)

Particulars	Attributable to owners of parent						Total Equity attributable to owners of parent	Non-Controlling Interest	Total	
	Equity component of compound financial instruments	Reserve and surplus				Effective portion of Cash Flow Hedges				Share of OCI of Associates Accounted for using Equity Method
		Securities Premium	General Reserve	Retained Earnings	Share of Equity Component Directly credited to Equity					
<b>Balance as at 1st April, 2021</b>	940.01	5,944.60	641.48	(6,229.23)	7,806.06	41.56	(167.47)	8,977.01	-	8,977.01
Ind AS Adjustment on account of Leases	-	-	-	-	-	-	-	-	-	-
Profit/(Loss) for the year	-	-	-	4,294.43	-	-	-	4,294.43	-	4,294.43
Other Comprehensive Income for the year	-	-	-	91.57	-	27.77	(59.10)	60.24	-	60.24
Other	-	-	-	-	-	-	-	-	-	-
Share of associate	-	-	-	(989.15)	7,392.23	-	-	6,403.08	-	6,403.08
Sale of Investment in Associate	-	-	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-	-	-
<b>Total Comprehensive Income for the Year</b>	-	-	-	3,396.85	7,392.23	27.77	(59.10)	10,757.75	-	10,757.75
Cash dividends	-	-	-	-	-	-	-	-	-	-
Dividend distribution tax on cash dividend	-	-	-	-	-	-	-	-	-	-
Equity Component	-	-	-	-	-	-	-	-	-	-
Excess of Investment over Net Assets	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31st March, 2022</b>	<b>940.01</b>	<b>5,944.60</b>	<b>641.48</b>	<b>(2,832.38)</b>	<b>15,198.29</b>	<b>69.33</b>	<b>(226.57)</b>	<b>19,734.76</b>	<b>-</b>	<b>19,734.76</b>

Significant Accounting Policies and other Notes

1-60

These notes form an integral part of these financial statements

In Terms of our Report Attached

**For K.L.Vyas & Company**  
Chartered Accountants  
Firm Regn. No. 003289C

**For and on behalf of Board of Directors**

Himanshu Sharma  
Partner  
M.No. 402560

T.N Unni  
Director  
DIN-00079237

Raof Razak Dhanani  
Managing Director  
DIN-00174654

Place: Indore  
Date: 29th May 2023

Sandesh Khandelwal  
Chief Financial Officer

Ankur Bindal  
Company Secretary

<b>SAYAJI HOTELS LIMITED</b>		
<b>Consolidated Statement of Cash Flow for the year ended 31 March, 2023</b>		
<b>(Rs. In Lakhs)</b>		
<b>Particulars</b>	<b>For the year ended 31st March, 2023</b>	<b>For the year ended 31st March, 2022</b>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before Tax from continuing operations</b>	<b>5,604.73</b>	<b>4,621.16</b>
<b>Non-cash/Non-Operating adjustment to reconcile profit before tax to net cash flows</b>		
Adjustments related to Associates	(506.55)	957.14
Sale of Assets held for Sale	0.00	(4,361.24)
Depreciation & Amortisation including adjustments	2,017.49	2,411.31
Deferred Income Amortisation	(39.03)	(44.30)
Deferred Expense Amortisation	4.69	4.69
Adjustments on Cancellation of Lease	-	1,102.28
Excess provision written back	(5.16)	(65.41)
(Profit) /Loss on Sale/Disposal of Property, Plant & Equipment	-	(1.63)
Interest Expense	257.25	955.04
Finance cost on lease payable & Other Financial Liabilities	718.93	832.01
Finance cost on Preference Share	192.63	171.99
Interest Received	(140.42)	(122.32)
Finance income on security deposit	(85.14)	(103.12)
Prepaid Lease income on Security Deposit	-	3.62
Lease Rent & Lease Rent Concession	493.01	(298.63)
Balances Written off	(11.17)	(1.23)
Interest Income	(19.12)	-
Provision for doubtful debts made	45.95	28.06
<b>Operating profit before Working Capital changes</b>	<b>8,528.09</b>	<b>6,089.42</b>
<b>Adjustments for::</b>		
Increase/(Decrease) in other liabilities	282.94	285.03
Increase/(Decrease) in other financial liabilities	(1,589.02)	(1,827.38)
Increase/(Decrease) in provisions	106.90	(11.37)
Increase/(Decrease) in trade payables	380.94	(260.52)
Decrease/(Increase) in loans(financial assets)	(131.09)	(467.60)
Decrease/(Increase) in other Bank Balances	(632.76)	(0.85)
Decrease/(Increase) in Inventories	101.76	656.69
Decrease/(Increase) in trade receivable	(362.37)	(392.72)
Decrease/(Increase) in other assets	(1,369.29)	(56.62)
Decrease/(Increase) in other financial assets	467.35	263.76
<b>Cash generated from operations</b>	<b>5,783.45</b>	<b>4,460.06</b>
Taxes (Paid)/Refund	(2,031.91)	(1,079.95)
<b>Net Cash from Operating Activity (A)</b>	<b>3,751.54</b>	<b>3,380.11</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant & Equipment	(406.27)	(136.15)
Sale/Disposal of Property, Plant & Equipment	-	10.64
Investment made in Subsidiaries	-	(225.69)
Proceeds from Sale of Investment	-	4,794.67
Investment others	(769.30)	-
Interest Received	140.77	122.32
<b>Net Cash Flow from Investing Activity(B)</b>	<b>(1,034.80)</b>	<b>4,565.79</b>

<b>SAYAJI HOTELS LIMITED</b>		
<b>Consolidated Statement of Cash Flow for the year ended 31 March, 2023</b>		
<b>(Rs. In Lakhs)</b>		
<b>Particulars</b>	<b>For the year ended 31st March, 2023</b>	<b>For the year ended 31st March, 2022</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds of Long Term Borrowings	2.25	-
Repayment of Long Term Borrowings	(3,075.70)	(1,344.18)
Proceeds/(Repayment) of loans from others	(17.08)	(169.81)
Payment of Lease Liability	(1,902.57)	(2,527.60)
Interest Paid/other borrowing cost paid	(257.25)	(955.04)
<b>Net cash used in Financing Activity (C)</b>	<b>(5,250.35)</b>	<b>(4,996.63)</b>
<b>Net increase/decrease in cash and cash equivalents(A+B+C)</b>	<b>(2,533.61)</b>	<b>2,949.27</b>
Cash and cash equivalents at the beginning of the year	2,764.26	(185.01)
Cash and cash equivalents at the close of the year	230.65	2,764.26
Significant Accounting Policies and other Notes		
These notes form an integral part of these financial statements		
In term of our report attached		
<b>Notes:</b>		
1. The above cash flow statement has been prepared under the indirect method set out in Ind AS -7 'Statement of Cash Flows'.		
2. For the purpose of Statement of Cash Flow, Cash and Cash Equivalents comprises the followings:		
	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Balance with Banks	186.35	1,329.52
Cash on hand	44.19	34.14
Investment in Mutual Fund	0.11	1,400.60
	<b>230.65</b>	<b>2,764.26</b>

**For K.L.Vyas & Company**  
Chartered Accountants  
Firm Regn. No. 003289C

**For and on behalf of Board of Directors**

**Himanshu Sharma**  
Partner  
M.No. 402560

**T.N Unni**  
Director  
DIN-00079237

**Raof Razak Dhanani**  
Managing Director  
DIN-00174654

**Place: Indore**  
**Date: 29th May,2023**

**Sandesh Khandelwal**  
Chief Financial Officer

**Ankur Bindal**  
Company Secretary

## **Notes to Financial Statements**

### **A. Group Information**

Sayaji Hotels Limited (“SHL” or the “Company”), is a listed public limited company incorporated under the provisions of the Companies Act, 2013. Its shares are listed on Bombay stock exchange on India. The Company is primarily engaged in the business of owning, operating & managing hotels. The Company and its subsidiaries (jointly referred to as the ‘Group’ herein under) are considered in the consolidated financial statements. The group is primarily engaged in the business of owning, operating & managing hotels.

### **Statement of Compliance**

These Consolidated Financial Statements are prepared on accrual basis of accounting and comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent applicable), applicable provisions of the Companies Act, 1956.

These consolidated financial statements were authorized for issue by Board of Directors on 29<sup>th</sup> May, 2023.

#### **1. Basis of measurement/Use of Estimates**

- i. The Financial Statements are prepared on accrual basis under the historical cost convention except certain financial assets and liabilities (including derivatives instruments) that are measured at fair value at the end of each reporting period. The methods used to measure fair values are discussed in notes to financial statements.

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.

- ii. The preparation of financial statements requires judgments, estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized. Major Estimates are discussed in Part C.

#### **2. Functional and presentation currency**

These financial statements are presented in Indian Rupees (INR), which is the Group’s functional currency. All financial information presented in INR has been rounded to the nearest Lakhs (upto two decimals), except as stated otherwise.

**B. Significant accounting policies**

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

**1. Basis of consolidation**

**i. Subsidiaries**

- a. The group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the group and has the ability to affect those returns through its power over the group. The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- b. The Group entities combines the financial statements of parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expense. Intercompany balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of transferred asset.
- c. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non- controlling interests.
- d. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the group's accounting policies.

Where company loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related Non-Controlling Interest and other component of equity. Any interest retained in the former subsidiary is measured at fair value at the date of control is lost. Any resulting gain or loss is recognised in Profit and loss.

**ii. Associate**

- a. Under the equity method of accounting, the investment in an associate is initially recognised at cost. The Carrying amount of the investment is adjusted to recognise changes in the group's share of the net assets of the associate is included in the carrying amount of the investment and is not tested for impairment individually.

- b. The Statement of profit and loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the Equity of the associate, the group recognizes its share of any changes, when applicable, in the statement of changes in Equity. Unrealized gains and losses resulting from transactions between the group and the associate are eliminate to the extent of the interest in the associate.
- c. Upon loss of significant influence over associate, the group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence in associate and the fair value of the retained investment and proceeds from disposal is recognised in profit and loss.

## **2. Current and non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized 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 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 settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

## **3. Property Plant & Equipment**

### **3.1. Initial recognition and measurement**

An item of property, plant and equipment's recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Items of Property, Plant and Equipment are measured at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset, borrowing cost, inclusive of non-refundable taxes & duties, to the location and condition necessary for it to be capable of operating in the manner intended by management.

When parts of an item of property, plant and equipment have different useful lives, they are recognized separately.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of Property, Plant and Equipment are capitalized.

### **3.2. Subsequent costs**

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of Property, Plant and Equipment are recognized in profit or loss as incurred.

### **3.3. De-recognition**

Property, Plant and Equipment are derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

### **3.4. Depreciation/amortization**

Depreciation is recognized in profit or loss on a Written Down Value Method over the estimated useful lives as prescribed in Schedule II of Companies Act, 2013 of each part of an item of Property, Plant and Equipment. Leasehold lands are amortized over the lease term unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

Assets constructed on leased premises are depreciated/amortized over the lease period.

Depreciation on additions to/deductions from fixed assets during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.

Where it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably, subsequent expenditure on a PPE along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.

In circumstance, where a property is abandoned, the cumulative capitalized costs relating to the property are written off in the same period.

## **4. Non-current assets (or disposal groups) held for sale**

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

## **5. Capital work-in-progress**

The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs.

Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets.

Deposit works/cost plus contracts are accounted for on the basis of statements of account received from the contractors

## **6. Intangible assets and intangible assets under development**

### **6.1. Initial recognition and measurement**

An intangible asset is recognized if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the company and the cost of the asset can be measured reliably.

Intangible assets that are acquired by the Company, which have finite useful lives, are recognized at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

### **6.2. Subsequent costs**

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.



**6.3. Derecognition**

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

**6.4. Amortization**

Intangible assets having definite life are amortized on Written Down Value method in their useful lives. Useful life of computer software is estimated at five years.

**7. Borrowing Cost**

Borrowing costs that are directly attributable to the acquisition, construction/exploration/development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended uses are complete.

All other borrowing costs are charged to revenue as and when incurred.

Borrowing costs consist of (a) interest expense calculated using the effective interest method as described in Ind AS 109 – ‘Financial Instruments’ (b) finance charges in respect of finance leases recognized in accordance with Ind AS 116 – ‘Leases’ (c) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs and (d) other costs that an entity incurs in connection with the borrowing of funds. Income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization.

**8. Inventories**

Inventories are valued at the lower of cost and net realizable value. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on Weighted Average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The diminution in the value of obsolete, unserviceable and surplus stores & spares is ascertained on review and provided for.

**9. Cash and Cash Equivalent**

Cash and cash equivalent in the balance sheet comprise cash at banks and cash on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of change in value.

**10. Government Grants**

Government grants that compensate the company for the cost of asset are recognized initially as deferred income when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant and are recognized in profit or loss on a systematic basis over the useful life of the related asset.

Grants that compensate the Company for expenses incurred are recognized over the period in which the related costs are incurred and are deducted from the related expenses.

