



15TH ANNUAL REPORT

SAPTHAGIRI HOSPITALITY PRIVATE LIMITED

FINANCIAL YEAR: 2022-23



FORTUNE PARK DAHEJ, SEZ
MEMBER, ITC's HOTEL GROUP

Annual Reports and Financial Statements

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Annual General Meeting, on Thursday, 14th September, 2023, at 17&18 Sapthagiri Complex, opp. the Gateway Hotel, Nr. Akota Garden, Akota, Vadodara –390 020, at 12:00 pm (IST). Members are requested to kindly bring their copies to the meeting.

Corporate Information

BOARD OF DIRECTORS

Mr. Vipulkumar P Thakkar
Mr. Munjal V Thakkar
Mrs. Vishakha V Thakkar

Managing Director
Director
Director

COMPANY SECRETARY

Mrs. Jinal Bhavik Shah- A68045

MANAGEMENT TEAM

Mr. Ghanshyam Singh
Mr. Mayur Vipinchandra Shah
Mr. Varun Chaudhary
Mr. Koushik Gayen
Mr. Rupam Pramanik
Mr. Hapijul Mandal
Mr. Wasim Mohamad
Mr. Abhisek Sahoo
Mr. Nikhil Kumar
Mrs. Swati Sanket Patel

Operation Manager
Chief Engineer
F & B Manager
HR Executive
Executive Chef
Asst. Housekeeping Manager
IT Manager
Asst. Front Office Manager
Asst. Finance Manager
Deputy Manager – Finance

STATUTORY AUDITORS

Naresh & Co. (FRN No.106928W)

City Enclave, Nr. Baroda High school, Opp. Polo Ground, Vadodara – 390001

REGISTERED OFFICE

17&18 Sapthagiri Complex,
Opp. The Gateway Hotel,

Nr. Akota Garden, Akota, Vadodara –390 020

Contact: 0265-3101214 **CIN:** U55100GJ2009PTC055855

Email ID: info@sapthagirihospitality.com, vipulpthakkar@hotmail.com

MAIN BANKERS

Union Bank of India
HDFC BANK LTD
State Bank of India

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CSR Activities & Days Celebrated

- ANNUAL SPORTS DAY CELEBRATION ON 17TH FEBRUARY, 2023**



- FUN FRIDAY CELEBRATION FOR THE MONTH OF FEBRUARY**



BIRTHDAY CELEBRATION



8th annual day Celebration_2023



• INTERNATIONAL YOGA DAY CELEBRATION ON 21st JUNE, 2023

International Yoga Day



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Notice

NOTICE IS HEREBY GIVEN that the **15th (Fifteenth) Annual General Meeting** of the Members of Sapthagiri Hospitality Private Limited will be held on **Thursday, 14th September, 2023 at 12:00 PM (IST)** at its Registered Office, 17&18 Saptagiri Complex, Opp. The Gateway Hotel, Nr. Akota Garden, Akota, Vadodara 390020, Gujarat, India to transact the following business: -

Ordinary Business:

1. To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon and in this regards, pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT the audited financial statement of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and Auditor’s thereon laid before this meeting, be and are hereby considered and adopted.”

Date: 19/08/2023

Place: Vadodara

**By Order of the Board of Directors
Sapthagiri Hospitality Private Limited**

Registered Office:

17&18, Saptagiri Complex,
Opp. The Gateway Hotel,
Nr. Akota Garden,
Akota, Vadodara –390 020

**Sd/-
Vipulkumar P. Thakkar
Managing Director
DIN # 00383851**

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Notes: -

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company.
2. The instrument appointing proxy should be deposited at the Registered Office of the Company before 48 hours of the meeting.
3. As per Section 105 of the Companies Act, 2013 and the rules made thereunder, a person can act as proxy on behalf of members not exceeding 50 in number and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.
4. The dividend on equity shares, if declared at the Meeting, will be credited / dispatched within 30 days from the conclusion of the Meeting to those members whose names appear on the Company's Register of Members on the Record Date fixed for the purpose.
5. Members desiring any information as regards the Accounts are requested to write to the Company, before 02.09.2023 so as to enable the Management, to reply at the Meeting.
6. The Notice of 15th Annual General Meeting of the Company is being delivered to all the Members through E-mail as per their registered e-mail Ids with the Company. Electronic copy of the Annual Report for 2022-23 is being sent to all the members on their E-mail Ids last registered with the Company, unless any member has requested for a hard copy of the same.
7. The physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during business hours. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon receipt of request for the same, by post free of cost.
8. Shareholders are requested to advise any change of address, contact details including phone and email id and Bank particulars registered against their respective folios for communication and payment of dividend immediately to the Company.
9. All documents referred to in the above notice and explanatory statement are open for inspection at the Registered Office of the Company during business hours on any working day (except Sundays and holidays) between 10.00 am and 12.30 pm.
10. Members are requested to quote Folio number in all their correspondences.
11. Members are kindly requested to bring their copies of Annual Report to the Meeting.

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Managing Director's Message

Dear Stakeholders,

I am delighted to present to you, on behalf of the Board of Directors of Sapthagiri Hospitality Private Limited (Owner of Fortune Park, Dahej, Member ITC's Hotel Group), the Annual Report and Financial Statements of the Company for the year ended on 31st March, 2023.

India has an enormous potential for tourism with its rich heritage, culture, people and geography diversity, among other factors. Proactive government measures like investments in infrastructure and tourism, coupled with the improvement in private consumption, are some of the factors that have helped India in realizing its tourism potential. Furthermore, India's presidency of the G20, and the government's strong commitment to economic growth continues, to attract business travelers from around the world.



At Sapthagiri Hospitality Private Limited, we are well positioned to capitalize on these developments. In line with the hospitality industry's revival, we were also able to resume our growth journey. At the very core of our culture, there is a shared commitment to place the needs and well-being of our guests above all else and exceed their expectations.

During the Financial year 2022-23, we were able to record impressive numbers across all parameters. During the year, we recorded revenue of ₹10,41,79,300/- (Rupees Ten crores forty one lakhs seventy nine thousand three hundred only) whereas our profit after tax stood at ₹21,33,050/- (Rupees Twenty one lakhs thirty three thousand fifty only) compared to a loss of ₹1,76,22,920/- (Rupees One Crore seventy six lakhs twenty two thousand nine hundred and twenty only) in the previous year which was greatly impacted by the COVID-19 pandemic. With strong guest recognition we were able to achieve a sharp rise in hotel occupancies, surpassing pre-pandemic levels. We are proud of our achievements and look forward to continuing this positive momentum in the future.

The well-being and development of our employees takes precedence at Sapthagiri Hospitality Private Limited. We recognize that our success is intertwined with theirs. We are wholly devoted to fostering a nurturing work environment that promotes both personal and professional development and growth. We are pleased to announce that all our employees receive comprehensive benefits, ensuring their well-being and job satisfaction. Our rigorous protocols and processes prioritize workplace safety, minimizing the risk of injuries and ensuring the overall well-being of our workforce.

I take this opportunity to thank each and every stakeholder associated with us for keeping their trust in us during a period of gloom that our industry faced during the Covid pandemic. The silver lining is here, and I have nothing but gratitude for your unwavering faith in us. This faith fuels our commitment to continue delivering sustainable value and continue being an organization that you can be proud of.

With Warm Regards

Sd/-
Vipulkumar P Thakkar
Managing Director

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Board's Report

To,
The Members of
Sapthagiri Hospitality Private Limited

Your Directors have the pleasure in presenting their **15th Annual Report** on the business and operations of the Company, together with its Audited Financial Statement of Accounts of the Company for the financial year ended on **31st March, 2023**.

FINANCIAL RESULTS

(₹ in thousands)

Particulars	for the year ended on 31/03/2023	for the year ended on 31/03/2022
Gross Income	1,05,313.77	65,877.14
Expenditure	1,03,190.82	82,829.97
Profit/ Loss before Tax	2,133.05	(17,622.92)
Provision for Tax: Deferred Tax	--	--
Profit/ Loss after Tax	2,133.05	(17,622.92)

DIVIDEND

Your directors are unable to recommend any dividend for the year ended 31st March, 2023.

TRANSFER TO RESERVES

No amount has been transferred to reserves.

REVIEW OF OPERATIONS AND FUTURE OUTLOOK

In the fiscal year 2022-23, the Company achieved a revenue of ₹10,53,13,770/- (Rupees Ten crores fifty three lakhs thirteen thousand seven hundred and seventy only) compared to the previous year's ₹6,58,77,140 (Rupees Six Crore Fifty Eight Lakh Seventy Seven Thousand one hundred and forty only). The net profit for the year amounted to ₹21,33,050/- (Rupees Twenty one lakhs thirty three thousand fifty only), marking a notable turnaround from the net loss of ₹1,76,22,920/- (Rupees One Crore seventy six lakhs twenty two thousand nine hundred and twenty only) in the previous year.

CHANGE IN NATURE OF BUSINESS, IF ANY

During the year under review, there is no change in the nature of business activities/operations of the company.

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BORROWING

Total secured borrowings of the Company as at **31st March, 2023** stood at **₹12,73,40,792.46/-** . The status of borrowing facilities as at the end of reporting period are as follow:

(₹)

Particulars	Balance for the year ended on 31/03/2023
Nkgsb Co-Op. Bank Ltd Loan	8,58,339
Union Bank of India Loan	10,38,22,386.50
Union Bank of India Loan (WCTL-UGECL 1.0)	1,06,60,066.96
Union Bank of India Loan (WCTL-UGECL 3.0)	1,20,00,000
TOTAL	12,73,40,792.46

BUSINESS OVERVIEW

ECONOMIC OVERVIEW

GLOBAL ECONOMY: THE YEAR IN REVIEW

Despite geopolitical tensions, the year 2022 commenced with a mixed outlook. While there were concerns of potential flat growth, the global economy faced unforeseen challenges such as supply chain disruptions, monetary tightening, inflation and recessionary fears.

