

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SAHARA HOSPITALITY LIMITED**

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the standalone financial statements of Sahara Hospitality Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2021, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, **except for the possible effects of the matter described in the Emphasis of Matters section of our report**, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Emphasis of Matters

We draw your attention to the following matters:

1. We draw attention to Note 1.3 (VI) to the standalone financial statements, which describe the possible effect of uncertainties relating to COVID-19 pandemic on the Company's financial performance as assessed by the Management.
2. We draw attention to the fact that the management of the company has not made payment of Bonus to employees pertaining to earlier years amounting to Rs. 67.27 Lakh. As per Payment of Bonus act, 1965, payment of bonus is to be made within 8 months from close of the relevant financial year.
3. During the Financial Year 2015-16, the Gratuity Trust in which company was making gratuity contribution was dissolved, and upon dissolution, the Trust has refunded the amount pertaining to the company but company has neither created any Recognized Gratuity Fund Trust nor made any other arrangement to deposit this amount to any other recognized Gratuity Fund Trust.
4. Reference is invited to Note 11 to the Standalone Ind AS financial statements regarding deposit of Rs. 9,900,000/- to Sahara-SEBI Refund account in the matter of dispute in respect of repayment of Optionally Fully Convertible Debentures (OFCDs) by two group companies, namely M/s Sahara India Real Corporation Limited & Sahara Housing Investment Corporation Limited as per Hon'ble Supreme Court vide it's order dated 4th June, 2014. However, we are unable to ascertain whether this amount is fully recoverable or not and its further impact, if any, that may arise in case if this amount is subsequently determined to be doubtful of recovery.



5. The balance of Credit card of union Bank of India of Rs. 737.07 lakhs and some of the balances of Trade Receivables, Loans & Advances and Group Company accounts (including the balance of the holding company) are subject to confirmation, reconciliation and adjustment, if any, in the books of accounts. In view of non-reconciliation and non-confirmation, we are not in a position to ascertain and comment on the correctness of the outstanding balances and resultant impact of the same on the Financial Statements of the Company.

Our opinion is not modified in respect of these matters.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the 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 and Board of Directors' Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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



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

- Identify and assess the risks of material misstatement of the standalone 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to the financial statements 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 in standalone financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors' 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government in terms of section 143(11) of the Act, we give in "Annexure B", a statement on the matters specified in the paragraphs 3 and 4 of the 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 purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act;



- e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its standalone financial statements - Refer note 29 & 30 to the standalone financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts, including derivative contracts;
 - iii. There were no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
3. With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

Place: Lucknow
Date: 06/09/2021



For D.S.SHUKLA & CO.
Chartered Accountants
Firm Reg. No.: 000773C

Praveen Kumar Agarwal
(PRAVEEN KUMAR AGARWAL)
Partner

Membership No.: 416717

ICAI UDIN: 21416717AAAACG8503

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT
31 March 2021

(Referred to in our report of even date)

Report on the internal financial controls with reference to the aforesaid standalone financial statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013

(Referred to in paragraph 15(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Sahara Hospitality Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.



Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of Management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper Management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Place: Lucknow
Date: 06/09/2021



For D.S.SHUKLA & CO.
Chartered Accountants
Firm Reg. No.: 000773C

Praveen Kumar Agarwal
(PRAVEEN KUMAR AGARWAL)
Partner

Membership No.: 416717

ICAI UDIN: 21416717AAAACG8503

Annexure B to the Independent Auditor's Report
31 March 2021

With reference to the Annexure B referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2021, we report the following:

| | | |
|-------|-----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (i) | (a) | The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets (Property, plant and equipments). |
| | (b) | As per the explanation and information provided to us, Fixed Assets have not been physically verified by the Management during the year hence we are unable to comment on the discrepancies, if any, which could have arisen on such verification. |
| | (c) | The Company is situated on a leasehold land, held by Airport Authority of India and lease deed of the building structure is in the name of Sahara Hospitality Limited. |
| (ii) | | Inventory has been physically verified by the Management during the year. In our opinion, the frequency of such verification is reasonable. No material discrepancies were noticed on such physical verification. |
| (iii) | | According to the information and explanations given to us the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 (the Act). Accordingly, paragraphs 3(iii) (a), (b) and (c) of the Order are not applicable to the Company. |
| (iv) | | In our opinion and according to information and explanations given to us, the Company has complied with provisions of Section 185 and 186 of the Act in respect of loans, investments, guarantees and security. |
| (v) | | In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company. |
| (vi) | | The Central Government has not prescribed maintenance of cost records under section 148(1) of the Act. Hence no such accounts and records have been made and maintained. |
| (vii) | (a) | On Examination of the books of accounts and other records of the Company we report that the Company is not regular in depositing its statutory dues including Income-tax, Goods and Service tax, and other material statutory dues as applicable with the appropriate authorities. Further, the company has taken certain input credit in GST on the basis of manual filing of relevant returns which is subject matter of acceptance by the department and liability given below may increase on account of disallowance of such Input credits claimed by the company. The following statutory liabilities are pending for payment for a period of more than six months from the date they became payable: |