### **11. Provisions and contingent liabilities and contingent assets**

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

### **12. Foreign currency transactions and translation**

Transactions in foreign currencies are initially recorded at the functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss in the year in which it arises.

Non-monetary items are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

### **13. Revenue Recognition**

Effective April 1, 2018, the Company adopted Ind AS 115 “Revenue from Contracts with Customers” which introduces the five-step model described as follows: -

1. Identify the contract with a customer.
2. Identify the separate performance obligations in the contract.
3. Determine the transaction Price.
4. Allocate the transaction price to the separate performance obligations.
5. Recognize revenue when (or as) each performance obligation is satisfied.

#### **Revenue from operations:**

The Company derives revenues primarily from sale of rooms, food and beverages, allied services relating to hotel operations such as management fees for the management of the hotels.

- A.** Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

The Company presents revenues net of indirect taxes in statement of Profit and loss.

#### **B. Trade receivables and Contract Balances**

The company recognises contract assets on an amount equals to consideration related to goods and services already transferred to customers when the right to receive such consideration is conditioned upon something other than passage of time.

Unconditional right to receive consideration are recognised as trade receivable.

Trade receivable and contract assets are subject to impairment as per Ind AS 109 ‘Financial Instruments’.

The company recognises amount already received from customer against which transfer for goods and services are not made as contract liability.

#### **Interest Income**

For all financial instruments measured at amortized cost and interest-bearing financial assets classified as fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

#### **Dividend**

Dividend Income is recognized when the Company’s right to receive is established which generally occurs when the shareholders approve the dividend.

#### **Other Income**

Other Income is recognized in the statement of profit and loss when increase in future economic benefits related to an increase in an asset or a decrease of a liability has arisen that can be measured reliably.

## **14. Employee Benefits**

### **14.1. Short Term Benefit**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under performance related pay if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### **14.2. Post-Employment benefits**

Employee benefit that are payable after the completion of employment are Post-Employment Benefit (other than termination benefit). These are of two type:

#### **14.2.1. Defined contribution plans**

Defined contribution plans are those plans in which a group pays fixed contribution into separate entities and will have no legal or constructive obligation to pay further amounts. Provident Fund and Employee State Insurance are Defined Contribution Plans in which company pays a fixed contribution and will have no further obligation.

#### **14.2.2. Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Company pays Gratuity as per provisions of the Gratuity Act, 1972. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a liability to the company, the present value of liability is recognized as provision for employee benefit. Any actuarial gains or losses are recognized in OCI in the period in which they arise.

#### **14.2.3. Long Term Employee Benefit**

Benefits under the Group's leave encashment constitute other long term employee benefits.

Leave Encashment is determined based on the available leave entitlement at the end of the year.

## **15. Income Taxes**

Income tax expense comprises current and deferred tax. Current tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in OCI or equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years. Current income taxes are recognized under 'Income tax payable' net of payments on account, or under 'Tax receivables' where there is a debit balance.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable group, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax is recognized in profit or loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

MAT (Minimum Alternate Tax) is recognized as an asset only when and to the extent it is probable evidence that the Company will pay normal income tax and will be able to utilize such credit during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Statement of Profit and loss and is included in Deferred Tax Assets. The Company reviews the same at each balance sheet date and if required, writes down the carrying amount of MAT credit entitlement to the extent there is no longer probable that Company will be able to absorb such credit during the specified period.

Additional income taxes that arise from the distribution of dividends are recognized at the same time that the liability to pay the related dividend is recognized.

## **16. Leases As Lessee**

Ind AS 116 - Leases, has become applicable effective annual reporting period beginning April 1, 2019. The Company has adopted the standard beginning April 1, 2019, using the modified retrospective approach for transition. Accordingly, the company has not restated the comparative information. Further, in respect of leases that were classified as operating leases applying Ind AS 17. There is no impact on Opening Retained Earnings.

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

Lease contracts may contain both lease and non-lease components. The Company allocates payments in the contract to the lease and non-lease components based on their relative stand-alone prices and applies the lease accounting model only to lease components.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for initial direct costs incurred, lease payments made at or before the commencement date, any asset restoration obligation, and less any lease incentives received. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are also adjusted for any re-measurement of lease liabilities. Unless the Company is reasonably certain to obtain ownership of the leased assets or renewal of the leases at the end of the lease term, recognised right-of-use assets are depreciated to a residual value over the shorter of their estimated useful life or lease term.

The lease liability is initially measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments (including 'in-substance fixed' payments) and variable lease payments that depend on an index or a rate, less any lease incentives receivable. 'In-substance fixed' payments are payments that may, in form, contain variability but that, in substance, are unavoidable. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

Variable lease payments that do not depend on an index or a rate are recognised as an expense in the period over which the event or condition that triggers the payment occurs. In respect of variable leases which guarantee a minimum amount of rent over the lease term, the guaranteed amount is considered to be an 'in-substance fixed' lease payment and included in the initial calculation of the lease liability. Payments which are 'in-substance fixed' are charged against the lease liability.

Consequently in the statement of profit and loss for the current period, the nature of expenses in respect of operating leases has changed from lease "Rent" / "Other expenses" in previous period to "Depreciation and amortisation expense" for the right of use assets and "Finance cost" for interest accrued on lease liability. As a result the "Rent" / "Other expenses", "Depreciation and amortisation expense" and "Finance cost" of the current period is not comparable to the earlier periods.

## **17. Impairment of Non-Financial Assets**

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of goodwill of that CGU, if any and then the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

### **18. Operating Segments**

In accordance with Ind AS 108 – Operating Segments, the operating segments used to present segment information are identified on the basis of internal reports used by the Group's Management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. For management purpose company is organized into major operating activity of hoteliering in India. The indicators used for internal reporting purposes may evolve in connection with performance assessment measures put in place.

### **19. Dividends**

Dividends and interim dividends payable to a Group's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.

### **20. Material Prior Period Errors**

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest prior period presented, the opening balances of assets, liabilities and equity for the earliest prior period presented, are restated.

### **21. Earnings Per Share**

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

### **22. Statement of Cash Flows**

Statement of cash flows is prepared in accordance with the indirect method prescribed in Ind AS-7 'Statement of cash flows'.

## **23. Financial instruments**

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

### **23.1. Financial assets**

#### **Initial recognition and measurement**

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

#### **Subsequent measurement**

##### **Debt instruments at amortized cost**

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

##### **Debt instrument at fair value through other comprehensive income**

A 'debt instrument' is classified as at the fair value through other comprehensive income if both of the following criteria are met:

- (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) The asset's contractual cash flows represent SPPI

Debt instruments included within the fair value through other comprehensive income category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding fair value through other comprehensive income debt instrument is reported as interest income using the EIR method.

##### **Debt instrument at fair value through profit and loss**

Fair value through profit and loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as fair value through other comprehensive income, is classified as at fair value through profit and loss.



In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit and loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as ‘accounting mismatch’). Debt instruments included within the fair value through profit and loss category are measured at fair value with all changes recognized in the profit and loss.

### **Equity investments**

All equity investments in entities other than subsidiaries and joint ventures are measured at fair value. Equity instruments which are held for trading are classified as at fair value through profit and loss. For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income or fair value through profit and loss. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at fair value through other comprehensive income, then all fair value changes on the instruments, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer cumulative gain or loss within the equity.

Equity instruments included within the fair value through profit and loss category are measured at fair value with all changes recognized in the profit and loss.

Equity investments in subsidiaries and joint ventures are measured at cost.

### **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Group’s balance sheet) when:

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

### **Impairment of financial assets**

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- Lease Receivables under Ind AS 116  
Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115  
The Company follows ‘simplified approach’ for recognition of impairment loss allowance on:

Trade receivables or contract assets resulting from transactions within the scope of Ind AS 115, if they do not contain a significant financing component

- Trade receivables or contract assets resulting from transactions within the scope of and Ind AS 115 that contain a significant financing component, if the Company applies practical expedient to ignore separation of time value of money, and

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

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that 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 group reverts to recognizing impairment loss allowance based on 12-month ECL.

### **Financial liabilities**

#### **Initial recognition and measurement**

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

#### **Subsequent measurement**

Financial liabilities are carried at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any material transaction that are any integral part of the EIR. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

#### **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

#### **Derivative financial instruments**

The Company uses forwards to mitigate the risk of changes in interest rates, exchange rates and commodity prices. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or treated as basis adjustment if a hedged

forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.

**Hedges that meet the criteria for hedge accounting are accounted for as follows:**

**a) Cash flow hedge**

The Company designates derivative contracts or non-derivative financial assets / liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of other comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

**b) Fair Value Hedge**

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to Statement of Profit and Loss over the period of maturity.

- 24.** The company discloses certain financial information both including and excluding exceptional items. The presentation of information excluding exceptional items allows a better understanding of the underlying trading performance of the company and provides consistency with the company's internal management reporting. Exceptional items are identified by virtue of either their size or nature so as to facilitate comparison with prior periods and to assess underlying trends in the financial performance of the company. Exceptional items can include, but are not restricted to, gains and losses on the disposal of assets/investments, impairment charges, exchange gain/loss on long term borrowings/assets and changes in fair value of derivative contract.

**C. Major Estimates made in preparing Financial Statements**

**1. Useful life of property, plant and equipment**

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Useful life of the assets other than Plant and machinery are in accordance with Schedule II of the Companies Act, 2013.

The Company reviews at the end of each reporting date the useful life of property, plant and equipment, and are adjusted prospectively, if appropriate.

**2. Leases**

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and there by assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

**3. Post-employment benefit plans**

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

**4. Provisions and contingencies**

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

**5. Impairment Test of Non-Financial Assets:**

The recoverable amount of investment in subsidiary is based on estimates and assumptions regarding in particular the future cash flows associated with the operations of the investee company. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

Note 2: PROPERTY PLANT & EQUIPMENT

(Amount in Rs. Lakhs)

Particulars	Gross block				Depreciation/Amortization				Net book value	
	As at 01.04.2022	Additions	Deletions/ Adjustment	As at 31.03.2023	Upto 01.04.2022	For the Year	Deletions/ Adjustment	Upto 31.03.2023	As at 31.03.2023	As at 31.03.2022
<b>OWNED ASSETS</b>										
Freehold Land	2,634.84	-	-	2,634.84	-	-	-	-	2,634.84	2,634.84
Leasehold Land #	2.44	-	-	2.44	-	-	-	-	2.44	2.44
Buildings	11,329.43	63.25	-	11,392.68	6,471.21	675.12	-	7,146.33	4,246.35	4,858.22
Plant and Equipments	2,403.55	133.96	-	2,537.51	1,477.47	177.25	-	1,654.72	882.79	926.08
Furniture & Fixtures	1,498.32	57.17	-	1,555.49	1,195.52	126.00	-	1,321.52	233.97	302.80
Service Equipment	261.45	26.12	-	287.57	229.84	15.27	-	245.11	42.46	31.61
Vehicles	42.05	1.00	-	43.05	2.61	6.64	-	9.25	33.80	39.44
Computers	255.99	33.18	-	289.17	205.00	20.61	-	225.61	63.56	50.99
<b>RIGHT OF USE ASSETS *</b>										
Land	4,463.04	-	-	4,463.04	617.64	71.00	-	688.64	3,774.40	3,845.41
Hotel Properties	6,671.30	74.33	-	6,745.63	2,795.83	898.39	-	3,694.22	3,051.41	3,875.47
Offices	138.13	-	-	138.13	111.65	26.48	-	138.13	-	26.48
<b>Total</b>	<b>29,700.54</b>	<b>389.01</b>	<b>-</b>	<b>30,089.55</b>	<b>13,106.77</b>	<b>2,016.76</b>	<b>-</b>	<b>15,123.53</b>	<b>14,966.02</b>	<b>16,593.78</b>

# Transferred to Right of Use Assets

\*1. Right of Use assets mainly comprise land and hotel properties and offices. Leases contain a wide range of different terms and conditions. The term of property leases ranges from 1 to 198 years. Many of the Company's property leases contain extension or early termination  
2. Amounts recognised in profit or loss:

(Amount in Rs. Lakhs)	
Particulars	31st March, 2023
Depreciation of Right of Use Assets	995.87
Additional Lease Payments shown as Lease Rent ^	493.13
Interest on Lease Liabilities	720.03
<b>Total</b>	<b>2,209.03</b>

^Additional Lease Payments are based on the performance i.e. Gross operating profit, revenues etc. of the Hotel property leased and for which no lease liability has been recognised as it is contingent & variable in nature.