China experienced a temporary decline in growth during the fourth quarter of 2022 due to a surge in COVID-19 cases following the relaxation of restrictions. Additionally, the global inflation rate reached 8.7% in 2022, largely driven by supply chain disruptions caused by the ongoing pandemic and the Russia-Ukraine conflict.

The effects of the Russia-Ukraine conflict also had spillover effects on Europe, with the region grappling with acute energy shortages. This, coupled with the implementation of Brexit, impacted various aspects of Europe, including immigration, trade and tourism. The UK economy experienced a slowing growth rate as a direct consequence of these factors.

The global economic landscape in 2022 was marked by a combination of both optimistic and challenging factors, requiring careful analysis and evaluation.

According to the International Monetary Fund (IMF), the global economy experienced a GDP growth rate of 3.4% in 2022, which was lower compared to the previous year's growth rate of 6.1%. Despite this moderation, there were notable developments in the tourism sector, with international tourist arrivals rebounding to reach 63% of pre-pandemic levels. Particularly, the Middle East and Europe exhibited robust recovery in this aspect, reflecting positive trends in the tourism industry.

DOMESTIC ECONOMY: THE YEAR IN REVIEW

The Indian economy exhibited resilience and stability amidst the global economic downturn, experiencing minimal disruptions. Notably, India emerged as the fastest growing major economy worldwide, propelled by robust growth in the infrastructure sector and sustained private consumption driven by pent-up demand. According to projections by the National Statistical Office (NSO), India's GDP for FY23 expanded by 7.0%,

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showcasing commendable growth despite a slight decline from the previous fiscal year's growth of 8.7% in the aftermath of the COVID-19 pandemic. The successful implementation of various projects valued at US\$ 1.3 trillion under the National Infrastructure Pipeline (NIP) and substantial government spending in other areas contributed to positive momentum in the economy.

However, it is important to acknowledge that global factors, rising input costs and disparities in the distribution of disposable income have resulted in uneven growth across sectors. Additionally, inflationary concerns prompted the Reserve Bank of India (RBI) to raise the repo rate by 250 basis points since May 2022, indicating proactive measures to address inflation. As a consequence, the cost of capital and interest rates have increased, leading to some moderation in consumer sentiment. Nonetheless, the overall trajectory of the economy remained positive, reflecting the resilience and adaptability of the Indian economy.

Sectors such as travel and hospitality have experienced a significant rebound, benefiting from the resurgence in demand following the easing of pandemic-related restrictions. Several factors have contributed to this positive trend, including the gradual resumption of business and leisure travel, higher disposable incomes among affluent individuals, increased government focus on enhancing transport and tourism infrastructure and a diverse range of offerings in the hospitality sector. As a result of this upturn in demand, new supply announcements have been made and deferred projects have been initiated during the reviewed period. However, it is important to note that the growth rate of the hotel supply pipeline is projected to remain modest, at around 3.5-4%. Consequently, the supply of hotel rooms is expected to continue lagging behind demand.

The ongoing economic recovery is expected to have a favorable impact on employment levels, leading to a rise in disposable income and subsequently driving domestic expenditure. Consequently, projections indicate that consumer spending will witness a year-on-year growth of 7.1% in 2023. Furthermore, the full resumption of international flights at their maximum capacity in March 2022 has instilled confidence in a strong recovery in both outbound and inbound tourism. The Airports Authority of India (AAI) has unveiled ambitious strategies for the expansion and modernization of the aviation sector, allocating a targeted capital outlay of US\$ 11.8 billion over the next five years. These initiatives are poised to foster additional growth and advancement in the years ahead.

TOURISM:

The tourism sector includes medical and healthcare tourism, adventure tourism, heritage tourism, ecotourism, rural tourism, wildlife tourism and pilgrimage tourism.

The World Travel & Tourism Council (WTTC) reported a substantial growth of 22% in the travel and hospitality industry, reaching an impressive value of US\$ 7.7 trillion in 2022. This notable achievement signifies yet another exceptional year for the industry, although it is yet to reach pre-COVID-19 levels.

MATERIAL CHANGES AND COMMITMENT OCCURRED AFTER THE END OF FINANCIAL YEAR AND UP TO THE DATE OF REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year and up to the date of this report.

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PERFORMANCE OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have subsidiary companies or Joint Venture Company or Associate Company.

DEPOSITS

The Company has not accepted unsecured Loans from Directors and relatives of Directors, (relatives as per the Companies Act, 2013) in the financial year 2022-23. Moreover, shareholders of the Company have not given any loan or advance or deposit to the Company in the same financial year.

The Company has neither accepted nor renewed any deposits during the year under review to which the provisions of the Companies (Acceptance of Deposits) Rules 2014 applies.

LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Pursuant to provisions of section 186 of the Companies Act, 2013, during the year under review, no loans or guarantees are given by the Company and no investments in the securities of any company are made.

SHARE CAPITAL

During the year under review, there is **no change** in the Authorized share capital and paid up share capital of the Company.

TRANSFER TO INVESTOR EDUCATION & PROTECTION FUND.

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no amount required to be transferred to Investor Education & Protection Fund.

PARTICULARS OF EMPLOYEES

None-of the employees who have worked throughout the year or a part of the financial year were getting remuneration in excess of the threshold mentioned under Section 197(12) of the Act read with rule 5(2) of Companies (Appointment and Remuneration) Rules, 2014.

HUMAN RESOURCE

Your Company, growing in a competitive and dynamic environment, places great importance in the overall training and development of its employees, who make the decisive difference in the hotel industry. The **total strength of employees** of your Company for the year under review was 85, which includes executives, staff, probationers, trainees, apprentices and contract employees at the Head Office as well as Hotel unit. Industrial Relations throughout the year continued to remain cordial.

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DIRECTORS AND KEY MANAGERIAL PERSONNEL

Change in Directorate

During the year under review, there are **no changes in the composition** of the Board of Directors of the Company and hence, as at the end of financial year, the Composition of the Board of Directors was as under:

Mr. Vipul P. Thakkar	Managing Director
Mr. Munjal Thakkar	Director
Mrs. Vishakha V. Thakkar	Director

None of the aforesaid Directors are disqualified under Section 164(2) of the Companies Act, 2013 ("the Act").

Key Managerial Personnel

Mrs. Khyati Yamik Parikh, Company Secretary and Mr. Vipul Thakkar, Managing Director are the Key Managerial Personnel of the Company as on 31st March, 2023. During the FY 2022-23, there were no changes to the Key Managerial Personnel of the Company.

However, Mrs. Khyati Yamik Parikh tendered her resignation as Company Secretary with effect from 11th May, 2023 and Mrs. Jinal Bhavik Shah was appointed as a Whole Time Company Secretary with effect from 11th May, 2023.

BOARD MEETINGS

During the year under review, **04 Board Meetings** were held and the intervening gap between the meetings did not exceed the period prescribed under the Companies Act, 2013.

Sr. No.	Date of Board Meeting	Total Number of Directors as on the date of Board Meeting	Attendance	
			No. of Directors attended	% of Attendance
1	23/06/2022	3	3	100%
2	08/09/2022	3	3	100%
3	14/10/2022	3	3	100%
4	15/02/2023	3	3	100%

DIRECTOR'S RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, the Board hereby submits its responsibility Statement;

1. That in the preparation of the annual accounts, for the year ended March 31, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent, so as to give a true and fair view of the state

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of affairs of the company at March 31, 2023 and of the profit and loss of the company for that period;

3. That the Directors 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;
4. That the Directors have prepared the annual accounts on a going concern basis;
5. That they had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively, and
6. That the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

COMPLIANCE OF SECRETARIAL STANDARD

The Company has complied with the provisions of Secretarial Standards specified by the Institute of Company Secretaries of India and approved by the Central Government under section 118(10) of the Companies Act, 2013.

COMPLIANCE WITH COST AUDIT

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the activity of your Company falls under non-regulated sectors and hence, maintenance of cost record and Cost Audit is not applicable to the Company for the Financial Year 2022-23.

AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013 **M/s. Naresh & Co. (FRN No.106928W)**, Chartered Accountants, Vadodara has been re-appointed as the Statutory Auditors of the company for a period of 5 years from the conclusion of 12th Annual General Meeting till the conclusion of 17th Annual General Meeting to be held in 2025. The Auditors have conveyed their eligibility to continue as Auditors of the Company.

EXPLANATION/COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS

The report given by M/s. Naresh & Co., Chartered Accountants, Vadodara, (FRN:106928W), Statutory Auditors on financial statements of the Company for FY 2022-23 is part of the Annual Report. The comments on statement of accounts referred to in the report of the Auditors are self-explanatory. The Auditors' Report does not contain any qualifications, reservations or adverse remarks.

RISK MANAGEMENT POLICY

The Risk management includes identifying types of risks and its assessment, risk handling and monitoring and reporting. The Company does not have any Risk Management Policy as the elements of risk threatening the company's existence are very minimal.

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INTERNAL FINANCIAL CONTROL

The Company maintains adequate Internal Financial controls with reference to financial statements.

VIGIL MECHANISM

As per provisions of Section 177(10) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, provisions of the Vigil mechanism are not applicable to the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134(3) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is furnished in **Annexure A** and is attached to this Report.

RELATED PARTIES TRANSACTIONS

The Company has entered into transactions with related parties which are in the ordinary course of business and at arm's length basis. The particulars of transactions or contracts entered into or arrangements made with related parties pursuant to provisions of section 188 of the Companies Act, 2013 is provided in **Annexure B** in the format AOC2 and attached to this Report.

WEB-LINK OF ANNUAL RETURN

In terms of Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company will be made available shortly on the website of the Company at the link: www.sapthagirihospitality.com.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per provisions of Section 135 of the Companies Act, 2013, CSR is applicable to the Company which has net profits of ₹.5.00 Cr. or more or net worth of ₹500 Cr. or more or turnover of ₹1000 Cr. or more in the immediately preceding financial year. None of the criteria is applicable to the Company and accordingly, CSR is not applicable to the Company. However, Your Company believes in undertaking and plays an active role in contribution towards society and taking environmental and social responsibility sincerely. Independence Day, Republic Day, Annual Day and other landmark events like Environment Day, Women's Day, other sports activities and picnics at various places for the betterment of society are celebrated.