| | | (Rs. in Lacs) | | | | |
|-------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|----------|------------------------------|-------|--------|
| | | TDS | 313.07 | | | |
| | | Luxury Tax | 182.01 | | | |
| | | Provident Fund | 20.69 | | | |
| | | Professional Tax | 1.66 | | | |
| | | ESIC | 0.17 | | | |
| | | Supplier Provident Fund | 1.06 | | | |
| | | Supplier ESIC | 4.56 | | | |
| | | Goods & Service Tax | 1,090.98 | | | |
| | | N A TAX | 58.09 | | | |
| | | VAT WCT PAYABLE | 58.34 | | | |
| (b) | According to the information and explanations given to us, the company has filed a petition before the Hon'ble High Court of Mumbai with regard to the stay of online GST return filing, cancellation of GST registration and several other notices issued by the GST Department, against which the Hon'ble High Court in its order dated 11 January 2021 has stayed the cancellation of the registration dated 24.12.2020 and has also said that in the meantime no coercive step shall be taken against the petitioner for best judgment assessment. However, there are other no dues of income-tax, sales tax, service tax, duty of customs and value added tax as at 31 March 2021, which have not been deposited with the appropriate authorities on account of any dispute. | | | | | |
| (vii) | Based on our audit procedures and as per the information and explanations given by the management, the Company has defaulted in terms of delay in repayment of dues to Banks as detailed below: | | | | | |
| | | Amount (₹ in Lakhs) | | Period of Delay (In days) | | |
| | | Borrowings | Interest | | Total | |
| | | Term Loan From Bank - I | | | | |
| | | For Nov-2019 | 6.82 | 15.97 | 25.93 | 488.00 |
| | | For Dec-2019 | 6.82 | 19.11 | 25.93 | 457.00 |
| | | For Jan-2020 | 6.82 | 19.11 | 25.93 | 426.00 |
| | | For Feb-2020 | 6.82 | 19.11 | 25.93 | 397.00 |
| | | For Mar-2020 | 6.82 | 19.11 | 25.93 | 366.00 |
| | | For April 2020 | 6.82 | 19.11 | 25.93 | 335.00 |
| | | For May 2020 | 6.82 | 19.11 | 25.93 | 304.00 |
| | | For June 2020 | 6.82 | 19.11 | 25.93 | 274.00 |
| | | For July 2020 | 6.82 | 19.11 | 25.93 | 243.00 |



| | | | | |
|---------------------------------|-----------------|-----------------|-----------------|--------|
| For Aug 2020 | 6.82 | 19.11 | 25.93 | 212.00 |
| For Sep 2020 | 6.82 | 19.11 | 25.93 | 182.00 |
| For Oct 2020 | 6.82 | 19.11 | 25.93 | 151.00 |
| For Nov 2020 | 6.82 | 19.11 | 25.93 | 121.00 |
| For Dec-2020 | 6.82 | 19.11 | 25.93 | 90.00 |
| For Jan-2021 | 6.82 | 19.11 | 25.93 | 59.00 |
| For Feb-2021 | 6.82 | 19.11 | 25.93 | 31.00 |
| For Mar-2021 | 6.82 | 19.11 | 25.93 | 1.00 |
| | 115.94 | 321.73 | 440.81 | |
| Term Loan From Bank- II | | | | |
| For Oct-2019 | - | 245.00 | 257.00 | 518.00 |
| For Nov-2019 | 128.24 | 299.40 | 427.64 | 488.00 |
| For Dec-2019 | 138.24 | 299.40 | 437.64 | 457.00 |
| For Jan-2020 | 138.24 | 299.40 | 437.64 | 426.00 |
| For Feb-2020 | 138.24 | 299.40 | 437.64 | 397.00 |
| For Mar-2020 | 138.24 | 299.40 | 437.64 | 366.00 |
| For April 2020 | 138.24 | 299.40 | 437.64 | 335.00 |
| For May 2020 | 138.24 | 299.40 | 437.64 | 304.00 |
| For June 2020 | 138.24 | 299.40 | 437.64 | 274.00 |
| For July 2020 | 138.24 | 299.40 | 437.64 | 243.00 |
| For Aug 2020 | 138.24 | 299.40 | 437.64 | 212.00 |
| For Sep 2020 | 138.24 | 299.40 | 437.64 | 182.00 |
| For Oct 2020 | 138.24 | 299.40 | 437.64 | 151.00 |
| For Nov 2020 | 138.24 | 299.40 | 437.64 | 121.00 |
| For Dec-2020 | 138.24 | 299.40 | 437.64 | 90.00 |
| For Jan-2021 | 138.24 | 299.40 | 437.64 | 59.00 |
| For Feb-2021 | 138.24 | 299.40 | 437.64 | 31.00 |
| For Mar-2021 | 138.24 | 299.40 | 437.64 | 1.00 |
| | 2,340.08 | 5,334.80 | 7,686.88 | |
| Term Loan From Bank- III | | | | |
| For Oct-2019 | 57.00 | - | 57.00 | 518.00 |
| For Nov-2019 | 106.30 | - | 328.71 | 488.00 |
| For Dec-2019 | 106.30 | 79.19 | 328.71 | 457.00 |



| | | | | | |
|--------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|-----------------|--------|
| | For Jan-2020 | 106.30 | 222.41 | 328.71 | 426.00 |
| | For Feb-2020 | 106.30 | 222.41 | 328.71 | 397.00 |
| | For Mar-2020 | 106.30 | 222.41 | 328.71 | 366.00 |
| | For April 2020 | 106.30 | 222.41 | 328.71 | 335.00 |
| | For May 2020 | 106.30 | 222.41 | 328.71 | 304.00 |
| | For June 2020 | 106.30 | 222.41 | 328.71 | 274.00 |
| | For July 2020 | 106.30 | 222.41 | 328.71 | 243.00 |
| | For Aug 2020 | 106.30 | 222.41 | 328.71 | 212.00 |
| | For Sep 2020 | 106.30 | 222.41 | 328.71 | 182.00 |
| | For Oct 2020 | 106.30 | 222.41 | 328.71 | 151.00 |
| | For Nov 2020 | 106.30 | 222.41 | 328.71 | 121.00 |
| | For Dec-2020 | 106.30 | 222.41 | 328.71 | 90.00 |
| | For Jan-2021 | 106.30 | 222.41 | 328.71 | 59.00 |
| | For Feb-2021 | 106.30 | 222.41 | 328.71 | 31.00 |
| | For Mar-2021 | 106.30 | 222.41 | 328.71 | 1.00 |
| | | 1,864.10 | 3,415.34 | 5,645.07 | |
| (ix) | According to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were raised. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. | | | | |
| (x) | According to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the course of our audit. | | | | |
| (xi) | According to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act. | | | | |
| (xii) | In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company. | | | | |
| (xiii) | According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard (Ind AS) 24 - Related Party Disclosures. | | | | |
| (xiv) | According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company. | | | | |



| | |
|-------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (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 any noncash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company. |
| (xvi) | In our opinion and according to the 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. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company. |