Note 2: PROPERTY PLANT & EQUIPMENT

(Amount in Rs. Lakhs)

Particulars	Gross block				Depreciation/Amortization				Net book value	
	As at 01.04.2021	Additions	Deletions/ Adjustment	As at 31.03.2022	Upto 01.04.2021	For the Year	Deletions/ Adjustment	Upto 31.03.2022	As at 31.03.2022	As at 31.03.2021
<b>OWNED ASSETS</b>										
Freehold Land	2,634.84	-	-	2,634.84	-	-	-	-	2,634.84	2,634.84
Leasehold Land #	2.44	-	-	2.44	-	-	-	-	2.44	2.44
Buildings	11,275.38	54.05	-	11,329.43	5,657.85	813.36	-	6,471.21	4,858.22	6,780.72
Plant and Equipments	2,399.07	13.90	9.42	2,403.55	1,272.84	208.57	3.94	1,477.47	926.08	1,582.03
Furniture & Fixtures	1,477.51	38.59	17.78	1,498.32	1,033.11	179.27	16.86	1,195.52	302.80	721.29
Service Equipment	257.71	3.74	-	261.45	212.65	17.19	-	229.84	31.61	77.87
Vehicles	53.42	1.75	13.12	42.05	1.55	11.78	10.72	2.61	39.44	74.71
Computers	237.96	23.41	5.38	255.99	201.34	8.83	5.17	205.00	50.99	50.72
<b>RIGHT OF USE ASSETS *</b>										
Land	5,565.32	-	1,102.28	4,463.04	476.87	140.77	-	617.64	3,845.41	9,578.67
Hotel Properties	6,671.30	-	-	6,671.30	1,805.01	990.82	-	2,795.83	3,875.47	5,561.96
Offices	138.13	-	-	138.13	74.78	36.87	-	111.65	26.48	100.74
<b>Total</b>	<b>30,713.08</b>	<b>135.44</b>	<b>1,147.98</b>	<b>29,700.54</b>	<b>10,736.00</b>	<b>2,407.46</b>	<b>36.69</b>	<b>13,106.77</b>	<b>16,593.78</b>	<b>27,165.99</b>

Note 3: Capital Work-in-Progress

(Amount in Rs. Lakhs)

Particulars	As at 01.04.2022	Additions	Capitalised	As at 31.03.2023
Capital work in progress	1.33	90.52	1.33	90.52
<b>Total</b>	<b>1.33</b>	<b>90.52</b>	<b>1.33</b>	<b>90.52</b>

(Amount in Rs. Lakhs)

Particulars	As at 01.04.2021	Additions	Capitalised	As at 31.03.2022
Capital work in progress	0.62	1.33	0.62	1.33
<b>Total</b>	<b>0.62</b>	<b>1.33</b>	<b>0.62</b>	<b>1.33</b>

**3.1 Capital-Work-in Progress (CWIP) Aging Schedule**

(Amount in Rs. Lakhs)

Particulars	Amount in CWIP for period				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Year 2022-23</b>					
<b>Projects in progress</b>					
Project Name - HORIZON	-	-	-	-	-
Project Name - SUITE ROOMS	90.52	-	-	-	90.52
<b>Total</b>	<b>90.52</b>	-	-	-	<b>90.52</b>
<b>Projects temporarily suspended</b>					
Project Name	-	-	-	-	-
<b>Total 2022-23</b>	<b>90.52</b>	-	-	-	<b>90.52</b>
<b>Year 2021-22</b>					
<b>Projects in progress</b>					
Project Name - HORIZON	0.35	-	-	-	0.35
Project Name - SUITE ROOMS	0.98	-	-	-	0.98
<b>Total</b>	<b>1.33</b>	-	-	-	<b>1.33</b>
<b>Projects temporarily suspended</b>					
Project Name	-	-	-	-	-
<b>Total 2021-22</b>	<b>1.33</b>	-	-	-	<b>1.33</b>

3.2 For Capital-Work-in Progress (CWIP) whose completion is overdue or has exceeded its cost compared to its original plan, the project-wise details of when the project is expected to be completed as of March 31, 2023 and March 31, 2022 are as follows :

(Amount in Rs. Lakhs)

CWIP	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Projects in progress</b>					
2022-23	-	-	-	-	-
2021-22	-	-	-	-	-
<b>Projects temporarily suspended</b>					
<b>2022-23</b>					
Project -Name	-	-	-	-	-
Total 2022-23	-	-	-	-	-
<b>2021-22</b>					
Project Name	-	-	-	-	-
Total 2021-22	-	-	-	-	-

**Note 4: INTANGIBLE ASSETS**

(Amount in Rs. Lakhs)

Particulars	Gross block				Depreciation/Amortization				Net book value	
	As at 01.04.2022	Additions	Deletions/ Adjustment	As at 31.03.2023	As at 01.04.2022	For the Year	Deletions/ Adjustment	As at 31.03.2023	As at 31.03.2023	As at 01.04.2022
Software & Licences	123.31	2.40	-	125.71	122.88	0.73	-	123.61	2.10	0.43
<b>Total</b>	<b>123.31</b>	<b>2.40</b>	<b>-</b>	<b>125.71</b>	<b>122.88</b>	<b>0.73</b>	<b>-</b>	<b>123.61</b>	<b>2.10</b>	<b>0.43</b>

(Amount in Rs. Lakhs)

Particulars	Gross block				Depreciation/Amortization				Net book value	
	As at 01.04.2021	Additions	Deletions/ Adjustment	As at 31.03.2022	As at 01.04.2021	For the Year	Deletions/ Adjustment	As at 31.03.2022	As at 01.04.2022	As at 31.03.2021
Software & Licences	124.43	-	1.12	123.31	120.14	3.85	1.11	122.88	0.43	4.29
<b>Total</b>	<b>124.43</b>	<b>-</b>	<b>1.12</b>	<b>123.31</b>	<b>120.14</b>	<b>3.85</b>	<b>1.11</b>	<b>122.88</b>	<b>0.43</b>	<b>4.29</b>

SAYAJI HOTELS LIMITED  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

Non-Current Financial Assets

5 Investment in Associate

(Rs. In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Barbeque-Nation Hospitality Ltd.	11,940.78	11,508.25
<b>Total</b>	<b>11,940.78</b>	<b>11,508.25</b>

6 Non - Current Financial Assets: Investments

(Rs. In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>A. Trade Investment (Unquoted At FVTPL)</b>		
Genex Hotels Pvt. Ltd.	0.11	0.11
Less: Provision for Impairment	-	-
<b>Sub-Total (A)</b>	<b>0.11</b>	<b>0.11</b>
<b>B. Other Investments (Unquoted At FVTPL)</b>		
Bharat Equity Services Ltd.	0.10	0.10
<b>Sub-Total (B)</b>	<b>0.10</b>	<b>0.10</b>
<b>Total (A+B)</b>	<b>0.21</b>	<b>0.21</b>

7 Non - Current Financial Assets: Loans

(Rs. In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Unsecured, Considered good</b>		
Security Deposits*	1,270.40	1,095.46
Less: Receivables credit impaired	(2.00)	-
<b>Total</b>	<b>1,268.40</b>	<b>1,095.46</b>

\*As on 31.03.2023 Include Rs.1000 lakhs (Previous year Rs 931.88 lakhs) deposit given to Printe Hospitality Pvt Ltd and Rs.79.07 lakhs (31 March, 2021 Rs.70.97 Lakhs) given to M/s Vicon Imperial Private Ltd.

7.1

Type of Borrower	2022-23		2021-22	
	Amount of loan or advance in the nature of loan outstanding.	Percentage to the total Loan and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding.	Percentage to the total Loan and Advances in the nature of loans
Promoter				
Directors				
KMPs				
Related parties	1,079.07	85.07%	1,002.85	91.55%
Other	189.33	14.93%	92.61	8.45%
<b>Total</b>	<b>1,268.40</b>	<b>100.00%</b>	<b>1,095.46</b>	<b>100.00%</b>

8 Other Non Current Financial Assets

(Rs. In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Fixed Deposits Against lien & Bank Guarantee*	482.63	427.84
Fixed Deposits Others	0.37	-
<b>Total</b>	<b>483.00</b>	<b>427.84</b>

\*Maturity after 12 months & pledged with bank against margin money.

SAYAJI HOTELS LIMITED  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

9 Deferred Tax assets (net)

(Rs. In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Deferred Tax assets</b>		
<b>On account of Timing Difference in</b>		
Carry Forward losses & Depreciation	2.93	170.08
Expenses Disallowed under I.T. Act, 1961	228.73	196.45
Depreciation on fixed assets	1,036.46	1,071.92
Right of use Assets(Net of lease liability)	458.00	399.14
Other Ind AS Adjustments	6.88	8.75
<b>Total Deferred Tax Assets</b>	<b>1,733.00</b>	<b>1,846.34</b>
Other Ind AS Adjustments	103.22	149.81
Cash Flow hedge reserve	-	3.17
Transaction cost on borrowings	-	3.24
<b>Total Deferred Tax Liabilities</b>	<b>103.22</b>	<b>156.22</b>
<b>Net Deferred Tax(Liability)/Assets*</b>	<b>1,629.78</b>	<b>1,690.12</b>
	<b>1,629.78</b>	<b>1,690.12</b>
<b>Amount debited/(Credited) to Profit &amp; Loss Statement</b>	<b>60.34</b>	<b>279.86</b>

\* Deferred tax assets for the year have been arrived at by taking the tax rate of 25.17% ( 31 March, 2022 25.17%) which is inclusive of surcharge & education cess.

10 Other non-current assets

(Rs. In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Capital Advances*</b>		
Unsecured	966.09	18.35
<b>Advances Other Than Capital Advances</b>		
Prepaid Lease Charges	127.22	-
Deferred Lease Expenses	-	4.11
Electricity Deposit	72.91	66.66
Raipur Lease- Stamp Duty payment Unamortised	37.48	42.17
<b>Total</b>	<b>1,203.70</b>	<b>131.29</b>

\*Given for business purpose.

11 Inventories

(Rs. In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>(Valued at cost or NRV whichever is less &amp; certified by management)</b>		
Operating Supplies	729.32	866.73
Food & Beverages	156.27	120.62
<b>Total</b>	<b>885.59</b>	<b>987.35</b>

Disclosure As per Ind AS 2, Inventories

(i) Amount of inventories recognised as expense during the year is as under:

(Rs. In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Operating Supplies	2,049.05	1,611.43
Food & Beverages	4,803.75	2,889.84
<b>Total</b>	<b>6,852.80</b>	<b>4,501.27</b>

12 Investments

(Rs. In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Measured at FVTPL</b>		
Investments in SBI Mutual Fund - (22377.2899 Units @ 3523.3030 NAV as on 31.03.2023)	788.42	-
<b>Total</b>	<b>788.42</b>	<b>-</b>

13 Current Financial Assets: Trade Receivables

(Rs. In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
A. Trade Receivables Considered good- Secured (A)	-	-
<b>Total (A)</b>	<b>-</b>	<b>-</b>
B. Trade Receivables Considered good- Unsecured	1,063.75	719.45
Less : Provision for doubtful debts	-	-
<b>Total (B)</b>	<b>1,063.75</b>	<b>719.45</b>
C.Trade Receivable which have significant increase in credit risk	54.71	28.95
Less: Provision for doubtful debts	(54.71)	11.13
<b>Total (C)</b>	<b>-</b>	<b>17.82</b>
D. Trade Receivables - credit impaired	-	-
<b>Total (D)</b>	<b>-</b>	<b>-</b>
	<b>-</b>	<b>-</b>
<b>Total (A +B +C+D)</b>	<b>1,063.75</b>	<b>737.27</b>



SAYAJI HOTELS LIMITED  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

13.1 Trade Receivables ageing schedule

(Rs. In Lakhs)

Particulars	Outstanding for following periods from date of transaction as at 31-03-2023					
	Leass Than 6 months	6 Month - 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	953.53	32.34	42.42	15.12	20.34	1,063.75
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	53.37	0.15	1.19	-	54.71
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk.	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>953.53</b>	<b>85.71</b>	<b>42.57</b>	<b>16.31</b>	<b>20.34</b>	<b>1,118.46</b>
Less - Allowance for doubtful trade receivables.	-	(53.37)	(0.15)	(1.19)	-	(54.71)
<b>Total</b>	<b>953.53</b>	<b>139.08</b>	<b>42.42</b>	<b>1,135.03</b>	<b>20.34</b>	<b>1,063.75</b>

Particulars	Outstanding for following periods from date of transaction as at 31-03-2022					
	Leass Than 6 months	6 Month - 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	546.26	100.75	48.16	10.32	13.96	719.45
(ii) Undisputed Trade receivables - which have significant increase in credit risk	16.39	3.08	0.46	2.00	7.02	28.95
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk.	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>562.65</b>	<b>103.83</b>	<b>48.62</b>	<b>776.04</b>	<b>20.98</b>	<b>748.40</b>
Less - Allowance for doubtful trade receivables.	-	-	(1.54)	(1.32)	(8.27)	(13.99)
<b>Total</b>	<b>562.65</b>	<b>103.83</b>	<b>47.08</b>	<b>771.64</b>	<b>12.71</b>	<b>737.27</b>

<b>14 Cash and Cash Equivalents</b>			<b>(Rs. In Lakhs)</b>
Particulars	As at 31st March, 2023	As at 31st March, 2022	
<b>Cash on Hand</b>	44.19	34.14	
<b>Balances with Bank</b>			
In current Accounts With Scheduled Bank	186.35	1,329.52	
Investment in Axis Liquid Mutual Fund Growth Plan	0.11	1,400.60	
<b>Total</b>	<b>230.65</b>	<b>2,764.26</b>	

<b>15 Bank Balances Other than Cash and cash equivalents</b>			<b>(Rs. In Lakhs)</b>
Particulars	As at 31st March, 2023	As at 31st March, 2022	
Fixed Deposits Against lien	526.98	10.43	
Fixed Deposits Others	116.21	-	
<b>Total</b>	<b>643.19</b>	<b>10.43</b>	

<b>16 Current Financial Assets: Loans</b>			<b>(Rs. In Lakhs)</b>
Particulars	As at 31st March, 2023	As at 31st March, 2022	
<b>Unsecured, Considered good</b>			
Staff Advances & Loan	15.52	20.75	
Intercorporate Deposits	249.10	649.82	
Intellistay Hotels Pvt Ltd (Unsecured Loan )	-	60.99	
Excess TDS Recoverable	-	0.26	
Other Loans & Advances*	521.92	162.32	
<b>Total</b>	<b>786.54</b>	<b>894.14</b>	

\*Loans and advances have been given for business purposes.