In alignment with the theme **"Building livelihoods"**, we have train adolescents/adults in F&B Service, Food Production, Housekeeping and equipped them with skills for development in their future endeavors. Training special adolescents is a continuous culture followed at our hotels which has been inspirational and a challenge which can be cherished. We organized a Women's training program in our hotel.

SIGNIFICANT AND MATERIAL ORDER PASSED BY THE REGULATORS/ COURTS

No significant material orders have been passed during the year under review by the regulators or courts or

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tribunals impacting the going concern status and company's operations in future. Further, there are nil litigation filed by or against the Company under the provisions of the Insolvency and Bankruptcy Code, 2016

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION OF, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an anti-Sexual Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy. There were nil complaints filed during the year under review.

ANNUAL EVALUATION OF PERFORMANCE OF BOARD

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual Directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by the Regulations. The performance of the Board was evaluated by the Board after seeking inputs from the Directors on the basis of specified criteria such as the Board composition and structures, effectiveness of board processes, information and functioning, etc. The same was discussed at the next Board meeting at which the performance of the Board and individual Directors was also discussed. The Performance evaluation of Directors was done by the entire Board.

ACKNOWLEDGMENTS

The Board of Directors wishes to place on record their appreciation for the co-operation, guidance and support, the Company has received from the Bankers to the Company. The Board of Directors also expresses their sincere thanks to the shareholders for the support and the confidence reposed by them in the Company.

The Board desires to place on record, its appreciation of all employees, customers, vendors and investors for their continuous support, who during the year under review, with sustained dedicated efforts, enabled the Company to deliver a good performance.

The board also wishes to appreciate the dedication, devotion, commitment of all staff of the company and thank all our stakeholders, including Members, Customers, Vendors, and the Government for their continued cooperation and support.

Place: Vadodara

Date: 19/08/2023

For Sapthagiri Hospitality Private Limited

Sd/-
Vipulkumar P Thakkar
Managing Director
DIN # 00383851

Sd/-
Munjhal Thakkar
Director
DIN # 03416146

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ANNEXURE A

The Report as per Rule 8 of the Companies (Accounts) Rules 2014

A. Conservation of Energy

1.	The steps taken or impact on conservation of energy	Company's operation does not consume significant amount of energy.
2.	The steps taken by the company for utilizing alternate sources of energy	Not applicable in view of comment in clause 1.
3.	The capital investment on energy conservation equipment	Not applicable in view of comment in clause 1.

B. Technology absorption

1.	the efforts made towards technology absorption	Nil
2.	the benefits derived like product improvement, cost reduction, product development or import substitution	Nil
3.	in case of imported technology (imported during last three years reckoned from the beginning of the financial year) ➤ The details of technology imported ➤ The year of import ➤ Whether technology has been fully absorbed ➤ If not fully absorbed. Areas where absorption has not taken place, and the reasons thereof.	Nil
4.	the expenditure incurred on Research and Development	Nil

C. Foreign exchange earnings and Outgo

During the year, foreign exchange earnings was **NIL** and foreign exchange outgo was **NIL**

Place: Vadodara
Date: 19/08/2023

For Sapthagiri Hospitality Private Limited

Sd/-
Vipulkumar P Thakkar
Managing Director
DIN # 00383851

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Annexure B

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/ arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into contracts or arrangements or transactions	date(s) of approval by the Board	Amount paid as advances , if any	Date of special resolution as per first proviso to section 188
NIL							

2. Details of material contracts or arrangement or transactions at arm's length basis

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangement / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	date(s) of approval by the Board	Amount paid as advances, if any
Munjal Vipul Thakkar - Director	Rent Paid to director	12 months	₹ 4,16,508 /-	23/06/2022	--

Place: Vadodara
Date: 19/08/2023

For Sapthagiri Hospitality Private Limited

Sd/-
Vipulkumar P Thakkar
Managing Director
DIN # 00383851

INDEPENDENT AUDITOR'S REPORT

To,
The Members of Sapthagiri Hospitality Private Limited

Report on the Standalone Financial Statements

OPINION

We have audited the accompanying Financial Statements of Sapthagiri Hospitality Private Limited ("the Company") which comprise the Balance sheet as at 31st March, 2023, the Statement of Profit & Loss 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.

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the State of Affairs of the Company as at March 31, 2023, its Profit 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 there under, 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.

EMPHASIS OF MATTER

- (a) Attention is invited to Note 10 to these financial statements with reference to disclosures regarding interest payment under the MSMED Act, 2006, as explained to us, the Company deals with various Micro and Small Enterprises on mutually accepted terms and conditions. Accordingly, no interest is payable if the terms are adhered to by the Company.

Further, as per information made available to us, no interest has been paid under MSMED Act, 2006 to any supplier for payment made beyond appointed date, neither any claim has been received from any such supplier. Further, no such provision has been made for any interest payable to such supplier.

Our opinion is not modified in respect of these matters.

Annual Reports and Financial Statements

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included Board's Report including Annexures to Board's Report and Other Information included in the Company's Annual Report but does not include the standalone financial statements and our auditor's reports 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.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance, 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 Companies Act, 2013 read with Rule 7 of the Companies (Account) Rules, 2014.

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.

Annual Reports and Financial Statements

AUDITOR'S RESPONSIBILITY

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.

A further description of the auditor's responsibilities for the audit of the financial statements is located in Appendix A. This description forms part of our auditor's report.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditors Report) Order, 2020 ("the order") issued by the Central Government in terms of section 143 (11) of the Companies Act, 2013, we enclose in the Annexure-A, a statement on the matters specified in Paragraph 3 of the said Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of our Audit;
 - b) In our opinion, proper books of accounts as required by the law have been kept by the Company, so far as appears from our examination of the said books;
 - c) The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts of the Company;
 - 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 written representations received from the directors, as on 31st March, 2023, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2023 from being appointed as a director of the Company in terms of Section 164(2) of the Act.
 - f) The requirement of reporting on the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls is not applicable to the Company for the year under report.
 - g) With respect to the other matters to be included in our 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:

Annual Reports and Financial Statements

- (i) The Company does not have any pending litigations which would have an impact on the Financial Statements
 - (ii) There are no long-term contracts, including derivative contracts for which there were material foreseeable losses for which provision is required
 - (iii) There were no amounts which were required to be transferred to the Investor 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.
 - (v) The Company has not declared or paid any dividend during the year.
3. With respect to the matters to be included in the Auditor's Report under Section 197(16), in our opinion the provisions and limits laid down under Section 197 read with Schedule V to the Act are not applicable since the Company is a Private Limited Company and further as per the information and explanations given to us, we report that the remuneration paid to its directors is in accordance with the other applicable provisions of the Act.

FOR, NARESH & CO.
CHARTERED ACCOUNTANTS
(F.R.N. 106928W)

sd/-
CA Harin Parikh
Partner
(M.R.N. 107606)

Place: Vadodara
Date: 19/08/2023

UDIN: 23107606BGVYDS6981

Appendix A to Independent Auditors' Report **Further description of Auditor's responsibilities for Audit of 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 with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

“ANNEXURE – A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirement’s” section of our report of even date for the year ended 31st March, 2023 of Sapthagiri Hospitality Private Limited)

- (i) (a) (A) The Company has maintained proper records of Property, Plant & Equipment purchases. However, as informed to us the Company is in the process of updating its old records and Property, Plant & Equipment Register showing full particulars including quantitative details and the situation of Property, Plant & Equipments.

(B) The Company has maintained proper records showing full particulars of the Intangible Assets.
- (b) The Company has a regular program of physical verification of its Property, Plant and Equipment by which the Property, Plant and Equipment are verified in phased manner over a period of time. In accordance with its program, certain Property, Plant and Equipment were verified during the year and as informed to us, no material discrepancies were noticed on such verification. In our opinion, the program of verification is reasonable having regard to the size of the Company and the nature its Assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the Financial Statements are held in the name of the Company
- (d) The Company has not revalued its Property, Plant and Equipment or Intangible Assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The physical verification of inventories has been conducted at reasonable intervals by the management of the Company and in our opinion, and to the best of our knowledge and belief, the coverage and procedure for such verification by the management is appropriate. On the basis of our examination of the records of physical verification of inventory, we are of the opinion that no discrepancies of 10% or more in aggregate for each class of inventory were noticed. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of accounts.
- (b) The Company has not obtained any working capital limits from any banks or financial institutions whether on the basis of security of current assets or otherwise, at any point of time of the year. Hence, no comments are required on Paragraph 3 (ii)(b) of the Order.
- (iii) During the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited

Annual Reports and Financial Statements

Liability Partnerships or any other Parties. Hence, no comments are required on Paragraph 3 (iii) of the Order.

- (iv) The only investments made by the Company are of surplus funds parked in Mutual Funds. Provisions of S. 185 are not applicable to the same. Further, the investments are within the limits specified u/s. 186 and hence no compliance is required relating thereto.
- (v) The Company has not accepted any deposits or amounts deemed to be deposits within the meaning of Section 2(31) of the Companies Act 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and hence the compliance to the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the Rules framed there under are not applicable. No order has been passed by the Company Law Tribunal or Reserve Bank of India or any court or any other tribunal
- (vi) In terms of the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government U/s. 148 (1) of the Companies Act, 2013, the requirement of maintenance of cost records was not applicable to the company for the year under audit.
- (vii) (a) According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Goods and Service Tax, Custom Duty, Cess and other material statutory dues applicable to it to the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to the Company were outstanding, as at 31st March, 2023 for a period of more than six months from the date they became payable.

(b) According to the records of the company, there are no dues of Provident Fund, Employee's State Insurance, Income Tax, Goods and Service Tax, Custom Duty, Cess and other material statutory dues applicable to it which have not been deposited on account of any dispute.

