



# D.V. RAMANA RAO & Co.

## CHARTERED ACCOUNTANTS

22B-6-8, KORRAPATI STREET, POWERPET, ELURU - 534 002 (A.P.) PHONE : (08812) 252168, 98853 36999, E-mail : dvrcas99@gmail.com

### Independent Auditors' Report

To the Members of Vaibhav Hotels & Leisures (Visakhapatnam) Private Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the Financial Statements of **Vaibhav Hotels & Leisures (Visakhapatnam) Private Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2019, and the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

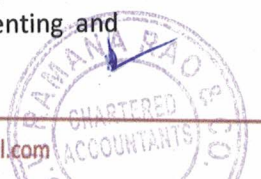
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act ("AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2019, loss and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made 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 audit opinion on the financial statements.

#### Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and



detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- i. 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.
- ii. Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv. 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.

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

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

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

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

This report does not include a statement on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, since in our opinion and according to the information and explanations given to us, the said order is not applicable to the Company.

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-A".
- g. 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 does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses as on 31<sup>st</sup> March 2019.



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

For **D.V. Ramana Rao & Co.**  
Chartered Accountants

*D.V. Subba Rao*

**D.V. Subba Rao**  
Partner  
M.No: 023845  
Firm Regn No. 02918S



Place: Eluru

Date: 20/09/2019

UDIN - 19023845AAAAAY7040

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

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

We have audited the internal financial controls over financial reporting of **Vaibhav Hotels & Leisures (Visakhapatnam) Private Limited** ("the Company") as of 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control 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.

#### **Auditor's 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") issued by ICAI and the Standards on Auditing prescribed under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls.

Those Standards and the Guidance Note require that We comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the criteria for internal control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **D.V.Ramana Rao & Co.**  
Chartered Accountants

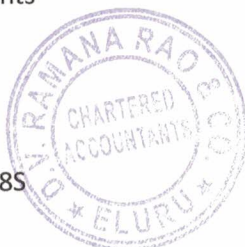
*D.V. Subba Rao*

**D.V.Subba Rao**

Partner

M.No: 023845

Firm Regn No. 029185



Place: Eluru

Date: 20.09.2019

# Vaibhav Hotels & Leisures (Visakhapatnam) Private Limited

## Balance Sheet as at 31st March, 2019

(Amount in ₹)

Particulars	Note No.	As at 31st March	
		2019	2018
<b>I) Equity and Liabilities</b>			
<b>1) Shareholder's funds</b>			
(a) Share Capital	3	100,000	100,000
(b) Reserves and Surplus	4	(33,506,208)	(30,481,917)
<b>2) Non- current liabilities</b>			
(a) Long-term borrowings	5	31,996,335	30,571,383
(b) Deferred tax liability		-	-
(c) Other long term liabilities		-	-
(d) Long-term Provisions		-	-
<b>3) Current Liabilities</b>			
(a) Short term borrowings		-	-
(b) Trade payables	6	-	-
- Dues to micro and small enterprises		-	-
- Dues to creditors other than micro and small enterprises		11,047,506	-
(c) Other current liabilities	7	1,058,949	15,000
(d) Short term provisions		-	-
<b>TOTAL</b>		<b>10,696,582</b>	<b>204,467</b>
<b>II) Assets</b>			
<b>1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets		-	-
(ii) Intangible assets		-	-
(iii) Capital work in progress		-	-
(b) Deferred Tax Asset (Net)		-	-
(c) Non-current investments		-	-
(d) Long-term loans and advances		-	-
(e) Other non-current assets		-	-
<b>2) Current assets</b>			
(a) Inventories	8	496,689	-
(b) Trade receivables	9	7,003,394	-
(c) Cash and Bank balances	10	914,478	204,467
(d) Short-term loans and advances	11	2,282,021	-
(e) Other current assets		-	-
<b>TOTAL</b>		<b>10,696,582</b>	<b>204,467</b>
Significant accounting policies	2		
Notes forming part of Accounts	17-20	-	-

As per our report of even date

for D.V.Ramana Rao & Co.,  
Chartered Accountants  
Registration No. : 029185

D.V. Subba Rao  
D.V. Subba Rao  
Partner  
Membership No. : 023845



for and on behalf of the Board of Directors

G.S.V. Amarendra  
GSV Amarendra  
Director  
DIN: 01521848

GS Keerthana  
Director  
DIN: 05211918

Place : Eluru

Date : 20-09-2019

# Vaibhav Hotels & Leisures (Visakhapatnam) Private Limited

## Statement of Profit and Loss for the year ended 31st March, 2019

(Amount in ₹)