<b>17 Other Current Financial Assets</b>			<b>(Rs. In Lakhs)</b>
Particulars	As at 31st March, 2023	As at 31st March, 2022	
Others	8.39	131.23	
<b>Total</b>	<b>8.39</b>	<b>131.23</b>	

<b>18 Current Tax Assets (net)</b>			<b>(Rs. In Lakhs)</b>
Particulars	As at 31st March, 2023	As at 31st March, 2022	
Advance Income Tax	57.09	23.23	
Provision for current year Tax	-	16.56	
<b>Total</b>	<b>57.09</b>	<b>39.79</b>	

<b>19 Other current assets</b>			<b>(Rs. In Lakhs)</b>
Particulars	As at 31st March, 2023	As at 31st March, 2022	
Prepaid Expenses	125.88	157.31	
Prepaid lease charges	-	3.62	
Telephone Deposit	0.32	0.32	
Other current assets	2.24	-	
Advance to suppliers for goods & services*	99.64	106.32	
Balance with Govt. authorities	833.61	514.80	
Current portion of Unamortised Stamp Duty Payment of Raipur Lease	4.69	4.69	
Income tax receivable FY 2013-14	-	0.98	
Security Deposit	0.60	0.20	
<b>Total</b>	<b>1,066.98</b>	<b>788.24</b>	

\*Advances to suppliers for goods & services include advances against purchases & services which is receivable in kind in next 12 Months & are for business purpose.

#### **EQUITY**

<b>20 Equity Share Capital</b>			<b>(Rs. In Lakhs)</b>
Particulars	As at 31st March, 2023	As at 31st March, 2022	
<b>AUTHORISED</b>			
30,000,000 Equity Shares of Rs.10/- each (Previous year 30,000,000 Equity Shares of Rs.10/- each)	3,000.00	3,000.00	
1,000,000 Preference Shares of Rs. 100/- each (Previous year 1,000,000 Preference Shares of Rs. 100/- each)	1,000.00	1,000.00	
<b>Total</b>	<b>4,000.00</b>	<b>4,000.00</b>	
<b>ISSUED</b>			
1,75,18,000 Equity Shares of Rs. 10/- each (Previous year 1,75,18,000 Equity Shares of Rs. 10/- each)	1,751.80	1,751.80	
<b>Total</b>	<b>1,751.80</b>	<b>1,751.80</b>	
<b>SUBSCRIBED &amp; PAID-UP</b>			
1,75,18,000 Equity Shares of Rs. 10/- each (Previous year 1,75,18,000 Equity Shares of Rs. 10/- each)	1,751.80	1,751.80	
<b>Total</b>	<b>1,751.80</b>	<b>1,751.80</b>	

20.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year :-

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Number of Shares	Rs. in Lakhs	Number of Shares	Rs. in Lakhs
Outstanding at the beginning of the year	1,75,18,000	1,751.18	1,75,18,000	1,751.80
Add : Fresh issue during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>1,75,18,000.00</b>	<b>1,751.18</b>	<b>1,75,18,000.00</b>	<b>1,751.80</b>

20.2 Details of shares held by Promoters as at 31st March,2023 is as under:-

Name of Promoters/Promoter Group	No.of shares Held	% of Total Shares	% Change during the year
Late Sajid Razak Dhanani	1147511	6.55%	-7.35%
Anisha Raof Dhanani	2501708	14.28%	0.03%
Raof Razak Dhanani	1527630	8.72%	-
Suchitra Dhanani	1524029	8.70%	7.35%
Kayum Razak Dhanani	946048	5.40%	-
Azhar Yusuf Dhanani	844001	4.82%	-
Shamim Sheikh	600200	3.43%	-
Sadiya Raof Dhanani	505598	2.89%	-
Saba Raof Dhanani	505082	2.88%	-
Sumera Raof Dhanani	505082	2.88%	-
Bipasha Dhanani	50000	0.29%	-
Rafiqa Maqsood Merchant	17378	0.10%	-
Mansoor M Memon	100	-	-
Ahilya Hotels Limited	2455000	14.01%	-
<b>Total</b>	<b>13129367</b>	<b>74.95%</b>	

21 Other Equity

(Rs. In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Equity Component of Cummulative Preference Shares	940.01	940.01
Securities Premium	5944.60	5944.60
General Reserve	641.48	641.48
Retained Earnings	15828.43	12394.71
Other comprehensive share	(208.26)	(186.02)
<b>Total</b>	<b>23146.26</b>	<b>19734.78</b>

	Particulars	As at 31st March, 2023	As at 31st March, 2022
	<b>Other Equity</b>		
21.1	<b>Equity Component of Compound financial instrument</b>		
	Opening at beginning	940.01	881.32
	Addition during the year	-	58.69
	Utilised during the year	-	-
	<b>Closing at end</b>	<b>940.01</b>	<b>940.01</b>
21.2	<b>Securities Premium</b>		
	Opening at beginning	5,944.60	5,944.60
	Addition during the year	-	-
	Utilised during the year	-	-
	<b>Closing at end</b>	<b>5,944.60</b>	<b>5,944.60</b>
21.3	<b>General Reserve</b>		
	Opening at beginning	641.48	641.48
	Addition during the year	-	-
	Utilised during the year	-	-
	<b>Closing at end</b>	<b>641.48</b>	<b>641.48</b>
21.4	<b>Retained earnings</b>		
	Opening at beginning	12,394.70	1,605.63
	Addition during the year	3,509.49	3,305.28
	Other Adjustments relating to Associate	(51.78)	7,392.23
	Net actuarial Gain / (Loss) on defined benefit plan	(23.98)	91.57
	<b>Closing at end</b>	<b>15,828.43</b>	<b>12,394.71</b>
21.5	<b>Cash Flow Hedge Reserve</b>		
	Opening at beginning	-	(27.77)
	Others	-	-
	Addition during the year	-	27.77
	<b>Closing at end</b>	<b>-</b>	<b>-</b>
21.6	<b>Other comprehensive Income</b>		
	Opening at beginning	(186.02)	(126.92)
	Addition during the year	(22.24)	(59.10)
	Transfers to profit and loss	-	-
	<b>Closing at end</b>	<b>(208.26)</b>	<b>(186.02)</b>
	<b>Total Other Equity</b>	<b>23,146.26</b>	<b>19,734.78</b>

22 Non- Current Financial Liabilities: Borrowings

(Rs. In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>A. Secured Term Loans</b>		
i) From Banks	-	141.51
ii) From Financial Institutions	-	640.70
iii) From NBFC	-	1,572.68
<b>Total (A)</b>	-	<b>2,354.89</b>
<b>B. Unsecured Borrowing</b>		
i) Preference shares		
1,000,000 10% Cumulative Redeemable Preference Shares of Rs. 100/- each (Previous year 1,000,000 10% Cumulative Redeemable Preference Shares of Rs. 100/- each)	1,797.97	1,605.33
ii) Related Parties	-	-
iii) Other Parties	-	-
<b>Total (B)</b>	<b>1,797.97</b>	<b>1,605.33</b>
<b>Total (A+B)</b>	<b>1,797.97</b>	<b>3,960.22</b>

(a) Terms/rights attached to preference shares :

22.1 That during Financial year 2014-15 company had issued 10,00,000, 10% Cumulative Redeemable Preference Shares of Rs. 100/- each at a premium of Rs.50/- each. Out of above, pending 83338 shares were subscribed & paid up during the year 2015-16.(P.Y. 10,00,000 Preference Shares) of Rs.100/- each)

That above shares are to be redeemed within five years from the date of issue of same, at the rate of Rs. 220/- per preference share. But this shares were reissued for another 5 years with the same terms & conditions

22.3 These shares are in the nature of compound financial instruments. And so they are bifurcated into equity and liability component in accordance with Ind AS 32. Equity component is computed as below:

Particulars	(Rs. in Lakhs)
Preference Share Capital (Subscribed and paid up)	1,000.00
Add: Securities Premium on issue	500.00
Less: Liability component (Present value of Contractual Cash Outflows)	(559.99)
<b>Equity Component</b>	<b>940.01</b>

22.4 That above Preference share holders are having preference over payment of dividend to equity share holders and accordingly arrears of preference dividends is required to be cleared before payment to Equity Share holders. And on the date of Balance Sheet, dividend on preference shares for more than 3 years are in arrears. And accordingly vide Second Proviso to Section 47(2) of the Companies Act, 2013, in case company is unable to pay dividend on preference shares for two years or more then such class of preference shareholders shall have a right to vote on all the resolutions placed before the company.

22.5 Details of Share holders holding more than 5% of 10% Cumulative Preference Shares are as under:-

Name	Category	As at 31st March, 2023		As at 31st March, 2022	
		% of Shareholding	No of Shares	% of Shareholding	No of Shares
Saba Dhanani	Promoter	12.50%	125000	12.50%	125000
Azhar Dhanani	Promoter	12.50%	125000	12.50%	125000
Zuber Yusuf Dhanani	Promoter	12.50%	125000	12.50%	125000
Sadiya Dhanani	Promoter	12.50%	125000	12.50%	125000
Kayum Dhanani	Promoter	12.50%	125000	12.50%	125000
Sara Dhanani	Promoter	12.50%	125000	12.50%	125000
Sanya Dhanani	Promoter	12.50%	125000	12.50%	125000
Suchitra Dhanani	Promoter	12.50%	125000	12.50%	125000

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

22.6 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year :-

Particulars	As at 31st March, 2023	As at 31st March, 2022
Outstanding at the beginning of the year	10,00,000.00	10,00,000.00
Add : Issued during the year	-	-
<b>Outstanding at the end of the year</b>	<b>10,00,000.00</b>	<b>10,00,000.00</b>

22.7 Details of shares held by Promoters as at 31st March, 2023 is as under:-

Name of Promoters/Promoter Group	No. of shares Held	% of Total Shares	% Change during the year
Saba Dhanani	125000	12.5%	-
Azhar Dhanani	125000	12.5%	-
Zuber Yusuf Dhanani	125000	12.5%	-
Sadiya Dhanani	125000	12.5%	-
Kayum Dhanani	125000	12.5%	-
Sara Dhanani	125000	12.5%	-
Sanya Dhanani	125000	12.5%	-
Suchitra Dhanani	125000	12.5%	-
<b>Total</b>	<b>1000000</b>	<b>100%</b>	<b>-</b>

**SAYAJI HOTELS LIMITED**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

**22.8 NATURE OF SECURITIES AND TERMS OF REPAYMENT OF EACH LOAN**

**22.8.1** All Secured loans have been netted from the instalments falling due within twelve months after the and summarized outstanding position is as under:

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Current	Non-Current	Current	Non-Current
<b>From Banks</b>				
State Bank of India		-	48.75	141.51
Axis Bank Ltd	-	-	-	-
HDFC Bank Ltd	-	-	-	-
<b>Sub Total (i)</b>	-	-	<b>48.75</b>	<b>141.51</b>
<b>From Financial Institutions</b>				
TFCI		-	200.00	640.70
<b>Sub Total (ii)</b>	-	-	<b>200.00</b>	<b>640.70</b>
<b>From NBFC</b>				
Aditya Birla Finance Ltd		-	403.10	1,572.68
<b>Sub Total (iii)</b>	-	-	<b>403.10</b>	<b>1,572.68</b>
<b>GRAND TOTAL (i)+(ii)+(iii)</b>	-	-	<b>651.85</b>	<b>2,354.89</b>

**22.8.2** Term loans outstanding of State Bank of India include term loans account. Loan were secured by way of mortgage of land & building at Indore hotel, Vadodara,Pune and Lease Hold Rights of the Amber Convention Center along with building Structure thereon & hypothecation of movables, present & future except stocks of food beverages, operating supplies, stores,spares, book-debts (excluding credit card receivables), bills etc. offered specifically to the bankers for securing the working capital finance. The terms of repayment of all term loans of State Bank of India was on quarterly basis & interest is payable on monthly basis

**22.8.3** Term loan outstanding from TFCIL was secured on pari-passu basis by way of mortgage of land & building at Indore, Pune & Vadodara & hypothecation of the movables, present & future, except stocks of food beverages, operating supplies, stores,spares, book-debts (excluding credit card receivables), bills etc. And by way of Mortgage of lease hold right of Amber Garden, Indore along with building Structure thereon and first charge by way of hypothecation of movables of Bhopal Club project, Bhopal. The term of repayment of the term loan was on quarterly basis & the interest was payable on monthly basis, This loan was personally guaranteed by Smt Suchitra Dhanani.