- (viii) There are no transactions not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Hence no further comments are required under Para 3(viii) of the Order.

- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. Hence, no further comments are required under Para 3(ix)(a) of the Order.

(b) The Company has not been declared a Willful Defaulter by and bank or financial institution or other lender.

(c) The Term Loans taken by the Company during the year were applied for the purpose for which they were obtained.

(d) On the basis of review of utilization of funds, which is based on an overall examination of the balance sheet of the Company, related information as made available to us and as represented to us by the

Annual Reports and Financial Statements

Management, we report that in general funds raised on short-term basis have not been used for long-term purposes

(e) The Company does not have any subsidiaries, associates or joint ventures. Hence, no comments are required under Paragraph 3(ix)(e) of the Order.

(f) The Company does not have any subsidiaries, associates or joint ventures. Hence, no comments are required under Paragraph 3(ix)(f) of the Order.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

(xi) (a) There has been no fraud by the Company or any fraud on the Company that has been noticed or reported during the year.

(b) No report under Sub-section (12) of S. 143 of the Act has been filed by the Auditors in Form ADT-4 as prescribed under Rule 12 of the Companies (Audit and Auditors) Rule, 2014 with the Central Government.

(c) As per the information and explanation given to us, no whistle-blower complaints, were received by the Company during the year.

(xii) The Company is not a "Nidhi" Company. Hence, Para (xi) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. Provisions of Section 177 of the Act are not applicable to the Company.

(xiv) The Company is not required to appoint Internal Auditors in terms of S. 138 of the Act read with Rule 13 of the Companies (Accounts) Rules, 2014. Hence, no comments are required under Paragraph (xiv) of the Order.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, no comments are required under Paragraph 3(xv) of the Order.

(xvi) (a) As per information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).

(b) The Company has not conducted any Non-Banking Financial or Housing Finance Activities during the year.

Annual Reports and Financial Statements

(c) The Company or any member Company of the Group is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, no comments are required on Paragraph (xvi) (c) & (d) of the Order.

(xvii) The Company has not incurred any cash losses during the financial year under report or during the preceding year.

(xviii) There has been no resignation of the Statutory Auditor during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that 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) The Provisions of S. 135 of the Act regarding Corporate Social Responsibility (CSR) was not applicable to the Company for the year under report. Hence, no comments are required under Para (xx) of the Order.

(xxi) These being standalone financial statements, no comments are required under Paragraph (xxi) of the Order since the same is related to Consolidate Financial Statements.

For, Naresh & Co.
Chartered Accountants
(F.R.N. 106928W)

sd/-
CA Harin Parikh
Partner

(M.R.N. 107606)

UDIN: 23107606BGVYDS6981

Place: Vadodara
Date: 19/08/2023

Annual Reports and Financial Statements

SAPTHAGIRI HOSPITALITY PRIVATE LIMITED Balance Sheet as at 31st March, 2023



(₹ in thousands)			
Particulars	Notes	31/03/2023 (₹)	31/03/2022 (₹)
(I) EQUITY AND LIABILITIES			
(1) SHARE HOLDERS' FUNDS			
(a) Share capital	3	4,14,000.00	4,14,000.00
(b) Reserves and Surplus	4	(1,68,902.66)	(1,71,034.51)
(2) SHARE APPLICATION MONEY PENDING ALLOTMENT		-	-
(3) NON-CURRENT LIABILITIES			
(a) Long-Term Borrowings	5	94,875.69	1,27,576.49
(b) Deferred Tax Liabilities (Net)	6	-	-
(c) Other Long Term Liabilities	7	-	-
(d) Long Term Provisions	8	282.37	228.06
(4) CURRENT LIABILITIES			
(a) Short-Term Borrowings	9	32,465.10	7,901.91
(b) Trade Payables	10	6,194.71	11,234.60
(c) Other Current Liabilities	11	3,918.51	3,915.80
(d) Short-Term Provisions	12	257.01	195.42
TOTAL		3,83,090.73	3,94,017.77
(II) ASSETS			
(1) NON-CURRENT ASSETS			
(a) Property, Plant & Equipment and Intangible Assets	13		
(i) Property Plant & Equipment		3,44,369.57	3,60,799.54
(ii) Intangible Assets		-	-
(ii) Capital work-in-progress		-	-
(iv) Intangible Asset under Development		-	-
(b) Non-Current Investments	14	22.50	10.00
(c) Deferred tax Assets (net)	6	-	-
(d) Long-Term Loans and Advances	15	-	-
(e) Other Non Current Assets	16	4,343.31	4,300.50
(2) CURRENT ASSETS			
(a) Current Investments	17	14,366.58	14,366.58
(b) Inventories	18	3,155.04	1,499.85
(c) Trade Recievables	19	9,544.34	6,919.01
(d) Cash and Cash Equivalents	20	4,412.60	3,734.62
(e) Short-Term Loans and Advances	21	2,412.54	1,717.67
(e) Other Current Assets	22	464.25	670.00
TOTAL		3,83,090.73	3,94,017.77
Notes forming part of the Financial Statements	1 to 45		

The Notes referred to above form an integral part of the Financial Statements
As per our report of even date

For Naresh & Co.,
Chartered Accountants (FRN 106928W)

For & on behalf of the Board
For Sapthagiri Hospitality Pvt. Ltd.

sd/-
CA Harin Parikh
Partner
Mem. No. 107606

sd/-
Vipul Thakkar
Managing Director
DIN:00383851

sd/-
Munjhal Thakkar
Director
DIN:00346146

UDIN : 23107606BGVYDS6981

sd/-
Jinal Bhavik Shah
Company Secretary
ACS:A68045

Place : Vadodara
Date : 19.08.2023

Place : Vadodara
Date : 19.08.2023

Annual Reports and Financial Statements

SAPTHAGIRI HOSPITALITY PRIVATE LIMITED Statement of Profit and Loss for the period ended on 31st March, 2023

(₹ in thousands)			
Particulars	Notes	31/03/2023 (₹)	31/03/2022 (₹)
I Revenue From Operations	29	1,04,179.30	65,108.84
II Other Income	30	1,134.47	768.30
III Total Income (I + II)		1,05,313.77	65,877.14
IV Expenses:			
Cost of Materials Consumed	31	17,532.68	11,602.02
Changes in Inventories Finished Good Work-in-Progress and Stock-in-Trade	32	-	-
Employee Benefits Expenses	33	19,246.15	15,385.56
Financial Costs	34	13,689.54	12,398.04
Depreciation and Amortization Expenses	13	18,967.14	18,857.23
Other Expenses	35	33,755.32	24,587.12
Total Expenses		1,03,190.82	82,829.97
V Profit Before Exceptional / Extra Ordinary Items & Tax (III - IV)		2,122.95	(16,952.84)
VI Exceptional items		-	-
VII Profit before Extraordinary Items & Tax (V - VI)		2,122.95	(16,952.84)
VIII Extraordinary Items			
Add : Prior Period Tax Adjustment		(10.10)	-
Add : Prior Period Adjustments (See Note 46)		-	670.08
IX Profit Before Tax (VII - VIII)		2,133.05	(17,622.92)
X Tax expense :			
(1) Current tax		-	-
(2) Deferred tax		-	-
XI Profit/(Loss) from Continuing Operations (IX-X)		2,133.05	(17,622.92)
XII Profit/(Loss) from Discontinuing Operations		-	-
XIII Tax Expense of Discontinuing Operations		-	-
XIV Profit/(loss) from Discontinuing Operations (after tax) (XII - XIII)		-	-
XV Profit / (Loss) for the Period (XI+XIV)		2,133.05	(17,622.92)
Earning Per Share		0.05	-0.43
Notes forming part of the Financial Statements	1 to 45		

The Notes referred to above form an integral part of the Financial Statements
As per our report of even date

For Naresh & Co.,
Chartered Accountants (FRN: 106928W)

For & on behalf of the Board
For Sapthagiri Hospitality Pvt. Ltd.

sd/-
CA Harin Parikh
Partner
Mem. No. 107606

sd/-
Vipul Thakkar
Managing Director
DIN:00383851

sd/-
Munjil Thakkar
Director
DIN:00346146

UDIN : 23107606BGVYDS6981

sd/-
Jinal Bhavik Shah
Company Secretary
ACS:A68045

Place : Vadodara
Date : 19.08.2023

Place : Vadodara
Date : 19.08.2023

Annual Reports and Financial Statements

SAPTHAGIRI HOSPITALITY PRIVATE LIMITED Cash Flow Statement for the year ended March, 2023

(₹ in thousands)

Sr.	Particulars	For the Year ended 31.3.2023 Amount (₹)	For the Year ended 31.3.2022 Amount (₹)
A.	Cash flow from Operating Activities :		
	Net Profit before Tax & Extra Ordinary Items	2,133.05	(17,622.92)
	Adjustment for :		
	Depreciation & Write-offs	18,967.14	18,857.23
	Profit on Sale of Fixed Assets	(385.01)	-
	Operating Profit before Working Capital Changes	20,713.97	1,234.31
	Adjustments for :		
	(Increase)/Decrease in Trade Receivables	(2,625.34)	(299.32)
	(Increase)/Decrease in Inventories	(1,655.19)	908.93
	(Increase)/Decrease in Loans & Advances	(694.86)	1,982.68
	(Increase)/Decrease in Other Current and Non Current Assets	162.94	665.70
	Increase/(Decrease) in Trade Payables	(5,039.89)	(3,005.97)
	Increase/(Decrease) in Other Current Liabilities	2.71	(1,313.59)
	Increase/(Decrease) in Provisions	115.90	(9.93)
	Cash Generated from Operations	10,980.24	162.81
	Direct Taxes Paid	-	-
	Cash Flow before Extra Ordinary Items	10,980.24	162.81
	Extra Ordinary Items	-	-
	Net Cash Flow from Operating Activities	10,980.24	162.81
B.	Cash flow from Investing Activities		
	Purchase of Fixed Assets	(2,537.17)	(500.00)
	Net Proceeds from Sale of Fixed Assets	385.01	863.84
	Investments (NET)	(12.50)	(14,366.58)
	Interest Income	-	-
	Net Cash Flow from Investment Activities	(2,164.66)	(14,002.74)
C.	Cash Flow from Financing Activities		
	Increase/(Decrease) in Long Term Borrowings	(8,137.60)	(13,695.35)
	Share application received	-	24,000.01
	Net Cash Flow from Financing Activities	(8,137.60)	10,304.66
D.	Net Increase/(Decrease) in Cash and Cash Equivalents	677.98	(3,535.28)
	Cash and Cash Equivalents (Opening)	3,734.62	7,269.90
	Cash and Cash Equivalents (Closing)	4,412.60	3,734.62