Particulars	Note No.	For the year ended 31st March	
		2019	2018
I) Revenue from operations	12	26,766,053	-
II) Other Income	13	13,203	-
<b>Total Revenue</b>		<b>26,779,256</b>	<b>-</b>
Expenses			
(a) Cost of food & beverages consumed	14	5,359,108	-
(b) Employee benefits expense		-	-
(c) Finance costs		-	-
(d) Depreciation and amortization expense		-	-
(e) Other expenses	15	24,444,440	22,850
<b>Total Expense</b>		<b>29,803,548</b>	<b>22,850</b>
Profit before tax & extraordinary Items		(3,024,292)	(22,850)
Prior Period Items		-	-
V) Profit before tax (III - IV)		(3,024,292)	(22,850)
<b>VI) Tax expense:</b>			
(a) Current tax		-	-
(b) Deferred Tax		-	-
VII) Profit after tax for the year (V - VI)		(3,024,292)	(22,850)
<b>Earnings per equity share</b>	16		
(a) Basic		(302.43)	(2.29)
(b) Diluted		(302.43)	(2.29)
Significant accounting policies	2		
Notes forming part of the financial statements	17-20		

As per our report of even date

for D.V.Ramana Rao & Co.,  
Chartered Accountants  
Registration No. : 029185

*D.V. Subba Rao*  
D.V.Subba Rao  
Partner  
Membership No. : 023845

Place : Eluru  
Date : 20.09.2019



for and on behalf of the Board of Directors

*G.S. Amarendra*

GSV Amarendra  
Director  
DIN: 01521848

*GS Keerthana*

GS Keerthana  
Director  
DIN: 05211918



# Vaibhav Hotels & Leisures (Visakhapatnam) Private Limited

## Cash Flow Statement for the year ended 31st March, 2019

(Amount in ₹)

Particulars	For the year ended 31st March	
	2019	2018
<b>A) Net Cash Flows from Operating Activities</b>		
Net profit before tax and extraordinary items	(3,024,292)	(22,850)
Adjustments for :		
Depreciation	-	-
Loss on Abandoned Project	-	-
Finance charges	-	-
Interest income	-	-
Operating profit before working capital changes	(3,024,292)	(22,850)
Adjustments for working capital changes		
Long-term loans and advances	-	-
Other non-current assets	-	-
Trade Receivables	(7,003,394)	-
Inventories	(496,689)	-
Short-term Loans and Advances	(2,282,021)	-
Other Current assets	-	-
Long-term Provisions	-	-
Trade payables	11,047,506	-
Other current liabilities	1,043,949	(19,425)
Short term provisions	-	-
Cash generated from operations	(714,941)	(42,275)
Extraordinary Expenditure	-	-
Income tax paid	-	-
Net Cash flows from/(used in) operating activities	(714,941)	(42,275)
<b>B) Net Cash flows from Investing Activities</b>		
Purchase of Fixed Assets	-	-
Interest income	-	-
Net Cash flow from/(used in) Investing Activities	-	-
<b>C) Net Cash flows from Financing Activities</b>		
Proceeds from Shares	-	-
Proceeds from Share application money	-	-
Proceeds/ (repayment) from or of Long-term borrowings	1,424,952	2,400
Increase/ (Decrease) in Short-term borrowings	-	-
Finance charges	-	-
Net Cash Flow from/(used in) Financing Activities	1,424,952	2,400
Net change in cash and cash equivalents( A+B+C)	710,011	(39,875)
Cash and Cash equivalents at the beginning of the year	204,467	244,342
Cash and Cash equivalents at the ending of the year	914,478	204,467
Increase/(Decrease) in Cash and Cash equivalents	710,011	(39,875)
	0	-

As per our report of even date

for D.V.Ramana Rao & Co.,

Chartered Accountants

Registration No. : 029185

*D.V. Subba Rao*

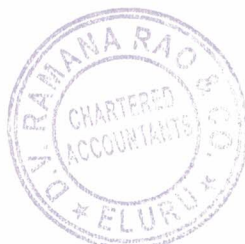
D.V.Subba Rao

Partner

Membership No. : 023845

Place : Eluru

Date : 20.09.2019



for and on behalf of the Board of Directors

*G.S. Keerthana*

GSV Amarendra

Director

DIN: 01521848

*GS Keerthana*

GS Keerthana

Director

DIN: 05211918

# Vaibhav Hotels & Leisures (Visakhapatnam) Private Limited

## 1. Company overview:

Vaibhav Hotels & Leisures (Visakhapatnam) (P) Limited (CIN: U55100AP2009PTC063685) is incorporated in the year 2009 under the provisions of the Companies Act 1956. The Company is engaged in the business of BOT Project awarded by APSRTC. During the financial year under review, the Members has passed necessary resolution at meeting held on 30th September, 2013 to alter the main objects of Memorandum of Association. This enable the Company to purchase any land, plot(s) of land or immovable properties.