**22.8.4** Corporate loan outstanding from Aditya Birla year was secured by first pari passu Charge with existing term lender by way of mortgage of land and building at Indore, Amber Garden, Pune and Vadodara and Hypothecation of the plant and machinery and other movable fixed assets of company (present and future except vehicles Funded through Vehicle Loan). The term of repayment of prinipal and interest was on monthly basis.

**22.9 Registration of Charges or satisfaction with Registrar of Companies (ROC): Listed below**

Name of Bank/NBFC/FI/others	Amount	Reason	Date of creation/modification/satisfaction
Aditya Birla Finance Limited	380.00	Satisfaction of charge	29.03.2023
Aditya Birla Finance Limited	2,500.00	Satisfaction of charge	23.03.2023
State Bank of India	1,603.00	Satisfaction of charge	07.04.2022
State Bank of India	195.00	Satisfaction of charge	09.03.2023
Tourism Finance Corporation of India Limited	1,000.00	Satisfaction of charge	22.06.2022
Karnataka Bank Limited	500.00	Creation of charge	16.09.2022
Axis Bank Limited	380.00	Modification of Charge	30.05.2022
Axis Bank Limited	50.00	Satisfaction of charge	27.05.2022

**23 Lease Liability**

Particulars	(Rs. In Lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
Lease Liability Payable	5505.28	5630.85
<b>Total</b>	<b>5,505.28</b>	<b>5,630.85</b>

**24 Other Non Current Financial Liabilities**

Particulars	(Rs. In Lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
Deposits From Tenants	71.13	65.81
Others*	31.67	1,528.97
<b>Total</b>	<b>102.80</b>	<b>1,594.78</b>

\*Payable towards cancellation of agreement for land at Indore hotel. This amount is now payable in FY 2023-24. Interest @ 12% p.a is payable on the outstanding amount.

25 Provisions (Rs. In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Provisions for Employee Benefits</b>		
Gratuity	259.36	264.71
Leave Encashment*	222.04	256.28
<b>Total</b>	<b>481.40</b>	<b>520.99</b>

25.1 \*The provision of leave encashment have been made on outstanding privilege leave of employees at the end of year and calculated on the basis of basic pay of employees. Attrition rate taken same as Actuarial valuation report of gratuity liability.

26 Deferred Revenue (Rs. In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>(a) Subsidy received from M.P. State Tourism Development Corp. Ltd. *</b>		
<b>Opening Balance</b>	371.31	415.61
Add: Received During the Year		
Less: Amortised During the Year	(39.03)	44.30
<b>Closing Balance</b>	<b>332.28</b>	<b>371.31</b>
Less : Current Portion	(40.89)	(40.89)
<b>Non Current Balance at the end of the year</b>	<b>291.39</b>	<b>330.42</b>
<b>(b) Life Membership Fees</b>		
<b>Opening Balance</b>	29.00	35.69
Add: Received During the Year		
Less: Amortised During the Year	(6.69)	6.69
<b>Closing Balance</b>	<b>22.31</b>	<b>29.00</b>
Less : Current Portion	6.69	6.69
<b>Non Current Balance at the end of the year</b>	<b>15.62</b>	<b>22.31</b>
<b>Closing at end</b>	<b>307.01</b>	<b>352.73</b>

\* During year 2016-17, company has received Capital Subsidy under M.P. Tourism Policy, 2010 (as amended in 2014) amounting to Rs. 729.93 Lacs against its "Amber Convention Centre", Indore. As per IND AS-20 "Accounting for Government Grants and disclosure of Government assistance", the above subsidy is treated as deferred income and is recognised in profit and loss account on a systematic and rational basis over the useful life of assets. Such allocation has been made over the periods and in proportions in which depreciation on "Amber Convention Centre" is charged.

27 Current Financial Liabilities: Borrowings (Rs. In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>A. Secured</b>		
Working capital facilities from Banks	-	-
<b>Total (A)</b>	<b>-</b>	<b>-</b>
<b>B. Unsecured</b>		
Loans From related parties	182.36	3.66
Loans From others	160.20	257.53
<b>Total (B)</b>	<b>342.56</b>	<b>261.19</b>
<b>Current Maturities of Long-Term Loans*</b>		
From Banks	-	48.75
From Financial Institutions	-	200.00
From NBFC	-	403.10
<b>Total (C)</b>	<b>-</b>	<b>651.85</b>
<b>Total (A+B+C)</b>	<b>342.56</b>	<b>913.04</b>

\*Refer note 22.8 for loan wise current maturities & other terms and conditions.

28 Lease Liability (Rs. In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Lease Liability Payable	329.00	818.63
<b>Total</b>	<b>329.00</b>	<b>818.63</b>

29 Current Financial Liabilities: Trade Payables (Rs. In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade Payables*		
(a) Total outstanding dues of micro enterprises and small enterprises; and	34.21	54.14
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises.	1,263.89	863.92
<b>Total</b>	<b>1,298.10</b>	<b>918.06</b>

\*Trade payables are for goods purchased and services taken during the normal course of business.

29.1 Additional Information - Ageing of Trade Payable

Outstanding for following periods from due date of payments F.Y. 22-23					(Amount in Rs. Lakhs)
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	34.21				34.21
(ii) Others	1,062.56	12.44	1.58	21.49	1,098.07
(iii) Disputed dues - MSME					-
(iv) Disputed dues - Others	36.42	22.77	19.64	86.99	165.82
<b>Total</b>	<b>1,133.19</b>	<b>35.21</b>	<b>21.22</b>	<b>108.48</b>	<b>1,298.10</b>
Outstanding for following periods from due date of payments F.Y. 21-22					(Amount in Rs. Lakhs)
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	54.14		-	-	54.14
(ii) Others	639.53	30.19	-	63.81	733.53
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	22.77	19.64	86.99	0.99	130.39
<b>Total</b>	<b>716.44</b>	<b>49.83</b>	<b>86.99</b>	<b>64.80</b>	<b>918.06</b>

30 Other Current Financial Liabilities

Particulars	(Rs. In Lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
<b>Others</b>		
Creditors for capital Expenditure	6.75	23.12
Prepaid Lease Finance	5.04	9.51
Provision for expenses	2.06	3.96
Others	2.30	0.47
<b>Total</b>	<b>16.15</b>	<b>37.06</b>

31 Provisions

Particulars	(Rs. In Lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
<b>Provision for</b>		
Gratuity	100.75	82.70
Leave Encashment	90.38	3.30
Bonus	190.22	171.93
Expenses	224.12	168.90
<b>Total</b>	<b>605.47</b>	<b>426.83</b>

32 Other Current Liabilities

Particulars	(Rs. In Lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
Current portion of deferred revenue	47.58	47.58
Advance received from customers	444.73	609.66
Statutory Dues	642.16	347.02
Book Overdrafts	226.56	29.98
Others	70.28	107.41
<b>Total</b>	<b>1,431.31</b>	<b>1,141.65</b>

**33 Revenue From Operations** (Rs. In Lakhs)

Particulars	For the year ended 31st March,2023	For the year ended 31st March,2022
Rooms	10,593.12	6,174.38
Food and Beverages	13,612.10	8,583.19
Other Services*	2,140.58	1,376.55
Management Services	282.25	180.80
<b>Total</b>	<b>26,628.05</b>	<b>16,314.92</b>

\*Revenue from others services includes income from club, rental income and income from banquet service etc.

**34 Other Income** (Rs. In Lakhs)

Particulars	For the year ended 31st March,2023	For the year ended 31st March,2022
Interest Earned	140.77	122.32
Other Non –Operating Income	196.33	132.76
Sundry Balances W/off	-	10.64
Excess/(Short) Provision of Earlier Year Written Back	5.38	65.41
Lease Rent Concession	-	34.08
Deferred Revenue Income (Subsidy) (See Note 3-B)	39.03	44.30
Profit on Redemption of Mututal Funds	19.12	104.24
Finance income on security deposit	85.83	103.12
Income accrued but not received	-	0.57
Winding of Interest on Security Deposit (IND-AS)	-	3.01
Gain/Loss on cancellation of lease	(1.02)	264.55
<b>Total</b>	<b>485.44</b>	<b>885.00</b>

**35 Food & Beverages Consumed** (Rs. In Lakhs)

Particulars	For the year ended 31st March,2023	For the year ended 31st March,2022
Opening Stock	120.62	86.09
Add : Purchases*	4,839.40	2,924.37
	<b>4,960.02</b>	<b>3,010.46</b>
Less : Closing Stock	156.27	120.62
<b>Total</b>	<b>4,803.75</b>	<b>2,889.84</b>

\*Includes vegetable & non-vegetable items, grocery items, dairy products, tobacco products, alcoholic & non-alcoholic beverages etc.

**36 Employee Benefit Expenses** (Rs. In Lakhs)

Particulars	For the year ended 31st March,2023	For the year ended 31st March,2022
Salaries, Wages and Allowances	4,722.61	3,136.12
Admin Charges to PF	0.07	0.07
Contribution to P.F. and other Funds	282.29	161.16
Workmen and Staff Welfare Expenses	115.55	31.53
Workmen and Staff Uniform Expenses	133.71	95.79
Bonus Expenses	0.32	0.04
Leave Encashment Expenses	1.05	1.43
Gratuity Expenses	-	3.36
<b>Total</b>	<b>5,255.60</b>	<b>3,429.50</b>

**37 Finance Cost** (Rs. In Lakhs)

Particulars	For the year ended 31st March,2023	For the year ended 31st March,2022
Interest on term Loan	153.16	539.55
Interest on Others	78.85	373.89
Interest on statutory dues	0.83	0.55
Finance cost on lease payable	720.03	771.48
Other expenses	24.39	41.05
Finance cost on Preference Share	192.63	171.99
Interest on Lease Liability	-	60.53
<b>Total</b>	<b>1,169.89</b>	<b>1,959.04</b>



38 Operating Expenses

(Rs. In Lakhs)

Particulars	For the year ended 31st March,2023	For the year ended 31st March,2022
Stores & Operating Supplies*	981.80	1,095.31
Repairs and Maintenance		
Building	752.27	179.10
Plant & Machinery	266.24	159.83
Others	448.02	143.14
Laundry Expenses	219.35	130.22
Guest pick up Expenses	237.45	92.75
Cable TV Expenses	27.96	23.51
Banquet Service expenses	717.29	398.36
Other Operating Expenses **	1,067.25	527.53
Power and Fuel	1,992.43	1,383.35
<b>Total</b>	<b>6,710.06</b>	<b>4,133.10</b>

\*Stores & operating supplies includes crockery & cutlery, linen & other consumables etc.

\*\*Other Operating Expenses includes house keeping & upkeeping expenses, expenses for F&B operations & club.