As per our Report of Even Date

For Naresh & Co.,
Chartered Accountants
(F.R.N. 106928W)

sd/-
CA Harin Parikh
Partner
(M.R.N. 107606)

UDIN : 23107606BGVYDS6981

Place : Vadodara
Date : 19.08.2023

For & on behalf of the Board
For Sapthagiri Hospitality Pvt. Ltd.

sd/-
Vipul Thakkar
Managing Director
DIN:00383851

sd/-
Munjali Thakkar
Director
DIN:00346146

sd/-
Jinal Bhavik Shah
Company Secretary
ACS:A68045

Place : Vadodara
Date : 19.08.2023

Annual Reports and Financial Statements

M/s. SAPTHAGIRI HOSPITALITY PRIVATE LIMITED 31/03/2023

Notes forming part of the Financial Statements:

Note 1: General Information of the company:

Sapthagiri Hospitality Private Limited ("the company") was incorporated in Jan, 2009 to undertake the business in the field of hospitality & leisure.

The construction of the 4-star Hotel under the ITC Fortune Brand in Dahej SEZ was completed in the year 2015-16 and the Hotel has started functioning since then. The Hotel Unit was made operational in two phases and is fully functional as of now. The Hotel unit was generating robust revenues considering the initial years of operations. Though it had losses, it was mainly due to financial costs which are being actively monitored and planned for by the Management. However, the advent of COVID meant that the progress got stalled. However, due to its strategic locational advantage the impact was not massive. With future development plans in place, the Company expects robust revenues and generating cash profits very soon. Also post Covid, with increase in business travel, the company has reaped benefits & shown a leap in both turnover & positive cash profits. With future development plans in place, the Company expects robust revenues and generating even better profits going ahead.

Note - 2: Significant Accounting Policies :

I. Method of Accounting:

The Financial Statements are prepared on accrual basis of accounting, following historical cost convention, in accordance with the provisions of the Companies Act, 2013 ('the Act'), accounting principles generally accepted in India and comply the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The Accounting Policies not specifically referred to otherwise are consistent with the Generally Accepted Accounting Principles followed by the Company. The Accounting Policies have been consistently applied by the Company and are consonance with those used in the previous year.

II. Use of Estimates:

The Preparation and Presentation of Financial Statements as per the above bases required the management to make estimates and assumptions that may affect the balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the balance sheet and the reported amounts of incomes and expenses during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimated. Difference between the Actual Results and those estimated are recognized in the period in which the results are known / materialize.

III. Inventories:

Inventories mostly comprise of Bought out items of Food and Beverages, Liquorr and Other Consumables for the Hotel Unit. They are valued at Cost or Net Realizable Value whichever is lower, on FIFO Basis.

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IV. Revenue Recognition:

Revenue from Room Sales is recognized on a day to day basis after the guests check into the hotel rooms.

Income from Food and Beverages and Liquor Sales are recognized at the point of serving those items to the guests.

Banquet Income is recognized at the time the banquet facilities are utilized by the customer.

Other Operational Revenues are recognized upon accrual.

Income stated is exclusive of amount recovered towards Goods and Services Tax, Value Added Tax and Luxury Tax as applicable.

Other items of income such as Interest, Tax Incentives etc. accounted on accrual basis (depending on certainty of realisation).

V. Property, Plant and Equipment's:

Items of Property, Plant and Equipment's are stated at their cost of acquisition less accumulated depreciation. The cost of acquisition includes freight, installation cost, duties, taxes and other incidental expenses, identifiable with the asset, incurred during the installation / construction stage in order to bring the assets to their working condition for intended use, including borrowing cost required to be capitalized, if any, but net of input tax credit (GST and CENVAT) received or receivable.

Depreciation on assets is being provided on the Straight Line Method on the basis of useful lives specified in Part C of Schedule II to the Companies Act, 2013.

No depreciation is being provided on the assets sold during the year. In case of those assets which were fully depreciated following the provisions of the Companies Act, 2013 and where such assets are in usable condition, the residual values of the said respective assets are considered at the maximum rate of 5%.

VI. Employee Benefits:

Contributions to Provident Fund are accounted on accrual basis and charged to the Statement of Profit & Loss for the year.

The liabilities in respect of gratuity and leave encashment are determined using Projected Unit Credit Method with actuarial valuation carried out as at balance sheet date. Actuarial gains are recognized in full in the profit & loss account for the period in which they occur. Employee benefits recognized in the balance sheet represents the present value of the defined benefit obligation.

Short Term Employee Benefits, if any, are charged off to the Statement of Profit and Loss in the year of incurrence at the undiscounted amount.

VII. Borrowing Costs:

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According to AS-16 Borrowing costs that are directly attributable to the acquisition of qualifying assets are capitalized for the period until the asset is ready for its intended use. A qualifying asset being an asset that necessarily takes a substantial period of time to get ready for its intended use. Other Borrowings Costs are recognized as an expense in the year in which they are incurred.

VIII. Goods and Services Tax:

A Comprehensive Goods & Services Tax (GST) was introduced w.e.f 01.07.17, subsuming majority of Indirect Taxes especially Excise Duty and VAT. GST is a destination-based tax and is levied at the point of supply. It is collected on sale of goods and services on behalf of Government and is remitted by way of payment or adjustment of credit on input goods or services. The Company collects GST on behalf of the Government and hence GST is not included in Revenue from Operations.

Accordingly, Expenditures and Incomes are accounted net of GST. Similarly, other items of expenditure on which credit for GST is available or items or revenue on which GST is chargeable are also accounted net of GST elements.

GST Accounts are created under Balance Sheet Groupings for liability towards GST collected on Sales / Other Revenue and asset towards GST paid on purchases or other expenditure for which credit is available. For Each month / quarter, as applicable, the GST liability is worked out after offsetting the credit available against the GST collected.

The Net GST Account appears in the Balance Sheet as a Liability under Current Liabilities – Statutory Liabilities, if any amount is payable as at the year-end after offsetting the available credit and as an Asset under Loans & Advances - Indirect Taxes Recoverable from Statutory Authorities if credits remain unutilized after adjusting the amount payable.

IX. Accounting for Taxes on Income:

Provision for taxation for year under report includes provision for current tax & deferred tax.

Provision for Current tax is made, based on tax estimated to be payable as computed under the various provisions of the Income Tax Act, 1961.

Deferred tax is recognized, subject to prudence, on timing differences between taxable income and accounting income that originate during the year and are capable of being reversed in one or more subsequent periods. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that future taxable income will be available against which such deferred tax assets can be realized. Deferred Tax Liabilities / Assets are quantified using the tax rates and tax laws enacted or substantively enacted as on the balance sheet date.

X. Foreign Currency Transactions:

In accordance with Accounting Standard (AS) -11 on accounting for the effects of changes in Foreign Exchange Rates, Transactions in Foreign Currencies are recognized at the prevailing exchange rates on the

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transaction date. Realized Gains and Losses on settlement of foreign transactions are recognized in the Statement of Profit and Loss. Foreign Currency Assets and Liabilities at the year end are translated at the year-end exchange rates, and the resultant exchange difference is recognized in the Statement of Profit and Loss.

XI. Contingencies / Provisions:

Provisions requiring a substantial degree of estimation in measurement are recognized, if in the opinion of the Management, there is a probability that a present obligation as a result of past events will result in an outflow for the Company in the future. Contingencies, the outcome of which is not certain, have been disclosed in these notes as Contingent Liabilities. Contingent Assets are neither recognized nor disclosed in the financial statements.

XII. Impairment of Assets:

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

XIII. Prior Period Adjustment, Extra Ordinary Items and Changes in Accounting Policies:

'Prior period adjustments, extraordinary items and changes in accounting policies having material impact on the financial affairs of the Company are disclosed.

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3 SHARE CAPITAL :-

Particulars	31/03/2023(₹)	31/03/2022(₹)
(a) AUTHORISED 4,50,00,000 Equity Shares (P.Y 4,50,00,000) of ₹ 10/- each	4,50,000.00	4,50,000.00
(b) ISSUED, SUBSCRIBED AND PAID-UP CAPITAL. 4,14,00,000 Equity Shares (P.Y. 3,89,99,999) of ₹ 10/- each Fully Paid-up	4,14,000.00	4,14,000.00

(c) RECONCILIATION OF NUMBER OF SHARES

Particulars	31st March, 2023		31st March, 2022	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
Shares at the beginning of the year	4,14,00,000	4,14,000.00	4,14,00,000	4,14,000.00
Add: Shares issued during the year	-	-	-	-
Shares at the close of the year	4,14,00,000	4,14,000.00	4,14,00,000	4,14,000.00

(d) The company has a single class of equity shares having par value of ₹ 10/- per equity share. All shares rank pari passu with reference to all rights relating thereto. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all the preferential amounts, in proportions to their shareholding.