Place: Lucknow
Date: 06/09/2021

For D.S. SHUKLA & CO.
Chartered Accountants
Firm Reg. No.: 000773C



Praveen Kumar Agarwal
(PRAVEEN KUMAR AGARWAL)
Partner
Membership No.: 416717
ICAI UDIN: 21416717AAAAAG8503

SAHARA HOSPITALITY LIMITED
Balance Sheet as at March 31, 2021

| Particulars | Note No. | As at March 31, 2021 (₹. Lakhs) | As at March 31, 2020 (₹. Lakhs) |
|-------------------------------------------|----------|---------------------------------------|---------------------------------------|
| ASSETS | | | |
| <u>NON-CURRENT ASSETS</u> | | | |
| Property, Plant and Equipment | | 126,905.45 | 132,737.35 |
| Capital Work-In-Progress | 2 | - | - |
| Intangible Assets | | 84.14 | 92.57 |
| <u>Financial Assets:</u> | | | |
| Other financial assets | 3 | 263.37 | 263.37 |
| Deferred Tax Assets (Net) | 4 | 4,398.66 | 2,935.97 |
| Other Non-Current Assets | 5 | 1,811.93 | 2,768.66 |
| Total Non-Current Assets (I) | | 133,463.55 | 138,797.82 |
| <u>CURRENT ASSETS</u> | | | |
| Inventories | 6 | 881.14 | 969.59 |
| <u>Financial Assets:</u> | | | |
| Trade Receivables | 7 | 1,713.31 | 1,797.80 |
| Cash and cash equivalents | 8 | 509.76 | 84.54 |
| Other Bank Balance | 9 | 92.08 | 65.07 |
| Other financial assets | 10 | 1,004.72 | 338.98 |
| <u>Other Current Assets</u> | 11 | 214.37 | 224.89 |
| Total Current Assets (II) | | 4,415.38 | 3,480.87 |
| TOTAL ASSETS (I+II) | | 137,878.93 | 142,278.69 |
| EQUITY AND LIABILITIES | | | |
| <u>EQUITY</u> | | | |
| Equity Share Capital | 12 | 5,711.20 | 5,711.20 |
| Other Equity | 13 | (67,179.42) | (45,523.69) |
| Total Equity (A) | | (61,468.21) | (39,812.49) |
| <u>LIABILITIES</u> | | | |
| <u>NON-CURRENT LIABILITIES</u> | | | |
| <u>Financial Liabilities</u> | | | |
| Borrowings | 14 | 153,960.46 | 146,481.75 |
| Lease liabilities | 32 | 3,311.78 | 3,367.82 |
| Other Financial Liabilities | 15 | 7,980.19 | 8,436.40 |
| Provisions | 16 | 143.82 | 122.36 |
| Other Non-Current Liabilities | 17 | 1,548.20 | 1,126.95 |
| Total Non-Current Liabilities (B) | | 166,944.45 | 159,535.28 |
| <u>CURRENT LIABILITIES</u> | | | |
| <u>Financial Liabilities</u> | | | |
| Borrowings | 18 | 8,450.10 | 7,718.31 |
| Lease liabilities | 32 | 112.08 | 112.08 |
| Trade Payables | 19 | 5,325.80 | 5,140.06 |
| Other Current Financial Liabilities | 20 | 3,818.77 | 3,276.89 |
| Provisions | 21 | 3.06 | 2.99 |
| Other Current Liabilities | 22 | 14,692.88 | 6,305.57 |
| Total Current Liabilities (C) | | 32,402.68 | 22,555.90 |
| TOTAL LIABILITIES (D=B+C) | | 199,347.15 | 182,091.18 |
| TOTAL EQUITY AND LIABILITIES (A+D) | | 137,878.93 | 142,278.69 |
| Significant Accounting Policies | 1 | | |
| Notes to Accounts | 2-48 | | |


See accompanying Notes to Financial Statements.


As per our attached report of even date
For D.S.Shukla & Co.
Chartered Accountants
Firm Regn No. 000773C

For and on behalf of the Board


Praveen Kumar Agarwal
Partner
Membership No. 416717

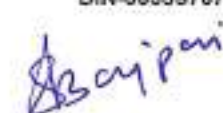



Muneesh Sodhi
Chief Executive Officer


O.P. Srivastava
Director
DIN-00144000


Mahipal Jain
Chief Financial Officer


Rachana Mehrotra
Director
DIN-08359787


Sweety Bajpal
Company Secretary

Place: Lucknow
Dated: 06-09-2021

SAHARA HOSPITALITY LIMITED

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

| Particulars | Note No. | March 31, 2021 (₹. Lakhs) | March 31, 2020 (₹. Lakhs) |
|--------------------------------------------------------------------|----------|------------------------------|------------------------------|
| Income: | | | |
| Revenue from Operations | 23 | 4,494.82 | 25,470.35 |
| Other Income | 24 | 749.90 | 312.93 |
| Total Income | | 5,244.72 | 25,783.28 |
| Expenses: | | | |
| Cost of Materials Consumed | 25 | 2,299.33 | 7,192.37 |
| Employee Benefits Expense | 26 | 1,825.39 | 2,161.04 |
| Finance Costs | 27 | 15,976.62 | 15,576.24 |
| Depreciation and Amortization | 2 | 5,929.97 | 6,198.74 |
| Other Expenses | 28 | 3,679.03 | 11,914.07 |
| Total Expenses | | 29,710.35 | 43,042.46 |
| Profit / (Loss) Before Tax | | (24,465.63) | (17,259.18) |
| Tax Expense: | | | |
| Current Tax | | - | - |
| Deferred Tax | | (1,462.70) | 2,566.42 |
| Profit / (Loss) for the year | | (23,002.93) | (19,845.60) |
| Other Comprehensive Income | | | |
| Items that will not be reclassified subsequently to profit or loss | | | |
| Actuarial (Gains) and Losses | | (11.58) | (7.78) |
| Total Comprehensive Income for the year | | (22,991.35) | (19,837.82) |
| Earnings / (Loss) Per Equity Share: | | | |
| Basic (in ₹ per share) | 40 | (40.28) | (34.75) |
| Diluted (in ₹ per share) | | (40.28) | (34.75) |
| Face value per Equity Share (in '₹) | | 10.00 | 10.00 |
| Significant Accounting Policies | 1 | | |
| Notes to Accounts | 2-48 | | |

See accompanying Notes to Financial Statements.