39 Other Expenses

(Rs. In Lakhs)

Particulars	For the year ended 31st March,2023	For the year ended 31st March,2022
Lease Rent	493.13	55.98
Bad Debts	0.69	4.71
Rates & Taxes	175.20	197.10
Insurance	37.35	30.17
Travelling and Conveyance	92.17	53.12
Postage, Telegram and Telephones	48.71	35.89
Advertisement and Publicity	102.48	34.24
Legal & Professional	201.57	207.97
Loss on sale of Fixed Assets	-	6.07
Printing and Stationery	51.14	31.52
Professional Fees	-	8.63
Credit Card Commission	114.35	75.63
Commission & Discount	9.61	3.10
Commission on Sales	428.48	263.92
Other Expenses	180.26	73.87
Auditors' Remuneration		
Statutory audit	11.03	8.76
Certification other matters	2.00	2.00
Sundry Balances W/off	(11.19)	(1.23)
Security Transaction Tax	-	10.18
Provision for Bad Debts	47.95	-
Provision for doubtful debts	-	28.06
Gain/Loss on cancellation of lease	2.60	-
Loss on Impairment of Investment	70.99	-
Loss On Disposal/Retirement Of Assets	-	(1.63)
<b>Total</b>	<b>2,058.52</b>	<b>1,128.06</b>

40 Exceptional Items Expense/(Income)

(Rs. In Lakhs)

Particulars	For the year ended 31st March,2023	For the year ended 31st March,2022
Profit/ Loss on sale of share of associate	-	4,361.24
<b>Total</b>	<b>-</b>	<b>4,361.24</b>

41 Earnings Per Share

Particulars	Unit	For the year ended 31st March,2023	For the year ended 31st March,2022
a) Amount used as the numerator profit after tax	Rs. In lacs	3,509.49	3,305.28
Less: Dividend on Preference Shares & Income Tax Thereon		100.00	100.00
Net Profit/(Loss) attributable to equity share holders		3,409.49	3,205.28
b) Weighted average number of equity shares used as the denominator in computing basic earning per share.	Nos.	17518000	17518000
Add: Potential no. of equity shares that could arise on conversion of warrants into equity shares.	Nos.	-	-
Weighted average number of shares used in computing Diluted Earning per Share	Nos.	1,75,18,000	1,75,18,000
c) Nominal value per share	Rs.	10	10
d) Earnings Per Share:			
- Basic	Rs.	19.46	18.30
- Diluted	Rs.	19.46	18.30

42 Disclosure As per Ind AS-12 Income Taxes

i) Income Tax recognised in statement of profit & loss account

(Amount in Rs. Lakhs)

Particulars	For the year ended 2022-23	For the year ended 2021-22
<b>Current Tax Expenses</b>		
Current year	1,988.60	1,064.94
Adjustment for earlier year	37.45	1.95
MAT Credit entitlement	-	-
<b>Total current Tax expenses</b>	<b>2,026.05</b>	<b>1,066.89</b>
Deferred Tax Expenses	69.19	248.99
<b>Total Income tax expenses</b>	<b>2,095.24</b>	<b>1,315.88</b>

ii) Income tax recognised in other comprehensive income

(Amount in Rs. Lakhs)

Particular	For the year ended 2022-23			For the year ended 2021-22		
	Before tax	Tax expense/ Benefit	Net of tax	Before tax	Tax expense/ Benefit	Net of tax
Net actuarial gain/loss on defined benefit plan	(32.84)	8.86	(23.98)	122.44	(30.87)	91.57
Changes in cash flow hedge reserve	-	-	-	36.25	(8.48)	27.77

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		(Amount in Rs. Lakhs)	
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	
<b>Profit before tax</b>	<b>5,604.73</b>	<b>4,621.16</b>	
<b>Tax using company's domestic tax rate 25.17%(P.Y. 25.17%)</b>	<b>1,410.71</b>	<b>1,163.15</b>	
Add/(Less): Earlier Year tax	37.45	1.95	
Add/(Less): Expenses not Allowed in Income Tax	73.75	2.07	
Add/(Less): Deferred Tax	-	-	
Add/(Less): Adjustment on account of Associate Share	-	-	
Add/(Less): Carry forward loss & depreciation	(134.91)	-	
Add/(Less): Exempt Income	(9.82)	(11.15)	
Add/(Less): Profit or Loss charged at different tax rate	0.04	-	
Add/(Less): Ind AS Adjustment	3.37	0.94	
Add/(Less): Timing Difference on WDV of Asset	-	-	
Add/(Less): Income not taxable in Income Tax	-	(0.78)	
Add/(Less): Tax charge to/ credit on account of depreciation allowances	-	-	
Add/(Less): Others	714.66	539.96	
<b>Tax as per Statement of Profit &amp; Loss</b>	<b>2,095.24</b>	<b>1,696.14</b>	
<b>Effective Rate Of Tax</b>	<b>37.38%</b>	<b>36.70%</b>	

43 Disclosure as per Ind AS-116, Leases

"The Company has taken land on operating lease. The lease of hotel properties are generally long term in nature with varying terms and renewal rights expiring within five years to one hundred & ninety eight years. On renewal, the terms of the leases are renegotiated.

The overall lease rentals for the period are as follows:

(Amount in Rs. Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Minimum Lease payment/ Fixed Rentals	1,336.92	1341.18
Contingent rent recognised in Profit or Loss as Lease Cost.	493.01	143.01
<b>Total</b>	<b>1,829.93</b>	<b>1484.19</b>

The minimum future lease rentals payable in respect of non-cancellable leases entered into by the Company to the extent of minimum guarantee amount are as follows:-

(Amount in Rs. Lakhs)

Particulars	31st March, 2023	31st March, 2022
<b>Minimum Lease payment</b>		
Not later than one year; (including notional interest component)	894.45	1,356.49
Later than one year and not later than five years;	4,045.50	3,223.17
Later than five years;	27,324.61	28,715.91
<b>Total</b>	<b>32,264.56</b>	<b>33,295.57</b>

The bifurcation of total lease liabilities into Current and Non-Current is as follows:

(Amount in Rs. Lakhs)

Particulars	31st March, 2023	31st March, 2022
Current (excluding interest component on lease liability)	329.00	818.63
Non - Current	5,505.28	5,630.85
<b>Total</b>	<b>5,834.28</b>	<b>6,449.48</b>

44 Disclosure as per Ind AS-19, Employee benefits

(a) Defined benefit plan

The Company makes annual contributions to the Employee's Group Gratuity scheme of the SBI Life Insurance Co. Ltd., a funded defined benefit plan for the qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment as per the terms of the scheme. Vesting occurs upon completion of five years of service.

The present value of the defined benefit obligation and current service cost were measured using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. The following table sets out the status of the funded gratuity plan and the amounts recognized in the company's financial statements as at March 31, 2023:-

Changes in Present Value of Obligation		(Amount in Rs. Lakhs)	
Particulars	31-Mar-23	31-Mar-22	
Present value of obligation as on last valuation	377.58	402.64	
Current Service Cost	58.59	75.63	
Interest Cost	18.20	21.76	
Participant Contribution	-	-	
Plan Amendments: Vested portion at end of period(Past Service)	-	-	
Plan Amendments: Non-Vested portion at end of period(Past Service)	-	-	
Actuarial gain/loss on obligations due to Change in Financial Assumption	-	5.17	
Actuarial gain/loss on obligations due to Change in Demographic assumption	-	-	
Actuarial gain/loss on obligations due to Unexpected Experience	33.33	(127.62)	
Actuarial gain/loss on obligations due to Other reason	-	-	
The effect of change in Foreign exchange rates	-	-	
Benefits Paid	(85.02)	-	
Acquisition Adjustment	-	-	
Disposal/Transfer of Obligation	-	-	
Curtailment cost	-	-	
Settlement Cost	-	-	
Other(Unsettled Liability at the end of the valuation date)	-	-	
Present value of obligation as on valuation date	402.68	377.58	

Changes in Fair Value of Plan Assets		(Amount in Rs. Lakhs)	
Particulars	31-Mar-23	31-Mar-22	
Fair value of Plan Assets at Beginning of period	30.18	28.24	
Interest Income	1.91	1.94	
Employer Contributions	10.00	-	
Participant Contributions	-	-	
Acquisition/Business Combination	-	-	
Settlement Cost	-	-	
Benefits Paid	-	-	
The effect of asset ceiling	-	-	
The effect of change in Foreign Exchange Rates	-	-	
Administrative Expenses and Insurance Premium	-	-	
Return on Plan Assets excluding Interest Income	0.49	-	
Fair value of Plan Assets at End of measurement period	42.58	30.18	

Table Showing Reconciliation to Balance Sheet		(Amount in Rs. Lakhs)	
Particulars	31-Mar-23	31-Mar-22	
Funded Status	(360.10)	(347.40)	
Unrecognized Past Service Cost	-	-	
Unrecognized Actuarial gain/loss at end of the period	-	-	
Post Measurement Date Employer Contribution(Expected)	-	-	
Unfunded Accrued/Prepaid Pension cost	-	-	
Fund Asset	42.58	30.18	
Fund Liability	(402.68)	(377.58)	

Table Showing Plan Assumptions		31-Mar-23	31-Mar-22
Particulars			
Discount Rate		7.12%	5.75%
Expected Return on Plan Asset		0.00%	0.00%
Rate of Compensation Increase(Salary Inflation)		6.00%	6.00%
Pension Increase Rate		N/A	N/A
Average expected future service (Remaining working Life)		N/A	N/A
Mortality Table		IALM 2012-2014 Ultimate	IALM 2012-2014 Ultimate
Superannuation at age-Male		58	58
Superannuation at age-Female		58	58
Early Retirement & Disablement (All Causes Combined)		18-29 years 32%, 30-45 years 18%	18-29 years 32%, 30-45 years 18%
above age 45		5%	5%
Between 29-45		18%	18%
below age 29		32%	32%
Voluntary Retirement		Ignored	Ignored

Expense Recognized in statement of Profit/Loss		(Amount in Rs. Lakhs)	
Particulars	31-Mar-23	31-Mar-22	
Current Service Cost	58.59	75.63	
Past Service Cost(vested)	-	-	
Net Interest Cost	16.29	19.51	
Benefit Cost(Expense Recognized in Statement of Profit/loss)	74.88	95.14	

Expense Recognized in Other Comprehensive Income		(Amount in Rs. Lakhs)	
Particulars	31-Mar-23	31-Mar-22	
Actuarial gain/loss on obligations due to Change in Financial Assumption	0.20	5.27	
Actuarial gain/loss on obligations due to Change in Demographic assumption	-	-	
Actuarial gain/loss on obligations due to Unexpected Experience	37.85	(127.71)	
Actuarial gain/loss on obligations due to Other reason	-	-	
<b>Total Actuarial (gain)/losses</b>	<b>38.05</b>	<b>(122.44)</b>	
Return on Plan Asset, Excluding Interest Income	(0.49)	0.30	
The effect of asset ceiling	-	-	
Balance at the end of the Period	37.56	(122.14)	
Net(Income)/Expense for the Period Recognized in OCI	37.56	(122.14)	

**(b) Defined Contribution Plan**

The Company has recognised the following expenses as defined contribution plan under the head "Contribution to Provident Fund and Other Funds"(net of recoveries).

(Amount in Rs. Lakhs)		
Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Contribution towards Provident Fund and others	282.29	161.16
<b>Total</b>	<b>282.29</b>	<b>161.16</b>

**(c) Other Long Term Employee benefit**

The provision of leave encashment have been made on outstanding privilege leave of employees at the end of year and calculated on the basis of basic pay of employees. Attrition rate taken same as Actuarial valuation report of gratuity liability.

The Company has recognised the following expenses as other long term employee benefit under the head "Contribution to Provident Fund and Other Funds"(net of recoveries).

(Amount in Rs. Lakhs)		
Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Leave Ecashment	53.59	90.31
<b>Total</b>	<b>53.59</b>	<b>90.31</b>

**45 Disclosure As per Ind AS-21, The Effects of Changes in Foreign Exchange Rates**

Foreign Currency transactions relating to monetary assets and liabilities as at the year end translated as per accounting policy no. 12, resulted in net gain/(Loss) of Rs. Nil (PY Nil) which has been accounted under relevant heads in Statement of Profit and loss.

**46 Disclosure as Per Ind AS-24, Related Party Disclosure**

**List of Related Parties**

**1 Associate Companies**

Barbeque-Nation Hospitality Limited

**2 Key Management Personnel**

**Parent Company**

Mr.Raof Razak Dhanani  
 Mrs. Suchitra Sajid Dhanani,  
 Mr. Sandesh Khandelwal  
 Mr. Ankur bindal

Managing Director  
 Whole Time Director  
 Chief financial officer  
 Company Secretary

**Subsidiary Company**

**Sayaji House Keeping Services Ltd**

- Kayum Razak Dhanani	Director
- Raoof Razak Dhanani	Director
- Suchitra Dhanani	Director

**Sayaji Hotels Indore Limited**

- Raoof Razak Dhanani	Director
- Suchitra Dhanani.	Director
- Rizwan Rafique Shaikh	Director

**Sayaji Hotels (Pune) Limited**

- Raoof Razak Dhanani	Director
- Kayum Razak Dhanani	Director
- Suchitra Dhanani.	Director

**Sayaji Hotels Management Limited**

- Raoof Razak Dhanani	Director
- Kayum Razak Dhanani	Director
- Suchitra Dhanani.	Director

**3 Enterprises where Key Management Personnel has control /interest**

Vicon Imperial Pvt. Ltd.  
 Prinite Hospitality Pvt Ltd  
 Kshipra Restaurants Pvt Ltd  
 Ahilya Hotels Ltd.  
 Malwa Hospitality Pvt Ltd  
 M/s Liberty Restaurent Pvt Ltd

**4 Relatives of KMPs**

Zuber Y Dhanani  
 Azher Y Dhanani  
 Saba R Dhanani  
 Sadiya R Dhanani  
 Sara K Dhanani  
 Sanya S Dhanani  
 Rizwan R Sheikh  
 Versha Khandelwal  
 Sumeira Dhanani  
 Jameel Taheer Sayed

**5 Independent Directors**

Mr. T. N. Unni  
 Mrs. Isha Garg  
 Mr. Saquib Agboatwala  
 Mr. Abhay Chintaman Chaudhari

Sr.No.	Nature of Transactions	For the year ended 31.03.2023	For the year ended 31.03.2022
<b>A</b>	<b>KEY MANAGEMENT PERSONNEL</b>		
	Remuneration/ Salary	269.47	170.19
	Payable At The Year End	3.66	3.66
	Payment Of Interest	11.47	10.55
<b>B</b>	<b>ASSOCIATE COMPANIES/ FIRMS/ RELATIVES</b>		
	Lease Rent Expenses	1,515.76	111.50
	Income From Business Support Services	58.28	92.82
	Business Support Services Expenses	54.61	10.59
	Receivable At The Year End	73.38	149.35
	Payable At The Year End	-	-
	Lease Rent And Cam Charges Received	116.35	88.05
	Payment Of Interest	-	-
	Payment Of Salary	44.89	29.22
	Royalty	55.20	14.81
	Payment Of Professional Fee	8.10	7.67
<b>C</b>	<b>Compensation to Independent Directors</b>		
	Sitting fees	5.75	3.47