(e) DETAILS OF SHARES HELD BY PROMOTERS AND OTHERS (OTHERS BEING SHAREHOLDERS HOLDING MORE THAN 5% OF THE AGGREGATE SHARES IN THE COMPANY)

Name of Equity Shareholder	31st March, 2023		31st March, 2022	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Promoters' Group:				
Vipul P Thakkar	98,03,485	23.68	98,03,485	23.68
Kiran Dave	54,35,958	13.13	54,35,958	13.13
Shailesh Gandhi	1,12,90,168	27.27	1,12,90,168	27.27
Vishaka V Thakkar	24,13,290	5.83	24,13,290	5.83
Other than Promoters (Shareholders holding more than 5%)	-	-	-	-

4 RESERVES & SURPLUS :-

Particulars	31/03/2023(₹)	31/03/2022(₹)
(a) SECURITIES PREMIUM		
Balance as at the beginning of the year	41,843.06	41,843.06
Additions	-	-
Balance as at the end of the year	41,843.06	41,843.06
(b) SURPLUS IN THE STATEMENT OF PROFIT AND LOSS		
Balance as at the beginning of the year	(2,12,878.78)	(1,95,254.65)
Add : Profit / (Loss) for the year	2,133.05	(17,622.92)
Balance as at the end of the year	(2,10,745.73)	(2,12,877.57)
TOTAL	(1,68,902.66)	(1,71,034.51)

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5 LONG TERM BORROWINGS :-

Particulars	31/03/2023(₹)	31/03/2022(₹)
(a) SECURED :		
Term Loan from Union Bank of India (062) (Hotel Construction)	82,989.05	1,04,981.46
Working Capital Term Loan from Union Bank of India (UGECL 1.0)	2,132.53	10,595.02
Working Capital Term Loan from Union Bank of India (UGECL 3.0)	9,000.56	12,000.00
Car Loan from NKGSB Co-Op. Bank Ltd.	753.55	-
(All the above amounts are net off amounts shown under Current Maturities of Long Term Debt under Note 9)		
Total (a)	94,875.69	1,27,576.49
(b) UNSECURED :		
From - Directors & Relatives	-	-
Total (b)	-	-
TOTAL (a+b)	94,875.69	1,27,576.49

Secured Loans :

The Term Loan availed from Union Bank of India is secured against mortgage of leasehold land and hotel building of company located on Plot No.Z/4/3 along with Hypothecation of Plant & Machinery, Equipments etc. purchased & proposed to be purchased for the Hotel and further secured by personal guarantees of Directors and pledge of Shares held by Directors & their Relatives. The Rate of Interest as per last review is EBLR + 2.75% i.e. 11.80%.

The Company has been making bullet payments toward the Principal Outstanding due to which the repayment schedule has changed from time to time. However, considering the COVID-19 induced financial crunch, the Company sought a restructuring of its credit facilities which has been accepted by the Bank by granting a 2 year moratorium on principal repayment from September 21 to August 23 as per the latest sanction dtd. 31.08.21. Thereafter the Loan is Repayable in 42 EMI's (36 EMI's of Rs. 26 lacs and 6 EMI's of Rs. 19 lacs).

The WC - UGECL Term Loan (1.0) is availed from Union Bank of India under the Central Govt. Guaranteed Scheme for COVID-19 Support. The same is based on extension of charge and guarantee over primary / collateral security and personal guarantees. The Rate of Interest is EBLR + 1.00% i.e. 10.05%. The same is repayable after a moratorium of one year in 36 Monthly EMI's of Rs. 7.46 Lacs each. The repayment will start from July 21.

The WC - UGECL Term Loan (3.0) is availed from Union Bank of India under the Central Govt. Guaranteed Scheme for COVID-19 Support. The same is based on extension of charge and guarantee over primary / collateral security and personal guarantees. The Rate of Interest is EBLR + 1.00% i.e. 10.05%. The same is repayable after a moratorium of two years in 36 Monthly EMI's of Rs. 3.75 Lacs each. The repayment will start from August 2023.

The Company has availed a car loan from NKGSB Co-operative Bank Limited on the collateral security of vehicles of the Company and company is liable to pay EMI of Rs.13,810/- starting from November, 2022. Rate of Interest as per sanction is fixed rate of 7.49%

6 DEFERRED TAX LIABILITIES / ASSETS (Net) :-

Particulars	31/03/2023(₹)	31/03/2022(₹)
Deferred Tax Liabilities (difference between accounting and tax depreciation)	37,194.33	35,998.13
Deferred Tax Assets (liabilities provided in books allowable for tax purposes when paid)	37,194.33	35,998.13
Net Deferred Tax Liabilities / (Assets) as at the year end	-	-

As at the end of the year the Deferred Tax Assets (arising on account of Unabsorbed Losses & Unabsorbed Depreciation) were much higher than the Deferred Tax Liabilities (arising on account of timing difference between accounting and tax depreciation). However, the excess of Deferred Tax Assets over Deferred Tax Liabilities has not been recognised following the principles of abundant precaution & in absence of virtual certainty as to if and when sufficient future taxable income will be available against which such deferred tax assets can be realised

7 OTHER LONG TERM LIABILITIES :-

Particulars	31/03/2023(₹)	31/03/2022(₹)
	-	-
TOTAL	-	-

8 LONG TERM PROVISIONS :-

Particulars	31/03/2023(₹)	31/03/2022(₹)
Provision for Employee Leave Benefits	61.68	75.84
Provision for Gratuity	220.69	152.22
TOTAL	282.37	228.06

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9 SHORT TERM BORROWINGS :-

Particulars	31/03/2023(₹)	31/03/2022(₹)
Current Maturities of Long Term Debts (Principal amounts due in one year)		
Term Loan from Union Bank of India (062) (Hotel Construction)	20,833.33	-
Working Capital Term Loan from Union Bank of India (UGECL 1.0)	8,527.53	7,901.91
Working Capital Term Loan from Union Bank of India (UGECL 3.0)	2,999.44	-
Car Loan from NKGSB Co-Op. Bank Ltd.	104.79	-
TOTAL	32,465.10	7,901.91

10 TRADE PAYABLES :-

Particulars	31/03/2023(₹)	31/03/2022(₹)
Sundry Creditors For Goods & Services	6,194.71	11,234.60
TOTAL	6,194.71	11,234.60

Sundry Creditors are as per books and have not been corroborated by circulation / confirmation of balances.

Disclosures required under Micro, Small and Medium Enterprises Development Act, 2006

Trade Payables does not include any amount outstanding to Micro and Small Enterprises. The above information has been compiled in respect of parties to the extent they could be identified as Micro and Small Enterprises on the basis of information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company.

The Company deals with various Micro and Small Enterprises on mutually accepted terms and conditions. Accordingly, no interest is payable if the terms are adhered to by the Company. Consequently, no interest has been paid or is due and no provision for interest payable to such units is required or has been made under Micro, Small and Medium Enterprises Development Act, 2006.

11 OTHER CURRENT LIABILITIES :-

Particulars	31/03/2023(₹)	31/03/2022(₹)
(a) Others Payables :		
- Statutory Liabilities	1,415.66	1,104.06
- Unpaid Expenses	1,573.58	1,182.83
- Creditors for Capital Expenditure	929.28	1,628.91
TOTAL	3,918.51	3,915.80

12 SHORT TERM PROVISIONS :-

Particulars	31/03/2023(₹)	31/03/2022(₹)
(a) Provision for Current Taxation	-	-
(b) Provision for Employee Benefits (Leave Encashment)	67.83	78.77
(c) Provision for Employee Benefits (Gratuity)	189.19	116.66
TOTAL	257.01	195.42

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13 PROPERTY, PLANT & EQUIPMENT :-

Assets	Gross Block				Depreciation				Net Block	
	Balance as on 01/04/2022	Additions during the year	Deductions /Disposal	Balance as on 31/03/2023	Balance as on 01/04/2022	Depreciation for the year Rs.	Deductions /Disposal	Balance as on 31/03/2023	As on 31/03/2023	As on 31/03/2022
Property, Plant & Equipment										
Lease Hold Land	48,076.31	-	-	48,076.31	-	-	-	-	48,076.31	48,076.31
Building	2,89,532.66	600.00	-	2,90,132.66	36,197.80	4,484.53	-	40,682.33	2,49,450.33	2,53,334.87
Plant, Machinery & Equipments- Hotel	64,440.28	-	-	64,440.28	31,393.46	3,603.85	-	34,997.30	29,442.98	33,046.82
Office Equipment's	1,449.39	512.76	-	1,962.15	1,096.74	77.47	-	1,174.20	787.94	352.65
Motor Car	2,235.28	1,152.53	-	3,387.81	1,552.81	177.79	-	1,730.59	1,657.21	682.47
Motor Cycle	46.35	-	-	46.35	201.34	-	-	201.34	(154.99)	(154.99)
Computers - H.O.	429.18	-	-	429.18	403.01	-	-	403.01	26.17	26.17
Computers & Network- Hotel	9,685.62	41.40	-	9,727.02	9,201.34	2.71	-	9,204.05	522.97	484.28
Furniture & Fixtures	80,149.40	230.48	-	80,379.88	66,713.76	7,644.26	-	74,358.03	6,021.85	13,435.63
Electrical Fittings	36,875.06	-	-	36,875.06	25,359.73	2,976.53	-	28,336.26	8,538.79	11,515.32
Total	5,32,919.52	2,537.17	-	5,35,456.68	1,72,119.98	18,967.14	-	1,91,087.12	3,44,369.57	3,60,799.54
As at 31st March, 2022 (PY)	5,33,407.21	500.00	987.70	5,32,919.52	1,53,386.61	18,857.23	123.86	1,72,119.98	3,60,799.54	3,80,020.61

14 NON CURRENT INVESTMENTS :-

Particulars	31/03/2023(₹)	31/03/2022(₹)
Non-Trade Investments (At Cost) (Unquoted)		
Investment in National Saving Certificate (Lodged with Sales Tax Authorities)	-	10.00
Equity Shares of NKGSB Co-Op. Bank Ltd. (2,250 equity shares of Rs. 10 each) (P.Y. Nil)	22.50	-
TOTAL	22.50	10.00

15 LONG TERM LOANS & ADVANCES :- (Unsecured, Considered Good)

Particulars	31/03/2023(₹)	31/03/2022(₹)
TOTAL	-	-

16 OTHER NON-CURRENT ASSETS :-

Particulars	31/03/2023(₹)	31/03/2022(₹)
Security Deposits	4,243.31	4,200.50
Fixed Deposits with Bank (Maturity more than 12 Months)	100.00	100.00
TOTAL	4,343.31	4,300.50