As per our attached report of even date

For D.S.Shukla & Co.
Chartered Accountants
Firm Regn No. 000773C

For and on behalf of the Board


Praveen Kumar Agarwal
Partner
Membership No. : 416717




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Director
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Director
DIN-08359787


Sweety Bajpai
Company Secretary

Place: Lucknow
Dated: 06-09-2021

SAHARA HOSPITALITY LIMITED
Cash Flow Statement for the year 2020-21

| Particulars | March 31, 2021 (₹ Lakhs) | March 31, 2020 (₹ Lakhs) |
|------------------------------------------------------------------|-----------------------------|-----------------------------|
| A CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit / (loss) before tax as per Profit and Loss Statements | (24,455.63) | (17,258.16) |
| Adjustment for: | | |
| Depreciation and Amortization | 5,929.97 | 6,198.74 |
| Interest Expense on Preference Shares | 8,444.51 | 7,804.27 |
| Interest cost on fair valuation of security deposit | 259.37 | 134.14 |
| Interest Paid | 7,133.54 | 7,355.96 |
| Interest Income on Fixed Deposit and Others | (7.72) | (7.36) |
| Unwinding of deferred income on security deposit accepted | (237.93) | (138.74) |
| Excess provision no longer required | 181.82 | (147.96) |
| Provision for Doubtful Debts and Advances | 1,139.82 | 1,193.06 |
| Provision for Employee Benefits | 3.06 | 14.23 |
| Unrealised Exchange Gain | 0.01 | (0.30) |
| | 22,848.45 | 22,408.06 |
| Operating Profit before working capital changes | (1,619.18) | 5,146.88 |
| Adjustment for: | | |
| (Increase)/Decrease in Trade Receivable | 84.49 | 744.67 |
| (Increase)/Decrease in Inventories | 88.45 | 655.10 |
| Increase/(Decrease) in Trade and Other Payable | 9,547.34 | 5,225.94 |
| (Increase)/Decrease Loans and Advances | 301.41 | (986.16) |
| | 10,021.69 | 5,639.73 |
| Cash generated from operations | 8,402.51 | 10,786.63 |
| Direct Tax Paid | - | - |
| Net Cash from operating activities (I) | 8,402.51 | 10,786.63 |
| B CASH FLOW FROM INVESTING ACTIVITIES | | |
| Addition to Fixed Asset/ Capital work in progress | (89.63) | (85.42) |
| Bank Balance not considered as Cash and Cash Equivalents | (27.01) | 144.51 |
| Investment in Fixed Deposit | 27.01 | 2.00 |
| Interest Received on Fixed Deposit and Others | 7.72 | 7.36 |
| Net Increase in Other Creditors | (143.22) | (1,224.67) |
| | (225.13) | (1,156.22) |
| Net Cash from investing activities (II) | (225.13) | (1,156.22) |
| C CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from Issue of Preference Shares | - | - |
| Interest Paid | (7,133.54) | (7,355.96) |
| Repayment of Long-Term Borrowings | (965.81) | (2,814.00) |
| Payment of lease Liabilities | (139.20) | (281.87) |
| Short-Term Loan Raised/(Repaid) (Net) | 486.39 | 645.83 |
| | (7,752.16) | (9,605.99) |
| Net Cash from financing activities (III) | (7,752.16) | (9,605.99) |
| Net Increase in Cash and Cash Equivalents (I+II+III) | 425.22 | 24.40 |
| Cash and Cash Equivalents at beginning of period | 84.54 | 60.14 |
| Cash and Cash Equivalents at end of period | 509.76 | 84.54 |
| Footnote : | | |
| Cash and Cash Equivalents at the end of the period | | |
| Cash in hand | 87.67 | 22.85 |
| Others - Union Bank Rewards Points | 2.68 | 2.68 |
| Balance with Banks | | |
| In Current Account | 419.41 | 59.01 |
| In Fixed Deposit Account | - | - |
| Total | 509.76 | 84.54 |

As per our attached report of even date
For D.S.Shukla & Co.
Chartered Accountants
Firm Regn No. 000773C

For and on behalf of the Board


Praveen Kumar Agarwal
Partner
Membership No. : 416717




O.P. Srivastava
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DIN-00144000


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Mahipal Jain
Chief Financial Officer


Rachana Mehrotra
Director
DIN-08359767


Sweety Bajpal
Company Secretary

Place: Lucknow
Dated: 06-09-2021

SAHARA HOSPITALITY LIMITED

Statement of Changes in Equity for the year ended March 31, 2021

| Particulars | | Amount (₹. Lakhs) | | | |
|-------------------------------------------------|---------------------------|-----------------------|----------------------------------------------------------|-------------------|-------------|
| A Equity Share Capital : | | | | | |
| As at April 1, 2020 | | - | | | |
| Changes in Equity Share Capital during the year | | 5,711.20 | | | |
| As at March 31, 2021 | | 5,711.20 | | | |
| B Other Equity : | | | | | |
| Particulars | Amount (₹. Lakhs) | | | | Total |
| | Equity Capital reserve | Securities Premium | Reserves and Surplus Other Comprehensive Income | Retained Earnings | |
| Balance at April 1, 2020 | 2,858.46 | 30,072.41 | (10,934.39) | (87,520.17) | (45,523.69) |
| Profit/(Loss) for the period | - | - | 11.58 | (23,002.93) | (22,991.35) |
| Amortised during the period | - | - | - | - | - |
| Equity capital reserve | 1,335.62 | - | - | - | - |
| Utilised during the period | - | - | - | - | 1,335.62 |
| Balance as at March 31, 2021 | 4,194.08 | 30,072.41 | (10,922.81) | (90,523.09) | (67,179.42) |
| | | | | | |
| | | | | | |
| | | | | | |

See accompanying Notes to Financial Statements.