## 2) Significant Accounting Policies

### 2.1) Basis of Preparation

These financial statements have been prepared to comply in all material aspects with applicable accounting principles in India, the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and other accounting principles generally accepted in India, to the extent applicable.

The financial statements have been prepared under historical cost convention on accrual basis and on the basis of going concern concept.

### 2.2) Method of Accounting:

The Company generally follows Mercantile system of Accounting and recognizes income and expenditure on accrual basis.

### 2.3) Tangible Assets:

Since there are no fixed assets during the year, no depreciation has been provided.

### 2.4 Inventories

Inventories are valued at lower of cost and estimated net realizable value. Cost is determined on 'Weighted Averages' basis. Cost of Inventories comprises of all cost of purchase, cost of conversion and other costs incurred in bringing the Inventories to their present location and condition.

### 2.5 Revenue Recognition

#### i) Rooms, Restaurant and Other Services :

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection. Revenue from restaurant is recognized upon rendering of service. Sales are net of discounts. Difference of revenue over the billed as at the year-end is carried in the financial statement as unbilled revenue.

Revenue is stated exclusive of GST.

#### ii) other revenue:

Other revenue is recognized only when it is reasonably certain that the ultimate collection will be made.

### 2.6 Provision for Current and Deferred Taxation

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.

Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the Balance Sheet date. The deferred tax assets are recognized if there is a virtual certainty that the assets will be realized in future.

### 2.7 Cash flow Statement

The Cash Flow Statement is prepared by indirect method set in Accounting Standard 3 on Cash flow Statement and presents the cash flows by operating, Investing and Finance activities of the company. Cash and Cash equivalents presented in cash flow consist of cash in hand, cheques on hand and bank balances.

### 2.8 Earning Per Share

The basic earnings per share is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earning per shares, net profit after tax for the year and weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date.





# Vaibhav Hotels & Leisures (Visakhapatnam) Private Limited

Notes forming part of the financial statements

## 3. Share Capital

(Amount in ₹)

Particulars	As at 31st March	
	31st March, 2019	31st March, 2018
<b>Authorised Share Capital</b>		
1,00,000 Equity Shares of ₹. 10 each	1,00,000	1,00,000
(Previous year 1,00,000 Equity Shares of ₹10 each)		
	1,00,000	1,00,000
<b>Issued Subscribed and Paid up Share Capital</b>		
10,000 Equity Shares of ₹.10 each	100,000	100,000
(Previous year: 10,000 Equity Shares of ₹.10 each)		
	100,000	100,000

3.1. Reconciliation of shares outstanding at the beginning and end of the financial year:

### Equity shares:

Particulars	31st March, 2019	31st March, 2018
Equity shares at the beginning of the year	10,000	10,000
Add: Issued during the year	-	-
Equity shares at the end of the year	10,000	10,000

### 3.2. Rights, preferences and restrictions attached to Shares

The Company has one class of equity shares having a par value of ₹.10/- each (Previous Year: ₹.10/- each). Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

### 3.3. Details of shares held by Shareholders holding more than 5 % of the shares in the company:

Particulars	31st March, 2019		31st March, 2018	
	No. of shares	%	No. of shares	%
<b>Name of the Share Holder</b>				
G.B.M.Ratna Kumari	9,900	99.00%	9,900	99.00%

3.4. Note: The clauses (f), (h) to (l) of Note 6 (A) to Schedule III of the Companies Act, 2013 is not applicable.

## 4. Reserves and Surplus

(Amount in ₹)

Particulars	As at	
	31st March, 2019	31st March, 2018
Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	(30,481,917)	(30,459,067)
Add: Profit/(Loss) for the year as per Statement of Profit and Loss	(3,024,292)	(22,850)
<b>Total</b>	<b>(33,506,208)</b>	<b>(30,481,917)</b>

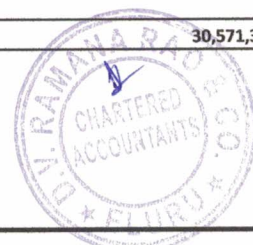
## 5. Long-term Borrowings

(Amount in ₹)