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17 CURRENT INVESTMENTS :-

Particulars	31/03/2023(₹)	31/03/2022(₹)
Non-Trade Investments (At Cost), Quoted		
Investment in Mutual Funds		
HDFC Low Duration Fund (1,07,864.119 units) (P.Y. 1,07,864.119 units)	5,000.00	5,000.00
Kotak Low Duration Fund (2,877.19 units) (P.Y. 2,877.19 units)	7,800.00	7,800.00
Kotak Savings Fund (46,228.38 units) (P.Y. 46,228.38 units)	1,566.58	1,566.58
TOTAL	14,366.58	14,366.58
Market value of Current Investments	15,207.99	14,512.32

18 INVENTORIES :-

Particulars	31/03/2023(₹)	31/03/2022(₹)
Inventories of Food & Beverages	1,065.64	459.51
Inventories of Wine Shop	716.91	661.74
Inventories of Hotel Consumables	1,372.49	378.60
TOTAL	3,155.04	1,499.85

19 TRADE RECEIVABLES :-

Particulars	31/03/2023(₹)	31/03/2022(₹)
(a) Outstanding for a period exceeding Six Months	-	28.99
(b) Others	9,544.34	6,890.02
TOTAL	9,544.34	6,919.01

Trade Receivables are as per books and have not been corroborated by circulation / confirmation of balances. The Company holds no security other than the personal security of Debtors.

20 CASH AND CASH EQUIVALENTS :-

Particulars	31/03/2023(₹)	31/03/2022(₹)
Balances with Banks		
- In Current Accounts	3,853.39	3,602.54
- Fixed Deposits with Bank (Maturity within 12 Months)	-	-
Cash in Hand	559.22	132.09
TOTAL	4,412.60	3,734.62

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21 SHORT-TERM LOANS AND ADVANCES :- (Unsecured, Considered Good)

Particulars	31/03/2023(₹)	31/03/2022(₹)
Balance with Direct Tax Authorities	2,408.15	1,592.93
Balance with Indirect Tax Authorities	-	123.24
Advance to Suppliers	4.39	-
Other Short Term Loans and Advances	-	1.50
TOTAL	2,412.54	1,717.67

Balance shown in GST Input / GST Output Ledgers under the head Loans & Advances / Current liabilities may not necessarily reconcile with the GSTR3B and GSTR1 returns filed by the company and credits appearing in GSTR2A as per filings done by suppliers of the company. The same are subject to reconciliation and rectification, wherever necessary and shall be finalized at the time of filing of Annual Return by the Company. The Current GST Input Credit / GST Output Liabilities are stated based on the books of accounts maintained by the Company. Financial Impact on account of such reconciliation / rectification shall be quantified and accounted for only at the time of finalization of the GST Annual Return & Reconciliation Statement i.e. GSTR-9 & 9C of the Company.

22 OTHER CURRENT ASSETS :-

Particulars	31/03/2023(₹)	31/03/2022(₹)
Prepaid Expenses	451.10	626.88
Interest Accrued on FD	13.14	43.12
TOTAL	464.25	670.00

23 CONTINGENT LIABILITIES AND COMMITMENTS:-

Particulars	31/03/2023(₹)	31/03/2022(₹)
Contingent Liabilities		
Claims against the Company not acknowledged as debt	-	-
Guarantees (Bank Gurantee)	-	-
Other Moneys for which Company is contingently liable	-	-
TOTAL	-	-
Commitments		
Estimated amounts of contracts remaining to be executed on capital account and not	-	-
Uncalled liability on shares or investments partly paid	-	-
Other Commitments	-	-
TOTAL	-	-

24 The company has used the Borrowings from Banks and/ or Financial institutions for the purpose for which they were taken as at the Balance Sheet date.

25 In the opinion of the Board, all assets which are considered good (other than Property, Plant & Equipment and Non- Current Investments) are expected to realise at least the amount at which they are stated, if realised in the ordinary course of business. Further in the opinion of the Board, provision for all known liabilities has been adequately made in the accounts and as per management experience and estimates, no additional provisions are required.

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26 AGEING OF TRADE PAYABLES DUE :-

Particulars	Outstanding for following periods from due date of payment				Total (₹)
	< 1 Yr	1 - 2 Yrs	2 - 3 Yrs	> 3 Yrs	
(a) MSME P.Y.	-	-	-	-	-
(b) Others P.Y.	6,024.24 (7,413.24)	119.89 (3,821.36)	50.58 -	- -	6,194.71 (11,234.60)
(c) Disputed MSME P.Y.	-	-	-	-	-
(d) Disputed Others P.Y.	-	-	-	-	-
TOTAL P.Y.	6,024.24 (7,413.24)	119.89 (3,821.36)	50.58 -	- -	6,194.71 (11,234.60)

27 AGEING OF TRADE RECEIVABLES DUE :-

Particulars	Outstanding for following periods from due date of payment					Total (₹)
	< 6 Months	< 1 Yr	1 - 2 Yrs	2 - 3 Yrs	> 3 Yrs	
(a) Undisputed						
Considered Good P.Y.	9,544.34 (6,890.02)	- (28.99)	-	-	-	9,544.34 (6,919.01)
Considered Doubtful P.Y.	-	-	-	-	-	-
(b) Disputed						
Considered Good P.Y.	-	-	-	-	-	-
Considered Doubtful P.Y.	-	-	-	-	-	-
TOTAL P.Y.	9,544.34 (6,890.02)	- (28.99)	- -	- -	- -	9,544.34 (6,919.01)

29 REVENUE FROM OPERATIONS :-

Particulars	31/03/2023(₹)	31/03/2022(₹)
Room Revenue	71,305.80	41,494.07
Food and Beverages Sale	16,133.68	9,218.85
Liquor Sales	6,926.14	5,487.97
Other Operational Income	9,813.68	8,907.96
TOTAL	1,04,179.30	65,108.84

30 OTHER INCOME :-

Particulars	31/03/2023(₹)	31/03/2022(₹)
Interest Income	245.40	509.89
Miscellaneous Income	-	16.88
Gain on Sale of Mutual fund Units (Short term)	-	97.15
Insurance Claim Received	-	144.39
Profit on Sale of Fixed Asset	385.01	-
Sundry Balances Written Off (Net)	456.40	-
Prior Period Income (Net)	47.66	-
TOTAL	1,134.47	768.30

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31 COST OF MATERIALS CONSUMED :-

Particulars	31/03/2023(₹)	31/03/2022(₹)
Consumption of Food & Beverages	11,227.58	6,495.28
Consumption of Liquor	3,655.01	2,990.68
Consumables and Other Materials Consumed	2,650.09	2,116.06
TOTAL	17,532.68	11,602.02

32 EMPLOYEE BENEFIT EXPENSES :-

Particulars	31/03/2023(₹)	31/03/2022(₹)
Directors Remuneration	3,063.07	2,674.11
Salary, Wages & Allowances	15,751.60	12,351.34
Provident Fund Exp	64.94	58.08
Staff Welfare	250.63	311.97
Gratuity	141.01	44.28
Leave Encashment	(25.11)	(54.21)
TOTAL	19,246.15	15,385.56

33 FINANCE COSTS :-

Particulars	31/03/2023(₹)	31/03/2022(₹)
Interest on Term Loan	13,657.41	12,087.89
Bank Charges and Other Borrowing Costs	32.12	310.15
TOTAL	13,689.54	12,398.04

34 OTHER EXPENSES :-

Particulars	31/03/2023(₹)	31/03/2022(₹)
(a) Administrative & Other Expenses		
Auditors Remuneration	150.00	150.00
Contract Service	1,915.27	1,611.74
Credit Card Commission	48.01	20.86
Power / Electricity and Fuel Charges	7,528.32	5,613.99
Hospitality Expense	728.16	642.80
Insurance Expense	673.76	741.70
Legal & Professional Expenses	570.75	764.51
Office Expense	43.72	136.10
Fees to Operating Company	5,422.17	2,589.69
Freight and Conveyance	1,805.40	1,374.75
Miscellaneous Expense	175.97	67.21
Prohibition Expense	1,190.15	568.01
Printing & Stationery and Postage / Courier Expense	238.96	437.94
Rent Expenses	3,237.83	2,953.28
Repairs & Maintenance	5,506.88	2,766.43
Rates & Taxes	72.78	73.38
Telephone & Internet Expense	688.39	573.83
Travelling & Conveyance Expense	184.16	59.96
Sundry Balances Written Off (Net)	-	58.37
Prior Period Expense	-	386.03
Laundry Expenses	2,898.64	2,661.90
Total (b)	33,079.31	24,252.49
(c) Selling & Distribution Expenses		
Commissions to Booking Agencies	541.83	291.72
Advertisement and Publicity Expenses	134.19	42.91
Total (c)	676.01	334.63
TOTAL (a+b+c)	33,755.32	24,587.12

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35 C.I. F. VALUE OF IMPORTS :-

Particulars	31/03/2023(₹)	31/03/2022(₹)
	-	-
	-	-

36 EXPENDITURE IN FOREIGN CURRENCY :-

Particulars	31/03/2023(₹)	31/03/2022(₹)
Total	-	-

37 EARNINGS IN FOREIGN CURRENCY :-

Particulars	31/03/2023(₹)	31/03/2022(₹)
	-	-

38 AUDITORS' REMUNERATION :-

Particulars	31/03/2023(₹)	31/03/2022(₹)
As Statutory Auditors	100.00	100.00
As Tax Auditors	50.00	50.00
Total	150.00	150.00

39 POST EMPLOYMENT BENEFITS :-

Provident Fund paid during the year being defined contributions have been charged to the Profit and Loss Account.

The Company has defined benefit Gratuity and Leave Encashment plan. The Company has availed the services of actuarial valuation for creating a provision towards Gratuity and Leave Encashment and accordingly the amount towards Gratuity and Leave Encashment is provided for as per the actuarial valuation report.