As per our attached report of even date


For D.S.Shukla & Co.
Chartered Accountants
Firm Regn No. 000773C


O.P. Srivastava
Director
DIN-00144000

For and on behalf of the Board


Rachana Mehrotra
Director
DIN-08359787


Praveen Kumar Agarwal
Partner
Membership No. : 416717


Munish Sodhi
Chief Executive Officer


Mahipal Jain
Chief Financial Officer


Sweety Bajpai
Company Secretary

Place : Lucknow
Dated : 05-09-2021

SAHARA HOSPITALITY LIMITED

NOTE 1: BASIS OF PREPARATION, CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS, SIGNIFICANT ACCOUNTING POLICIES AND RECENT ACCOUNTING PRONOUNCEMENTS:

CORPORATE INFORMATION:

The Sahara Hospitality Limited (the "Company"), is primarily engaged in the business of owning, operating & Managing Hotel and Petrol pump.

The Company is domiciled and incorporated in India in 1989, and has its registered office at Hotel Sahara Star, Opposite Domestic Airport, Vile Parle-East, Mumbai-400099, India.

The financial statements for the year ended March 31, 2021 were approved by the Board of Directors and authorised for issue on 6 September, 2021.

1.1 STATEMENT OF COMPLIANCE:

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

1.2 BASIS OF PREPARATION:

These financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities are classified as current and non-current as per company's normal operating cycle of 12 months which is based on the nature of business of the company. Current Assets do not include elements which are not expected to be realized within 1 year and Current Liabilities do not include items which are due after 1 year, the period of 1 year being reckoned from the reporting date.

1.3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS:

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions, that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the years presented. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision to such estimates is recognized in the period in which the same is determined.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.



SAHARA HOSPITALITY LIMITED

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements pertain to:

i) Useful lives of property, plant and equipment and intangible assets:

The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the useful life of property, plant and equipment and Intangible assets as at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

ii) Impairment testing:

Property, plant and equipment, Right-of-Use assets and Intangible assets that are subject to amortization / depreciation are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

iii) Impairment of Investments:

The Company reviews its carrying value of investments carried at cost or amortized cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

iv) Loyalty Programme:

The Company estimates the fair value of points awarded under the Loyalty programme by applying statistical techniques. Inputs include making assumptions about expected breakages, the mix of products that will be available for redemption in the future and customer preferences, redemption at own hotels and other participating hotels.

The Company assesses whether the loyalty points provide a material right to the customer that needs to be accounted for as a separate performance obligation. The Company determines that the loyalty points provide a material right that the customer would not exercise without entering into the contract.



SAHARA HOSPITALITY LIMITED

v) Income Taxes:

Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and thereby the tax charges in the Statement of Profit or Loss.

Provision for tax liabilities require judgments on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the Statement of Profit or Loss.

vi) Estimation Uncertainty relating to the Global Health Pandemic on COVID-19:

On March 11, 2020, the World Health Organization declared COVID-19 outbreak as a pandemic. Responding to the potentially serious threat that this pandemic has to public health, the Indian Government has taken a series of measures to contain the outbreak, which included imposing multiple 'lock-downs' across the country, from March 22, 2020, and extended up to June 30, 2020.

The business has been severely impacted during the year on account of COVID-19. The Company witnessed softer revenues due to the lockdown imposed during the first six months of the year and a significant number of the Company's hotels had to be shut down. With the unlocking of restrictions, all the Company's hotels have been opened and business is expected to gradually improve across all hotels. During the second half of the year, the Company witnessed some signs of recovery of demand, especially in leisure destinations. Whilst there has been a second wave of the COVID-19 pandemic in the last few months in some States, there has also been increased vaccination drive by the Government and the Company continues to closely monitor the situation. The Company has also assessed the possible impact of COVID-19 in preparation of the standalone financial statements, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets and impact on revenues and costs.

The Company has considered internal and external sources of information and has performed sensitivity analysis on the assumptions used and based on current estimates, expects to recover the carrying amount of these assets. The impact of COVID-19 may be different from that estimated as at the date of approval of these standalone financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

The Company has adequate funds at its disposal and the Management is confident of securing additional financing, as required, for the next 12 months to enable the Company to meet its debts and obligations as they fall due. Accordingly, the financial statements of the Company have been prepared on a going concern basis.



SAHARA HOSPITALITY LIMITED

vii) Fair value measurement of financial instruments:

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. This involves significant judgements in selection of a method in making assumptions that are mainly based on market conditions existing at the Balance Sheet date and in identifying the most appropriate estimate of fair value when a wide range of fair value measurements are possible.

Litigation:

From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being always subject to many uncertainties inherent in litigation.

A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgment is made when evaluating, among other factors, the probability of unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

viii) Leases:

Critical Judgements in determining the Lease Term:

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Critical Judgements in determining the Discount Rate:

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

ix) Defined benefit plans:

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each Balance Sheet date.



SAHARA HOSPITALITY LIMITED

1.4 SIGNIFICANT ACCOUNTING POLICIES:

1.4.1 REVENUE RECOGNITION:

Revenue is recognized at an amount that reflects the consideration to which the company expects to be entitled in exchange for transferring the good or services to a customer i.e. on transfer of control of the goods or services to the customers. Revenue from Sales of goods or rendering of services is net of indirect Taxes, returns and discounts.

Income from Operations:

Rooms, Food and Beverage & Banquets: Revenue is recognized at the transaction price that is allocated to the performance obligation. Revenue includes room revenue, food and beverage sale and banquet services which is recognised once the rooms are occupied, food and beverages are sold and banquet services have been provided as per the contract with the customer.

Space and shop rentals:

Rentals basically consist of rental revenue earned from letting of spaces for retails and office at the properties. These contracts for rentals are generally of short term in nature. Revenue is recognized in the period in which services are being rendered.

Other allied services:

In relation to laundry income, communication income, health club income, airport transfers income and other allied services, the revenue has been recognized by reference to the time of service rendered.

Contract Balances:

a) Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

b) Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

Interest Income:

Interest income is accrued on a time proportion basis using the effective interest rate method.

Dividend:

Dividend income is recognized when Company's right to receive the amount is established.

Other Income:

Revenue is accountant for in statement of Profit and Loss on accrual basis.