**47 Disclosure as per Ind AS-37, Provisions, Contingent Liabilities and Contingent Assets**

**Parent Company**

**I Contingent Liabilities not provided for**

- (i) Disputed liability of Rs 28.39 lakhs (P.Y.32.93 lakhs) not provided for in respect of Income Tax TDS (AY 2013-14,2014-15 and 2015-16).
- (ii) Disputed liability of Rs. 25.78 lakhs not provided for in respect of Service Tax pending before Appellate Authorities. (P.Y. Nil)
- (iii) Disputed liability of Rs 76.48 lakhs not provided for in respect of Commercial tax. The matters are pending before Appellate Authorities. (P.Y. Rs. 66.04 Lakhs)
- (iv) Disputed liability of Rs. 65.18 lakhs not provided for in respect of Property Tax demand (FY 2015-16, 2016-17 & 2017-18). The matter is pending before High Court, Indore. (P.Y. Rs. 65.18 lakhs)
- (v) Arrears of Cummulative Dividend on Preference Shares & Income Tax Thereon, not paid during the Year Rs.920.82 lakhs (P.Y. Rs.820.82 lakhs).
- (vi) In respect of the leasehold land of Indore hotel, Indore development authority has cancelled the lease vide order dated 20th Dec. 2017. Company had challenged the said order before Hon'ble High Court, Indore bench. Hon'ble High Court Single Bench has decided the matter against Company vide their order dated 16th July 2018. However, Company has filed revision Writ Appeal before Division Bench of Hon'ble High Court, Indore bench. The State of MP has framed rules for mitigation of lease terms/compounding and further amended the said rules on 9th April 2021 due to which SHL also became eligible under the said rules to apply for compounding/ mitigation and hence SHL applied to IDA for compounding of alleged violations of the lease deed. On 8th March 2022, High Court, Indore bench admitted the Writ Appeal and further directed IDA to decide the compounding application of SHL. Personal hearing has been done on 29th March 2022 before the IDA regarding the compounding application and order is awaited. Indore Development Authority has also filed an application before the Competent Authority under The Public Premises (Eviction) Act for eviction of the Company from said premises. High Court has granted stay on the passing of any order under the said eviction proceedings.
- (vii) Disputed liability of Rs. 19.34 lakhs not provided for in respect of cases filed in labour court. (P.Y. Rs. 19.99 lakhs)
- (viii) Disputed liability of Rs. 162.31 lakhs (PY 162.31 lakhs) not provided for in respect of solar unit adjustments. Matter is pending before High Court, Indore.

**II Commitments**

Estimated capital commitments not provided for Rs. Nil (P.Y. Nil lakhs )

**48 Disclosure as per Ind AS-108, Operating Segment**

The Company's only business being hoteliering, disclosure of segment-wise information is not applicable under Ind AS108 - 'Operating Segment' (Ind AS-108) notified by the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto.

**Information about major customers**

No single customer contributes more than 10% or more of the Company's total revenue for the years ended March 31, 2022 and March 31, 2021.

**49 Earnings in Foreign Currency :**

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
<b>Earnings in Foreign Currency</b>		
-Sale of Rooms and Food Beverages	981.59	185.65
<b>CIF Value of imports &amp; Expenditure (on accrual basis)</b>		
-Import Value of Capital Goods	-	-
-Import Value of Non-Capital Goods	16.95	44.30

**50 Disclosure as per Ind AS-107, Financial Instruments**

**A) Financial Risk Management**

The Company's principal financial liabilities comprise Borrowings, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade & other receivables, loan given, cash & cash Equivalent, Investment, deposits and derivative that derive directly from its operations.

The Company's Financial Risk Management is an integral part of how to plan and execute its business strategies. The Company's financial risk management is set by the Managing Board.

**Company is exposed to following risk from the use of its financial instrument:**

- Credit Risk
- Liquidity Risk
- Market Risk

**Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. Credit risk arises principally from trade receivables, loans & advances, cash & cash equivalents and deposits with banks and financial institutions.

**Trade Receivable**

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on 7 days to 45 days credit term. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on actual incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low. The requirement of impairment is analysed as each reporting date.

**Other Financial Instruments and Cash & Cash Equivalents**

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties who meets the minimum threshold requirements under the counterparty risk assessment process. The Company monitors the ratings, credit spreads and financial strength of its counterparties. Based on its on-going assessment of counterparty risk, the group adjusts its exposure to various counterparties. The Company's maximum exposure to credit risk for the components of the Balance sheet as of March 31st, 2023 & March 31st, 2022 is the carrying amount as disclosed in Note except for financial guarantees. The Company's maximum exposure for financial guarantee is given in Note 50.

Carrying amount of maximum credit risk as on reporting date

Particulars	(Amount in Rs. Lakhs)	
	31st March 2023	31st March 2022
<b>Financial assets for which loss allowance is measured using 12 month Expected Credit Loss (ECL)</b>		
Non-current Investment	0.21	0.21
Non-current Loans	1,268.40	1,095.46
Other Non-Current Financial Assets	483.00	427.84
Cash & Cash Equivalent	230.65	2,764.26
Bank balances other than cash and cash equivalents	643.19	10.43
Current Loans	786.54	894.14
Other Current Financial Assets	8.39	131.23
<b>Total</b>	<b>3,420.38</b>	<b>5,323.57</b>
<b>Financial assets for which loss allowance is measured using Lifetime Expected Credit Loss (ECL)</b>		
Investment in Associates	11,940.78	11,508.25
Trade Receivables	1,063.75	737.27
<b>Total</b>	<b>13,004.53</b>	<b>12,245.52</b>

**Provision for Expected Credit or Loss**

**(a) Financial assets for which loss allowance is measured using 12 month expected credit losses.**

The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognised.

**(b) Financial assets for which loss allowance is measured using life time expected credit losses**

The Company provides loss allowance on trade receivables using life time expected credit loss and as per simplified approach.

**(iv) Reconciliation of impairment loss provisions**

The movement in the allowance for impairment in respect of financial assets during the year was as follows:

Particulars	(Amount in Rs. Lakhs)			
	Trade Receivables	Investment in subsidiaries	Advances	Total
(ii) <b>Balance as at March 31, 2022</b>	-	-	-	-
Impairment loss recognised	-	-	-	-
Amounts written off	-	-	-	-
<b>Balance as at March 31, 2023</b>	-	-	-	-

**Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	(Amount in Rs. Lakhs)					
	On Demand	Within 1 year	1-2 years	2-5 years	More than 5 years	Total
<b>Year ended March 31st, 2023</b>						
Term Loans*	-	-	-	-	-	-
Trade Payables	1,298.10	-	-	-	-	1,298.10
Cash credit	-	-	-	-	-	-
Other Payables	-	329.00	-	-	1,797.96	2,126.96
Finance Lease Payable	-	-	-	-	-	-
Other Financial Liabilities#	-	358.71	263.24	1,514.04	3,830.80	5,966.79
<b>Total</b>	<b>1,298.10</b>	<b>687.71</b>	<b>263.24</b>	<b>1,514.04</b>	<b>5,628.76</b>	<b>9,391.85</b>

Particulars	(Amount in Rs. Lakhs)					
	On Demand	Within 1 year	1-2 years	2-5 years	More than 5 years	Total
<b>Year ended March 31st, 2022</b>						
Term Loans*	-	913.04	970.01	1,384.88	-	3,267.93
Trade Payables	918.06	-	-	-	-	918.06
Cash credit	-	-	-	-	-	-
Other Payables	-	818.63	439.71	1,114.27	5,682.20	8,054.81
Finance Lease Payable	-	-	-	-	-	-
Other Financial Liabilities#	-	37.06	1,534.87	37.05	22.86	1,631.84
<b>Total</b>	<b>918.06</b>	<b>1,768.73</b>	<b>2,944.59</b>	<b>2,536.20</b>	<b>5,705.06</b>	<b>13,872.64</b>

\* Includes contractual interest payment based on interest rate prevailing at the end of the reporting period over the tenor of the borrowings.

# Current maturities of long-term borrowings is included in interest bearing borrowing part in above note.

Overdraft or other on demand loan facility, if any available with the Company is disclosed, to the extent undrawn in note no. 42.

#### Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Company. All such transactions are carried out within the guidelines set by the risk management committee.

#### Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuations arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates. The company uses forward contracts to hedge its exposure from foreign currency fluctuations.

#### Interest Risk

Interest rate risk arises from the sensitivity of financial assets and liabilities to changes in market rates of interest. The Company is exposed to interest rate risk arising mainly from long term borrowings with floating interest rates. The Company is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates.

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments is as follows:

(Amount in Rs. Lakhs)

Particulars	31st March 2023	31st March 2022
<b>Financial Assets</b>		
<b>Fixed Rate</b>		
Loans	-	-
Security Deposit	1,268.40	1,095.46
Bank Deposit	1,009.61	438.27
<b>Total</b>	<b>2,278.01</b>	<b>1,533.73</b>
<b>Financial Liabilities</b>		
<b>Fixed Rate</b>		
Working capital loans	-	-
Unsecured Loans	2,140.53	1,866.52
<b>Sub-Total (i)</b>	<b>2,140.53</b>	<b>1,866.52</b>
<b>Variable Rate Instruments</b>		
Term Loans	-	3,267.93
<b>Sub-Total (ii)</b>	<b>-</b>	<b>3,267.93</b>
<b>Total (i) + (ii)</b>	<b>2,140.53</b>	<b>5,134.45</b>

#### 51 Capital Risk Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings less cash and cash equivalents.

(Amount in Rs. Lakhs)

Particulars	31st March 2023	31st March 2022
Gross Debt	2,140.53	5,134.45
Less : Cash and cash equivalents	230.65	2,764.26
<b>Net Debt (A)</b>	<b>1,909.88</b>	<b>2,370.19</b>
Total Equity (B)	24,898.06	21,486.58
<b>Gearing Ratio (A/B)</b>	<b>0.08</b>	<b>0.11</b>

#### Financial Instruments By Category

(Amount in Rs. Lakhs)

Particulars	As At 31-03-2023		
	FVTPL	FVTOCI	Amortized cost
<b>Financial Assets:</b>			
Investment			
- Equity Instrument (unquoted)	0.21	-	-
- Debt Instrument (quoted)	788.42	-	-
Loans	-	-	2,054.94
Trade Receivables	-	-	1,063.75
Cash and Cash Equivalents	-	-	230.65
Other Bank Balance	-	-	643.19
Other financial assets	-	-	561.01
<b>Total Financial Assets</b>	<b>788.63</b>	<b>-</b>	<b>4,553.54</b>
<b>Financial Liability:</b>			
Borrowings	-	-	2,140.53
Derivative Liability	-	-	-
Trade Payable	-	-	1,298.10
Other Financial Liabilities	-	-	118.95
<b>Total Financial Liability</b>	<b>-</b>	<b>-</b>	<b>3,557.58</b>



(Amount in Rs. Lakhs)

Particulars	As At 31-03-2022		
	FVTPL	FVTOCI	Amortized cost
<b>Financial Assets:</b>			
Investment			
- Equity Instrument (unquoted)	0.21	-	-
Loans	-	-	1,989.60
Trade Receivables	-	-	737.27
Cash and Cash Equivalents	-	-	2,764.26
Other Bank Balance	-	-	10.43
Other financial assets	-	-	561.01
<b>Total Financial Assets</b>	<b>0.21</b>	<b>-</b>	<b>6,062.57</b>
<b>Financial Liability:</b>			
Borrowings	-	-	4,873.26
Trade Payable	-	-	918.06
Other Financial Liabilities	-	-	1,631.84
<b>Total Financial Liability</b>	<b>-</b>	<b>-</b>	<b>7,423.16</b>

**52 Disclosure as per Ind AS-113, Fair Value Measurement**

**Fair Value Hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are :

- recognised and measured at fair value and
- measured at amortised cost and for which fair values are disclosed in financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

**As at 31st March 2023**

**Financial Instrument measured at Fair Value - recurring fair value measurement**

(Amount in Rs. Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investment				
- Equity Instrument (unquoted)	-	-	0.21	0.21
- Debt Instrument (quoted)	788.42	-	-	788.42
<b>Financial Liabilities</b>				
Derivatives	-	-	-	-
<b>Total</b>	<b>788.42</b>	<b>-</b>	<b>0.21</b>	<b>788.63</b>

**As at 31st March 2022**

**Financial Instrument measured at Fair Value - recurring fair value measurement**

(Amount in Rs. Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investment				
- Equity Instrument (unquoted)	-	-	0.21	0.21
<b>Financial Liabilities</b>				
Derivatives	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>0.21</b>	<b>0.21</b>

**(A) Specific valuation technique is used to determine the fair value of the financial instruments which include:**

- For Investments in Equity Investments- Quoted Market prices are used and for unquoted Equity Instruments best possible inputs are taken to identify the fair value.
- For financial liabilities (vendor liabilities, domestic currency loans) :- appropriate market borrowing rate of the entity as of each balance sheet date used.
- For financial assets (employee loans) : appropriate market rate of the entity as of each balance sheet date used.