Particulars	As at	
	31st March, 2019	31st March, 2018
(Unsecured Borrowings)		
from Related Parties		
GBM Ratna Kumari (HUF)	-	5,080,945
GBM Ratna Kumari	30,956,335	25,490,438
G.Sai Keerthana	1,040,000	-
	31,996,335	30,571,383

### Terms of Borrowings:

1. Interest Rate is Nil





## Vaibhav Hotels & Leisures (Visakhapatnam) Private Limited

Notes forming part of the financial statements

### 6. Trade Payables

(Amount in ₹)

Particulars	As at	
	31st March, 2019	31st March, 2018
Trade Payables:		
Dues to Micro and Small enterprises	-	-
Dues to Other enterprises		
- related parties	4,073,029	-
- Others	6,974,477	-
	11,047,506	-

### 7. Other current liabilities

(Amount in ₹)

Particulars	As at	
	31st March, 2019	31st March, 2018
Other liabilities		
Statutory liabilities	270,981	-
Creditors for expenses	729,646	15,000
Advances from customers	58,322	-
	1,058,949	15,000

### 8. Inventories

(Amount in ₹)

Particulars	As at	
	31st March, 2019	31st March, 2018
Food and Beverages	26,623	-
Stores, Cutlery, Crockery, Linen, Provisions and Others	470,067	-
	496,689	-

### 9. Trade receivables

(Amount in ₹)

Particulars	As at	
	31st March, 2019	31st March, 2018
(Unsecured, considered good)		
Outstanding for a period exceeding 6 months from the date they are due for payment	-	-
Others	7,003,394	-
	7,003,394	-

### 10. Cash and Bank balances

(Amount in ₹)

Particulars	As at	
	31st March, 2019	31st March, 2018
Cash and cash equivalents		
Cash on hand	102,968	79,000
Balances with banks		
- In Current Accounts	811,509	125,467
	914,478	204,467

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# Vaibhav Hotels & Leisures (Visakhapatnam) Private Limited

Notes forming part of the financial statements

## 11. Short-term loans and advances

(Amount in ₹)

Particulars	As at	
	31st March, 2019	31st March, 2018
(Unsecured, considered good)		
Loans and advances to		
Suppliers and service providers	796,848	-
Prepaid expenses	216,318	-
Balances with Government Authorities		
Income tax	11,676	-
Other taxes	1,257,179	-
	2,282,021	-

## 12. Revenue from operations

(Amount in ₹)

Particulars	For the year ended	
	31st March, 2019	31st March, 2018
Sale of products and services		
Room Rental	20,520,611	-
Food and beverage	4,488,037	-
Other services	1,757,405	-
	26,766,053	-

## 13. Other Income

(Amount in ₹)

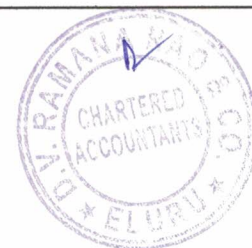
Particulars	For the year ended	
	31st March, 2019	31st March, 2018
Other Income	13,203	-
	13,203	-

## 14. Cost of food & beverages consumed

(Amount in ₹)

Particulars	For the year ended	
	31st March, 2019	31st March, 2018
Inventory at the beginning of the year	-	-
Add: Purchases	5,385,731	-
	5,385,731	-
Less: Inventory at the end of the year	26,623	-
	5,359,108.35	-

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# Vaibhav Hotels & Leisures (Visakhapatnam) Private Limited

Notes forming part of the financial statements

(Amount in ₹)

## 15. Other expenses

Particulars	For the year ended	
	31st March, 2019	31st March, 2018
Mangament & Operating Fees	5,150,800	-
Power and fuel	3,756,611	-
Rent	6,000,000	-
Repairs and maintenance		
Building	1,135,742	-
Plant and machinery	732,644	-
Others	235,985	-
Rates and Taxes	128,172	-
Legal and Professional	102,552	3,000
Remuneration to Auditor		
for audit services	15,000	15,975
for taxation matters	-	-
for other matters	-	-
out of pocket expenses	-	-
Advertisement Expenses	1,110	-
Security Services	1,201,680	-
House Keeping expenses	1,508,804	-
Consumption of Stores, Cutlery, Crockery, Linen, Provisions and Others	712,530	-
Laundry	503,237	-
Internet charges	466,404	-
Commission Expenses	1,851,790	-
Guest entertainment	308,347	-
Printing & Stationery	152,309	-
Insurance	71,901	-
Credit Card Service Charges	100,647	-
Miscellaneous expenses	308,176	3,875
	<b>24,444,440</b>	<b>22,850</b>