SAHARA HOSPITALITY LIMITED

1.4.2 PROPERTY, PLANT AND EQUIPMENT:

- a) Property, plant and equipment are stated at cost, less accumulated depreciation (other than freehold land) and accumulated impairment losses, if any. All property, plant and equipment are initially recorded at cost. Cost includes the acquisition cost or the cost of construction, including duties and non-refundable taxes, expenses directly related to bringing the asset to the location and condition necessary for making them operational for their intended use and, in the case of qualifying assets, the attributable borrowing costs. Initial estimate of costs of dismantling and removing the item and restoring the site on which it is located is also included if there is an obligation to restore it. First time issues of operating supplies for a new hotel property, consisting of linen and chinaware, glassware and silverware (CGS) are capitalized and depreciated over their estimated useful life.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

- b) Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.
- c) Depreciation is charged to the Statement of Profit and Loss so as to expense the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight line method, as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets had been re-assessed as under based on technical evaluation, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support, etc.

| Class of Assets | Estimated Useful Life |
|------------------------------------------|-----------------------|
| Buildings | 60 years |
| Ownership Flats | 60 years |
| Plant and Machinery | 15 years |
| Furniture, Fixtures and Office Equipment | 8 years |
| Vehicles | 8 years |
| Computers | 6 years |

In respect of buildings on leasehold land, depreciation is based on the tenure which is lower of the life of the buildings or the expected lease period. Improvements to leasehold buildings are depreciated on the basis of their estimated useful lives or the expected lease period, whichever is lower. Freehold land is not depreciated. The assets' useful lives and residual values are reviewed at the Balance Sheet date and the effects of any changes in estimates are accounted for on a prospective basis.



SAHARA HOSPITALITY LIMITED

- d) The assets' useful lives and residual values are reviewed at the Balance Sheet date and the effects of any changes in estimates are accounted for on a prospective basis.
- e) An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss. Proportionate depreciation is charged for the addition and disposal made during the year.
- f) For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.
- g) Capital work in progress represents projects under which the property, plant and equipment are not yet ready for their intended use and are carried at cost determined as aforesaid.

1.4.3 INTANGIBLE ASSETS:

Intangible assets include cost of trademark and computer software, and designs, and cost incurred for development of the Company's website and certain contract acquisition costs. Intangible assets are initially measured at acquisition cost including any directly attributable costs of preparing the asset for its intended use. Expenditure on projects which are not yet ready for intended use are carried as intangible assets under development.

Intangible assets with finite lives are amortized over their estimated useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Intangible Assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. The estimated useful lives used for amortizing intangible assets are as under:

| Class of Assets | Estimated Useful Life |
|------------------------|------------------------------|
| Trademarks | 10 years |
| Computer Software | 10 years |

An intangible asset is de-recognized on disposal, or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the Statement of Profit and Loss when the asset is derecognized.

For transition to Ind AS, the Company has elected to continue with carrying value of all of its intangible assets recognized as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.



SAHARA HOSPITALITY LIMITED

1.4.4 IMPAIRMENT OF ASSETS:

Assets that are subject to amortization are reviewed for impairment periodically including whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the Statement of Profit and Loss.

1.4.5 BORROWING COSTS:

General and specific borrowing costs directly attributable to the acquisition or construction of qualifying assets that necessarily takes substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Borrowing costs that are not directly attributable to a qualifying asset are recognized in the Statement of Profit and Loss using the effective interest method.

1.4.6 FOREIGN CURRENCY TRANSACTIONS:

a) Functional and presentation currency:

The functional currency and presentation currency of the Company is Indian Rupee (₹).

b) Initial Recognition:

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.



SAHARA HOSPITALITY LIMITED

c) Subsequent Recognition:

As at the reporting date, non-monetary items which are carried at historical cost and denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value denominated in a foreign currency are retranslated at the rates prevailing at the date when the fair value was determined. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and exchange gains and losses arising on settlement and restatement are recognized in the Statement of Profit and Loss. Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction.

1.4.7 LEASES:

On inception of a contract, the Company assesses whether it contains a lease. A contract contains a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The right to use the asset and the obligation under the lease to make payments are recognized in the Company's statement of financial position as a right-of-use asset and a lease liability.

Right to Use Assets:

The right-of-use asset recognized at lease commencement includes the amount of lease liability recognized, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received. Right-of-use assets are depreciated over the shorter of the asset's estimated useful life and the lease term. Right-of-use assets are also adjusted for any re-measurement of lease liabilities and are subject to impairment testing. Residual value is reassessed annually.

Lease Liabilities:

The lease liability is initially measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments (including 'in-substance fixed' payments) and variable lease payments that depend on an index or a rate, less any lease incentives receivable. 'In-substance fixed' payments are payments that may, in form, contain variability but that, in substance, are unavoidable. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. The lease term includes periods subject to extension options which the Company is reasonably certain to exercise and excludes the effect of early termination options where the Company is reasonably certain that it will not exercise the option. Minimum lease payments include the cost of a purchase option if the Company is reasonably certain it will purchase the underlying asset after the lease term. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the 'in-substance fixed' lease payments or as a result of a rent review or change in the relevant index or rate.

Variable Lease

Variable lease payments that do not depend on an index or a rate are recognized as an expense in the period over which the event or condition that triggers the payment occurs.



SAHARA HOSPITALITY LIMITED

Short-term Leases and Leases of Low-Value Assets

The Company has opted not to apply the lease accounting model to intangible assets, leases of low value assets or leases which have a lease term of 12 months or less and don't contain purchase option. Costs associated with such leases are recognized as an expense on a straight line basis over the lease term.

Presentation of Lease Payments in Cash Flow Statements:

Lease payments are presented as follows in the Company's statement of cash flows:

- Short-term lease payments, payments for leases of low-value assets and variable lease payments that are not included in the measurement of the lease liabilities are presented within cash flows from operating activities;
- Payments for the interest element of recognized lease liabilities are included in 'interest paid' within cash flows from financing activities; and
- Payments for the principal element of recognized lease liabilities are presented within cash flows from financing activities.

COVID-19-related rent concessions

In the current year, the Company has applied the amendments to Ind AS 116 that are effective for an annual period that begins on or after April 1, 2020.