Method Used

Projected Unit Credit Method

Actuarial Assumptions Used

Mortality Rates
Discount Rate
Withdrawal Rates
Salary Escalation Rate

Indian Assured Lives Mortality
7.20 % p.a (P.Y 5.15 %)
50.00% p.a at all ages (P.Y
7.00 % p.a

Particulars	31/03/2023(₹)		31/03/2022(₹)	
	Gratuity	Leave	Gratuity	Leave
Components of Employer Expense				
Current Service Cost	56.69	46.28	55.04	72.09
Interest Cost	10.84	5.93	7.84	6.64
Expected return on Plan Assets				
Actuarial Losses/(gains)	73.47	(77.32)	(18.60)	(132.94)
Prior Year Charges				
Total Expense recognised in the Statement of Profit & Loss.	141.01	(25.11)	44.28	(54.21)
Net Asset/(Liability) recognised in the Balance Sheet				
Present Value of Unfunded Benefit Obligation	409.88	129.50	268.87	154.61
Fair Value of Plan Assets				
Net Asset/(Liability) recognised in the Balance Sheet	409.88	129.50	268.87	154.61
Change in Defined Benefit Obligations (DBO) during the year				
Present value of DBO at beginning of the year	268.87	154.61	224.59	208.82
Current Service Cost	56.69	46.28	55.04	72.09
Interest Cost	10.84	5.93	7.84	6.64
Actuarial (Gains)/Losses	73.47	(77.32)	(18.60)	(132.94)
Transfer - in - Liability	-		-	
Benefits Paid				
Prior Year Charge	-		-	
Present Value of DBO at the end of the year	409.88	129.50	268.87	154.61

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40 RELATED PARTY TRANSACTIONS :-

The Company has identified all the related parties having transactions during the year in line with Accounting Standard 18. Details of the same are as under

(a) Details of Related Parties

Name of Related Parties	Nature of Relationship
Vipul Purshottamdas Thakkar	Key Managerial Person
Khyati Y. Parikh	Key Managerial Person
Munjal Vipul Thakkar	Non Executive Directors
Vishakaben Vipul Thakkar	Non Executive Directors
Vipul Purshottamdas Thakkar (HUF)	Relative of Key Management Person
Devarshi Thakkar	Relative of Non Executive Director

(b) Transactions with Related Parties

Nature of Related Party	Nature of Transaction	31/03/2023(₹)	31/03/2022(₹)
KMP :	Directors Remuneration	3,063.07	2,674.11
	Remuneration	234.68	213.86
	Proceeds from issue of Shares	-	10,437.00
Non Executive Directors	Rent paid	416.51	389.26
	Proceeds from issue of Shares	-	4,563.00
Relative of Key Management Person	Proceeds from issue of Shares	-	4,500.00

41 DISCLOSURE ON LEASES :-

The Company has taken certain premises under operating lease or leave and license agreement. The lease terms in respect of such premises are on basis on individual agreement with respective owners. The lease payments are recognized in the Statement Profit and Loss.

Particulars	31/03/2023(₹)	31/03/2022(₹)
Lease Payments recognized in the Statement of Profit and Loss	3,237.83	2,953.28

42 EARNINGS PER SHARE :-

In line with Accounting Standard 20 the Earnings Per Share details are given below :

Particulars		31/03/2023(₹)	31/03/2022(₹)
Profit After Taxation	₹	2,133.05	(17,622.92)
Weighted Average Number of Equity	Nos.	4,14,00,000	4,12,22,466
Nominal Value of Shares	₹	10	10
Earnings Per Share	₹	0.05	-0.43

Weighted Average Number of Equity
Shares

{2023 : [41400000 * 365/365] }

{2022 : [(38999999 * 27/365) + (41400000 * 338/365)] }

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43 FINANCIAL RATIOS :-

Sr. No.	Ratios	Numerator Base	Denominator Base	As at 31st March 2023	As at 31st March 2022	Variance
1	Current Ratio There is increase in current liabilities due to expected repayments of borrowings within one year, resulting in decrease in ratio.	Current Assets	Current Liabilities	0.80	1.24	-35.50%
2	Debt - Equity Ratio	Short term Borrowings + Long term Borrowings	Total Equity	0.52	0.56	6.82%
3	Debt Service Coverage Ratio There is profit in the current year as against substantial loss in preceeding year over similar debt service, resulting in improvement in ratio.	Earning for Debt Service (PAT + Depreciation + Interest + Other Non Cash Expenses)	Total Debt Service (Interest + Finance Lease Payments + Principal Repayment)	1.61	0.75	114.15%
4	Return on Equity The company has made profit in the current year resulting into improvement in ratio.	Profit After Tax	Average Shareholder's Equity	0.01	-0.07	111.89%
5	Inventory Turnover Ratio There is increase in total revenue for the year resulting into improvement in ratio.	Net Sales (excluding Operational Income)	Average Inventory	40.54	28.76	40.99%
6	Trade Receivables Turnover Ratio There is increase in total revenue for the year resulting into improvement in ratio.	Net Sales (excluding Operational Income)	Average Trade Receivables	11.46	8.30	38.08%
7	Trade Payables Turnover Ratio There has been a reduction in Average Trade Payables due to efficient payments which has resulted in improvement in ratio.	Net Purchase	Average Trade Payables for Goods	8.24	5.47	50.68%
8	Net Capital Turnover Ratio The average Working Capital for current year & for the preceding financial year is negative, hence ratio is not applicable.	Net Sales (including Operational Income)	Average Working Capital	N.A.	N.A.	N.A.
9	Net Profit Ratio The company has made profit in the current year resulting into improvement in ratio.	Net Profit After Tax	Total Revenue	0.02	-0.27	107.57%
10	Return On Capital Employed The company has made profit in the current year resulting into improvement in ratio.	Earning before Interest And Tax	Capital Employed	0.04	-0.01	429.60%
11	Return On Investment The company has made profit in the current year resulting into improvement in ratio.	Net Profit	Total Assets	0.01	-0.04	112.45%

44 IMPAIRMENT OF ASSETS

In absence of any indications, external or internal, as to any probable impairment of assets, no provision has been made for same during year under report.

45 SEGMENT REPORTING

With respect to Accounting Standard-17, the Management of the Company is of the view that the Services offered by the Company are only relating to a single Hotel Unit, having the same risks and returns, same type and class of customers and regulatory environment. Hence, the business of Company belongs to a single business as well as geographical segment only.

46 BORROWING COSTS

No Borrowing Costs were eligible for capitalisation during the year.

47 PRIOR PERIOD ADJUSTMENTS

The amount shown as Prior Year Adjustment in the Statement of Profit and Loss includes Rs. Nil (PY 6,70,085) being certain unreconciled / unmatched balances / unidentified balances relating to earlier years adjusted in the current year to reconcile the closing amounts in respective groups.

48 CRYPTO CURRENCY / VIRTUAL CURRENCY :-

The Company has not traded or invested in Crypto Currency or Virtual Currency during the Financial Year

49 UNDISCLOSED INCOME :-

There are no transactions which are not recorded in books and have been surrendered or disclosed as income during the year in Income Tax Assessments.

50 The various amounts disclosed in Notes to Financial Statements are rounded off to nearest thousands.

51 The figures in respect of previous year have been regrouped / recast wherever necessary to confirm the current year classification.

For Naresh & Co.,
Chartered Accountants (FRN: 106928W)

sd/-
CA Harin Parikh
Partner
Mem. No. 107606

UDIN : 23107606BGVYDS6981

Place : Vadodara
Date : 19.08.2023

For & on behalf of the Board
For Sapthagiri Hospitality Pvt. Ltd.

sd/-	sd/-
Vipul Thakkar	Munjali Thakkar
Managing Director	Director
DIN:00383851	DIN:00346146

sd/-
Jinal Bhavik Shah
Company Secretary
ACS:A68045

Place : Vadodara
Date : 19.08.2023

NOTES

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SAPTHAGIRI HOSPITALITY PRIVATE LIMITED

CIN: U55100GJ2009PTC055855

Regd. Office: 17 & 18 Saptagiri Complex, Opp. the Gateway Hotel, Nr. Akota Garden, Akota, Vadodara – 390 020

Please fill attendance slip and hand it over at the entrance of the Meeting venue.

Name and address of the Shareholder:

No. of Shares held:

I/we hereby record my/our presence at the **15th ANNUAL GENERAL MEETING** of the Company held on **Thursday, 14th September, 2023 at 12:00 PM (IST)** at 17 & 18 Saptagiri Complex, Opp. the Gateway Hotel, Nr. Akota Garden, Akota, Vadodara – 390 020.

Signature of the Shareholder/Proxy

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PROXY FORM

SAPTHAGIRI HOSPITALITY PRIVATE LIMITED

CIN: U55100GJ2009PTC055855

Regd. Office: 17 & 18 Saptagiri Complex, Opp. the Gateway Hotel, Nr. Akota Garden, Akota, Vadodara – 390 020

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of Members(S):

Registered Address:

E – Mail Id:

Folio No. / Client ID*: _____ DP ID _____

I/We, being the member (S) of holding _____ shares of the above named company, hereby appointment following as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on **Thursday, 14th September, 2023 at 12:00 PM (IST)** at its Registered Office, 17&18 Saptagiri Complex, Opp. The Gateway Hotel, Nr. Akota Garden, Akota, Vadodara 390020, Gujarat, INDIA in respect of such resolution as are indicated below:

1. Name : _____ Address : _____
2. E – Mail ID _____ Signature _____ or failing him.

Item No.	Resolution(S)	Type of Resolution	For	Against
1	To consider and adopt (a) the audited financial statement of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon	Ordinary Resolution		

Signed this _____ day of _____, 2023

Affix Re. 1
Revenue
Stamp

Signature of Shareholder _____

Signature of Proxy holder(S) _____

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.

Route Map
(From Vadodara Airport to Registered Office)