## 16. Earnings per Share

(Amount in ₹)

Particulars	For the year ended	
	31st March, 2019	31st March, 2018
a) Net Profit/ (Loss) for Basic/ Diluted EPS		
Profit/ (Loss) after tax	(3,024,292)	(22,850)
b) Number of Shares for Basic/ Diluted EPS		
No. of Equity Shares	10,000	10,000
c) Basic/Diluted Earning per Share	(302.43)	(2.29)

## 17. Contingent Liabilities and Commitments (to the extent not provided for)

(Amount in ₹)

Particulars	For the year ended	
	31st March, 2019	31st March, 2018
APSRTC	7,304,836	7,304,836
	7,304,836	7,304,836

The Company after negotiations with APSRTC w.r.t. show cause notice for termination of license agreement dt: 3rd September, 2010 and considering the viability, withdrew from the project during the financial year 2012-13.

APSRTC has raised a demand of ₹. 73,04,836 as per their notice dt: 26th June, 2012, after setting off the security deposit lying with them. The demand is towards the license fee, property tax and interest dues till the date of service of notice.

The APSRTC has also filed a suit in the court of the II additional district judge of Visakhapatnam and the Company is contesting the same in II additional District and sessions judge





# Vaibhav Hotels & Leisures (Visakhapatnam) Private Limited

Notes forming part of the financial statements

## 18. Reporting on related parties

### a) List of related parties

Nature of relationship	Name of the related party
1. Key Management Personnel (KMP)	Mr. G.S.V Amrander G S Keerthana Director Director
2. Relative to KMP	Mrs. GMB Ratna Kumari Ms. GS Sindhuri Mother of Director Sister of Director
3. Enterprises over which KMP having Significant Influence	Manoj Vaibhav Gems 'N' Jewellers Private Limited GBM Ratna Kumari (HUF) (formerly known as G Manoj Kumar (HUF)) Vaibhav Sky Scapes Limited Harshil Enterprises (India) Private Limited Vaibhav Jewellers Private Limited Vaibhav Sign Tower Private Limited Vaibhav Hospitalities Private Limited Vaibhav Green Energy Private Limited Vaibhav Goldfin Services Private Limited Vaibhav Golden Avenues Private Limited Emerge Enterprises (India) Private Limited Manoj Vaibhav Jewellers Private Limited

### b) Transactions with related parties during the year

(Amount in ₹)

Particulars	For the year ended	
	31st March, 2019	31st March, 2018
1. With Key Management Personnel		
Advance (taken)/ repaid		
Mrs. GMB Ratna Kumari	(5,465,897)	(2,400)
Ms. G.Sai Keerthana	(1,040,000)	
2. Enterprises over which KMP having Significant Influence		
Advance (taken)/given/repaid		
GBM Ratna Kumari (HUF)	5,080,945	-
3. Rental income/ (Expenses)		
Manoj Vaibhav Gems 'N' Jewellers Private Limited	5,163,657 \$	-

Note: \$ net of by rental income of ₹. 8,36,343 (PY: Nil)

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## Vaibhav Hotels & Leisures (Visakhapatnam) Private Limited

Notes forming part of the financial statements

### c) Balances outstanding at year end

(Amount in ₹)

Particulars	For the year ended	
	31st March, 2019	31st March, 2018
<b>1. Advances receivable/ (payable)</b>		
Mrs. GMB Ratna Kumari	(30,956,335)	(25,490,438)
GBM Ratna Kumari (HUF)	-	(5,080,945)
G.Sai Keerthana	(1,040,000)	-
Manoj Vaibhav Gems 'N' Jewellers Private Limited	(4,073,029)	-

19. All the figures have been rounded off to the nearest rupee.

20. Previous year's figures have been regrouped and reclassified wherever necessary to conform to the current year's classification.

for D.V.Ramana Rao & Co.,  
Chartered Accountants  
Registration No. : 029185

for and on behalf of the Board of Directors

*D.V. Subba Rao*

D.V.Subba Rao  
Partner  
Membership No. : 023845



*G.S.V. Amarendra*

GSV Amarendra  
Director  
DIN: 01521848

*GS Keerthana*

GS Keerthana  
Director  
DIN: 05211918

Place : Eluru

Date : 20.09.2019