1.4.8 INVENTORIES:

Stock of food and beverages and stores and operating supplies are carried at the lower of cost (computed on a Weighted Average basis) or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of Completion and selling expenses. Cost includes the fair value of consideration paid including duties and taxes (other than those refundable), inward freight, and other expenditure directly attributable to the purchase. Trade discounts and rebates are deducted in determining the cost of purchase except in the case of linen / curtain / cutlery & crockery in rooms and outlets, which are being valued at cost irrespective of their net realizable value.

1.4.9 EMPLOYEE BENEFITS:

a) Short-term Obligations:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

b) Post-Employment Obligations:

The company operates the following post-employment benefit schemes:



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Gratuity obligations

Maintained as a defined benefit retirement plan, the liability or asset recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Leave encashment on termination of service

The liabilities for earned leave are expected to be settled after the retirement of employee. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Provident Fund

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary), which is recognised as an expense in the Statement of Profit and Loss during the year. The contributions as specified under the law are paid to the provident fund set up as irrevocable trust by the Company or to respective Regional Provident Fund Commissioner. The Company is generally liable for annual contributions and any shortfall in the fund assets based on the minimum rates of return prescribed by the Central Government and recognizes such contributions and shortfall, if any, as an expense in the year in which the corresponding services are rendered by the Employee.



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1.4.10 FINANCIAL INSTRUMENTS:

a. Financial assets:

Initial recognition and measurement:

Financial assets are recognized when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition. When financial assets are recognized initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Classification:

Cash and cash equivalents:

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Debt Instruments:

The Company classifies its debt instruments as 'Subsequently measured at amortized cost', 'Fair value through Other Comprehensive Income' or 'Fair value through profit or loss' based on its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset:

i. Financial assets at amortized cost:

Financial assets are subsequently measured at amortized cost if these financial assets are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income from these financial assets is included as a part of the Group's income in the Statement of Profit and Loss using the effective interest rate method.

ii. Financial assets at Fair Value through Other Comprehensive Income ("FVOCI"):

Financial assets are subsequently measured at fair value through Other Comprehensive Income if these financial assets are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest. Movements in the carrying value are taken through Other Comprehensive Income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains or losses which are recognized in the Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in Other Comprehensive Income is reclassified from Other Comprehensive Income to the Statement of Profit and Loss. Interest income on such financial assets is included as a part of the Company's income in the Statement of Profit and Loss using the effective interest rate method.



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iii. Financial Assets at Fair Value through Profit or Loss (FVTPL)

Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on such debt instrument that is subsequently measured at FVTPL and is not part of a hedging relationship as well as interest income is recognized in the Statement of Profit and Loss.

Equity Instruments

The Company subsequently measures all equity investments (other than the investment in subsidiaries, joint ventures and associates which are measured at cost) at fair value. Where the Company has elected to present fair value gains and losses on equity investments in Other Comprehensive Income ("FVOCI"), there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognized in the Statement of Profit and Loss as other income when the Company's right to receive payment is established. The Company has made an irrevocable election to present in Other Comprehensive Income subsequent changes in the fair value of equity investments that are not held for trading. When the equity investment is derecognized, the cumulative gain or loss previously recognized in Other Comprehensive Income is reclassified from Other Comprehensive Income to the Retained Earnings directly.

De-recognition:

A financial asset is derecognized only when the Company has transferred the rights to receive cash flows from the financial asset.

Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized. Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

b. Financial Liabilities:

Initial recognition and measurement:

Financial liabilities are recognized when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value, plus, in the case of financial liabilities not at fair value, through profit or loss directly attributable transaction costs.

Subsequent measurement:

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in the Statement of Profit and Loss when the liabilities are derecognized, and through the amortization process.



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De-recognition:

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in Statement of Profit and Loss.

c. Impairment of Financial Assets:

The Company assesses, at each reporting date, whether a financial asset or a group of financial assets is/are impaired. Ind AS-109 on Financial Instruments requires expected credit losses to be measured through a loss allowance. For trade receivables only, the Company recognizes expected lifetime losses using the simplified approach permitted by Ind AS-109, from initial recognition of the receivables. For other financial assets (not being equity instruments or debt instruments measured subsequently at FVTPL) the expected credit losses are measured at the 12 month expected credit losses or an amount equal to the lifetime expected credit losses if there has been a significant increase in credit risk since initial recognition.

1.4.11 INCOME TAXES:

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognized in Other Comprehensive Income or directly in equity, respectively.

a) Current tax:

Current Tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates at the end of the reporting period in the countries where the Company operates and generates taxable income.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.



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b) Deferred tax:

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of the goodwill. The deferred income tax is also not accounted for, if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, when at the time of the transaction, neither accounting profit nor taxable profit / (taxable loss) is affected.

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized. Therefore, in case of a history of recent losses, the Group recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is other convincing evidence that sufficient taxable profit will be available against which such deferred tax assets can be realized. Deferred tax assets positions are reviewed at each reporting date and are recognized / reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realized.

Deferred tax liabilities are generally recognized for all taxable temporary differences except in respect of taxable temporary differences between the carrying amount and the tax bases of investments in subsidiaries, associates and interests in joint ventures where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilized. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Minimum Alternative Tax ("MAT") credit forming part of deferred tax asset is recognized as an asset only when and to the extent there is reasonable certainty that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.



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1.4.12 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions are recognized when there is a present legal or statutory obligation or constructive obligation as a result of past events and where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets where it is probable that future economic benefits will flow to the company are not recognized but disclosed in the financial statements. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognized as an asset.

1.4.13 STATEMENT OF CASH FLOWS:

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

Cash flows for the year are classified by operating, investing and financing activities.

1.4.14 EARNINGS PER SHARE:

Basic earnings per share is computed by dividing the profit or loss after tax by the weighted average number of equity shares outstanding during the year including potential equity shares, if any.

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share.