**(B) The financial instruments are categorized into different levels based on the inputs used to arrive at fair value measurements as described below:**

<b>Level 1</b>	Includes financial instruments measured using quoted prices in an active market. This included listed equity instruments, traded debentures and mutual funds that have quoted price. The fair value of all equity instruments (including debentures) which are traded in the stock exchanges is valued using the closing price as at thereporting period. The mutual funds are valued using the closing NAV.
<b>Level 2</b>	includes financial instruments that are not traded in an active market (for example, traded bonds/debentures, over the counter derivatives). The fair value in this hierarchy is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
<b>Level 3</b>	If one or more of the significant Inputs is not based on observable market data, the instrument is included in level 3. Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. Financial instruments such as unlisted equity shares, loans are included in this hierarchy.

**(C) Inter level transfers:**

There are no transfers between levels 1 and 2 as also between levels 2 and 3 during the year.

**(D) Fair value of financial assets and liabilities measured at amortised cost**

(Amount in Rs. Lakhs)

Particulars	As at 31st March 2023		
	Level	Carrying Value	Fair Value
<b>Financial Assets</b>			
Trade Receivables	3	1,063.75	1,063.75
Cash and Cash Equivalents	3	230.65	230.65
Bank balances other than cash and cash equivalents	3	643.19	643.19
Loan	3	2,054.94	2,054.94
Security deposit	3	1,268.40	1,268.40
Other Financial Assets	3	561.01	561.01
<b>Financial Liabilities</b>			
Borrowings	3	2,140.53	2,140.53
Trade Payables	3	1,298.10	1,298.10
Other Financial Liabilities	3	118.95	118.95

(Amount in Rs. Lakhs)

Particulars	As at 31st March 2022		
	Level	Carrying Value	Fair Value
<b>Financial Assets</b>			
Trade Receivables	3	737.27	737.27
Cash and Cash Equivalents	3	2,764.26	2,764.26
Bank balances other than cash and cash equivalents	3	10.43	10.43
Loan	3	1,989.60	1,989.60
Security deposit	3	1,095.46	1,095.46
Other Financial Assets	3	561.01	561.01
<b>Financial Liabilities</b>			
Borrowings	3	4,873.26	4,873.26
Trade Payables	3	918.06	918.06
Other Financial Liabilities	3	1,631.84	1,631.84

**Ind AS 112: Disclosure of Interest In other Entities**

**(a) Subsidiaries**

The group's subsidiaries at 31 March 2023 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of Entity	Principal Place of Business	Ownership Interest Held by the group		Ownership Interest Held by non-controlling Interest	
		31-03-2023	31-03-2022	31-03-2023	31-03-2022
Malwa Hospitality Private Limited	India	-	-	100.00%	100.00%
Sayaji Housekeeping Services Limited *	India	100.00%	100.00%	-	-
Aries Hotels Private Limited	India	-	-	100.00%	100.00%
Sayaji Hotels(Vadodara) Limited	India	100.00%	100.00%	-	-
Sayaji Hotels Management limited	India	100.00%	100.00%	-	-
Sayaji Hotels(Pune) Limited	India	100.00%	100.00%	-	-

**\* Preference share capital**

Sayaji Housekeeping Services Limited	India	100%	100%	-	-
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\* The share Capital of Sayaji Housekeeping Services consists of 10,000 Preference shares of Rs. 1 lakh.

(b) Interest In Associate- Accounted For using Equity Method

Name of Entity	Principal Place of Business	Ownership Interest Held by the group		Ownership Interest Held by non-controlling Interest	
		31-03-2023	31-03-2022	31-03-2023	31-03-2022
Barbeque-Nation Hospitality Ltd.	India	29.77%	29.82%	70.23%	70.18%

Summarised Financial Information

Particulars	31-03-2023	31-03-2022
<b>Balance sheet Items</b>		
Current assets	5,530.60	14,943.80
Non-Current assets	31,584.51	99,183.20
Current Liabilities	4,022.59	19,165.60
Non-Current Liabilities	8,194.46	55,429.90
Cash and Cash Equivalents	230.65	8,534.10
Current Financial Liabilities (Excluding trade and other payables and provisions)	671.56	7,999.80
Non-Current Financial Liabilities(Excluding trade and other payables and provisions)	7,406.05	54,387.30

Profit and Loss Items

	31-03-2023	31-03-2022
Revenue	27,113.49	88,683.30
Profit or Loss from continuing operations	3,509.49	(3,205.80)
Profit or Loss from discontinued operations	-	-
Other Comprehensive Income	(46.22)	(11.40)
Total comprehensive Income	3,463.27	(2,717.40)
Depreciation and amortisation	2,017.49	12,725.90
Interest Income	140.77	88.58
Interest Expense	153.16	505.43
Income Tax expense or income	2,095.24	-

Schedule III to the Companies Act, 2013

Name of the Entity in the group	Net Assets, i.e., Total Assets minus total Liabilities as at		Share in Profit or Loss for the Year Ended		Share in Other Comprehensive Income for the Year Ended	
	As a % of consolidated Net assets	Amount(Rs in lakhs)	As a % of consolidated profit or loss	Amount(Rs in lakhs)	As a % of consolidated other comprehensive income	Amount(Rs in lakhs)
Sayaji Housekeeping Services Limited						
31-03-2023	3.08%	767.91	0.93%	32.59	-	-
31-03-2022	14.71%	3,160.42	131.03%	4,331.05	-	-
Barbeque-Nation Hospitality Ltd.						
31-03-2023	47.96%	11,940.78	9.04%	506.55	-9.52%	(22.24)
31-03-2022	53.56%	11,508.25	-21.40%	(989.15)	-25.30%	(59.10)
Sayaji Hotels(Vadodara) Limited						
31-03-2023	0.00%	(0.07)	-0.07%	(2.34)	-	-
31-03-2022	0.01%	2.27	0.05%	1.73	-	-
Sayaji Hotels Management limited						
31-03-2023	-2.24%	(558.67)	-3.12%	(109.32)	-	-
31-03-2022	-2.10%	(451.71)	-3.88%	(128.35)	-	-
Sayaji Hotels(Pune) Limited						
31-03-2023	0.01%	1.28	-0.06%	(2.07)	-	-
31-03-2022	0.02%	3.35	0.03%	0.88	-	-

53 Disclosure as per Ind AS-115, Revenue from Contract with Customers

(Amount in Rs. Lakhs)

Revenue from contract with customers	For the period 2021-22	For the period 2020-21
Rooms	10,593.12	6,174.38
Food and Beverages	13,612.10	8,583.19
Other Services	2,140.58	1,374.67

Disaggregation of revenue :-

Revenue is also disaggregated on basis of timing of revenue recognition i.e. At a point in time & over the period of time.

(Amount in Rs. Lakhs)

Particulars	At a point in time		Over the period of time.	
	For the period 2022-23	For the period 2021-22	For the period 2022-23	For the period 2021-22
Rooms	10,593.12	6,174.38	-	-
Food and Beverages	13,612.10	8,583.19	-	-
Other Services	2,140.58	1,374.67	-	-

54 Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. Though the net profit for the FY 21-22 is more than 5 Cr., but the average net profit for immediately preceding three financial years does not turn out to be a positive number. Therefore the Company is not required to spend any amount on CSR.

55 Details of Crypto Currency or Virtual Currency

During the year company has not invested in any virtual currency.

56 Ratios

Sr.No.	Particular	Numerator	Denominator	Unit	Current Year	Previous year	Variance in %
1	Current Ratio	Current Assets	Current Liability	Times	1.37	1.49	-7.91%
2	Debt-Equity Ratio	Total Debt	Shareholders equity	%	8.60%	22.68%	-62.09%
3	Return on Equity	Net profit after tax	Average Shareholders equity	%	15.13%	20.52%	-26.26%
4	Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	Times	402.69%	380.84%	5.74%
5	Inventory Turnover Ratio	Revenue from operations	Average Inventory	Times	28	12	136.95%
6	Trade Receivable Turnover Ratio	Revenue from operations	Average trade receivables	Times	30	25	18.28%
7	Trade Payables Turnover Ratio	Total Purchases	Average trade payables	Times	17	11	54.76%
8	Net Capital Turnover Ratio	Revenue from operations	Working Capital (i.e. Current Assets less Current Liabilities)	Times	18	8	127.01%
9	Net Profit Ratio	Profit for the year	Revenue from operations	%	13.18%	20.26%	-34.94%
10	Return on Investment	Income generated from investment	Time Weighted Average Investments	%	4.24%	-8.60%	-149.36%
10	Return on capital employed	Earning before interest and taxes	Capital employed	%	18.79%	24.50%	-23.29%

Remark on Variances

Note No. 59.1 - Increase in Current Assets in F.Y. 2022-23 compared to F.Y. 2021-22 has resulted in an improvement in ratio.

Note No. 59.2 - Decrease in Debt in F.Y. 2022-23 compared to F.Y. 2021-22 has resulted in an improvement in ratio.

Note No. 59.3 - Increase in Net Profits has resulted in an improvement in ratio.

Note No. 59.4 - Increase in Net Profits has resulted in an improvement in ratio.

Note No. 59.5 - Increase in Revenue from Operation has resulted in an improvement in ratio.

Note No. 59.6 - Increase in Revenue from Operation has resulted in an improvement in ratio.

Note No. 59.7 - Decrease in Trade Payable has resulted in an improvement in ratiion

Note No. 59.8 - Increase in Revenue from Operation has resulted in an improvement in ratio.

Note No. 59.9 - Increase in Net Profits has resulted in an improvement in ratio.

Note No. 59.10 - Increase in Income from on investment has resulted in an improvement in ratio.

Note No. 59.11 - Increase in EBIT has resulted in an improvement in ratio.

**57 Other Notes**

**I** The Board of Directors of the Company, in its meeting held on December 4, 2021, and the Board of directors of Ahilya Hotels Limited ('AHL'), Sayaji Hotels (Indore) Limited ('SHIL'), Sayaji Hotels (Pune) Limited ('SHPL') and Sayaji Hotels Management Limited ('SHML') have approved a composite scheme of arrangement ('the Scheme') pursuant to section 230 to 232 and the other relevant provisions of the Companies Act, 2013 and Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements), 2015 as originally framed and altered/amended from time to time, for the:-

- a) Amalgamation of AHL into SHL and consequential cancellation and reduction of share capital of SHL
- b) Demerger of Baroda and Pune business of SHL into its wholly owned subsidiary, SHPL and Indore business of SHL into its wholly owned subsidiary, SHIL and reduction of share capital of SHPL and SHIL
- c) Amalgamation of SHML into SHL

The respective Boards of other companies which are parts of the proposed scheme have also approved the scheme. The application for ordering a court convened meeting of shareholders & creditors is filed with appropriate authorities on June 6, 2022. In response to our application, the appropriate authorities have passed an order for convening the meeting of shareholders & creditors on September 9, 2022 and the same is duly convened. The proposed appointed date of the scheme is April 1, 2022, and the implementation of the scheme would be subject to the receipt of requisite regulatory approval. Pending approvals, the effect of the scheme has not been considered in the financial results of the Company for the quarter and year ended March 31st, 2023.

**II** The Company has reclassified previous year figures to conform to this year classification.

**III** SHML has invested Rs. 2,25,68,500/- in Intellistay Hotels Pvt Ltd (IHPL) in August,2021 towards the purchase of 48.5 % stake. Due to irregularities in the Corporate Governance practices and misrepresentation by the senior officials of IHPL, Company has decided to exit from the strategic alliance. In view of the same IHPL has not been considered as an associate of the Company. IHPL's accumulated losses are more than its net worth and hence company has also made provision for impairment of its investment. Company is in the process of taking legal actions against IHPL and its officials.

Significant Accounting Policies and other Notes 1-57

These notes form an integral part of these financial statements

In term of our report attached

**For K.L.Vyas & Company**  
**Chartered Accountants**  
**Firm Regn. No. 003289C**

**Himanshu Sharma**  
**Partner**  
**M.No. 402560**

**Place: Indore**  
**Date: 29th May 2023**

**For and on behalf of Board of Directors**

**T.N Unni**  
**Director**  
**DIN-00079237**

**Sandesh Khandelwal**  
**Chief Financial Officer**

**Raof Razak Dhanani**  
**Managing Director**  
**DIN-00174654**

**Ankur Bindal**  
**Company Secretary**



**Sayaji Vadodara**



**Sayaji Raipur**



**Sayaji Pune**



**Sayaji Kolhapur**



**Sayaji Bhopal**



**Sayaji Indore**



**Sayaji Rajkot**



**Enrise Aurangabad**



**Effotel Indore**



**Effotel Vadodara**



**Enrise Rau**