1.4.15 SEGMENTAL REPORTING:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker.



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1.4.16 RECENT ACCOUNTING PRONOUNCEMENTS

a) New and Amended Standards adopted by the Company:

In the current year, the Company has applied the below amendments to Ind AS 116 that are effective for an annual period that begins on or after April 1, 2020:

The Company has adopted the amendments to Ind AS 116 for the first time in the current year. The amendments provide practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to Ind AS 116. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession the same way it would account for the change applying Ind AS 116 if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met:

- The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- Any reduction in lease payments affects only payments originally due on or before June 30, 2021.
- There is no substantive change to other terms and conditions of the lease.

b) New Standards or Other Amendments Issued but not yet Effective:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.



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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

2. PROPERTY, PLANT AND EQUIPMENT:

| Nature of Assets | Gross Blocks (At Cost) | | | Accumulated Depreciation | | | Carrying Value | | |
|-------------------------------------------|----------------------------------|-------------------------------------------------------|-------------------------------------------------------|-------------------------------------------|----------------------------------|---------------------------|--------------------------------------------------------|-----------------------------------|-------------------------------------------|
| | As at April 1, 2020 (₹ Lakhs) | Additions/ Adjustments during the period (₹ Lakhs) | Deductions/ Retirement during the period (₹ Lakhs) | Balance as at March 31, 2021 (₹ Lakhs) | As at April 1, 2020 (₹ Lakhs) | For the year (₹ Lakhs) | Deductions/ Adjustments during the period (₹ Lakhs) | As at March 31, 2021 (₹ Lakhs) | Balance as at March 31, 2020 (₹ Lakhs) |
| Tangible Assets: | | | | | | | | | |
| Buildings (On Leasehold Land)** | 120,075.45 | - | - | 120,075.45 | 12,791.97 | 1,987.13 | - | 14,779.10 | 107,283.54 |
| Ownership Flats (Freehold) | 154.40 | - | - | 154.40 | 44.46 | 2.42 | - | 46.90 | 109.82 |
| Plant and Equipment | 23,258.85 | 43.97 | - | 23,302.83 | 10,688.04 | 1,485.69 | - | 12,363.73 | 12,390.82 |
| Furniture, Fixtures and Office Equipments | 25,467.59 | 31.58 | - | 25,499.17 | 12,572.34 | 2,407.75 | - | 14,980.09 | 12,895.25 |
| Vehicles | 70.89 | - | - | 70.89 | 67.02 | - | - | 67.02 | 3.87 |
| Computers | 222.57 | 3.73 | - | 226.29 | 168.61 | 18.20 | - | 186.81 | 53.95 |
| Total (A) | 169,249.75 | 79.28 | - | 169,329.03 | 36,512.46 | 5,911.19 | - | 42,423.65 | 136,905.45 |
| Intangible Assets: | | | | | | | | | |
| Trademarks | 0.76 | - | - | 0.76 | 0.46 | 0.05 | - | 0.51 | 0.30 |
| Computer Software | 257.34 | 10.35 | - | 267.69 | 165.07 | 18.73 | - | 183.80 | 92.27 |
| Total (B) | 258.10 | 10.35 | - | 268.45 | 165.53 | 18.78 | - | 184.31 | 92.57 |
| Capital Work In Progress (C) | | | | | | | | | |
| Total (A+B+C) | 169,507.85 | 89.63 | - | 169,597.48 | 36,677.99 | 5,929.97 | - | 42,607.96 | 137,829.92 |
| Previous Year | 165,899.02 | 3,608.83 | - | 169,507.85 | 30,479.27 | 6,198.72 | - | 36,677.99 | 135,419.75 |

** Buildings (On Leasehold Land) include Right to use assets created as per Ind AS 116.



SAHARA HOSPITALITY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

3 OTHER FINANCIAL ASSETS:

| Particulars | As at March 31, 2021 (₹. Lakhs) | As at March 31, 2020 (₹. Lakhs) |
|-------------------------------------------------|---------------------------------------|---------------------------------------|
| Claim Receivable - Dome | 8.39 | 8.39 |
| Accounts Receivable -Others | 245.12 | 245.12 |
| Fixed Deposit with Maturity after twelve months | 9.86 | 9.86 |
| TOTAL | 263.37 | 263.37 |

4 DEFERRED TAX ASSETS (NET):

| Particulars | As at March 31, 2021 (₹. Lakhs) | As at March 31, 2020 (₹. Lakhs) |
|---------------------------------------------------|---------------------------------------|---------------------------------------|
| Deferred Tax Assets | | |
| Unabsorbed Depreciation | 14,855.13 | 14,847.23 |
| Disallowance U/s 43 B of the Income Tax Act, 1961 | 2,286.12 | 90.49 |
| | 17,141.25 | 14,937.72 |
| Less: | | |
| Deferred Tax Liability | | |
| Fixed Assets | 12,742.59 | 12,001.75 |
| | 12,742.59 | 12,001.75 |
| Total | 4,398.66 | 2,935.97 |

5 OTHER NON-CURRENT ASSETS:

| Particulars | As at March 31, 2021 (₹. Lakhs) | As at March 31, 2020 (₹. Lakhs) |
|---------------------------------------|---------------------------------------|---------------------------------------|
| Capital Advances | | |
| Considered Good | 244.92 | 244.92 |
| Considered Doubtful | 207.32 | 207.32 |
| Less: Allowance for Doubtful Advances | (207.32) | (207.32) |
| | 244.92 | 244.92 |
| Other Advances and Receivables | | |
| Considered Good | 951.20 | 951.20 |
| Considered Doubtful | 478.63 | 478.63 |
| Less: Allowance for Doubtful Advances | (478.63) | (478.63) |
| | 951.20 | 951.20 |
| Advance Taxes | 101.25 | 1,057.88 |
| MAT Credit Entitlement | 504.56 | 504.56 |
| TOTAL | 1,811.93 | 2,768.56 |

6 INVENTORIES:

| Particulars | As at March 31, 2021 (₹. Lakhs) | As at March 31, 2020 (₹. Lakhs) |
|-------------------------------|---------------------------------------|---------------------------------------|
| Food and Beverages | 67.59 | 123.51 |
| Stores and Operating Supplies | 766.83 | 802.80 |
| Petrol and Allied Products | 46.72 | 43.19 |
| TOTAL | 881.14 | 969.50 |



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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

7 TRADE RECEIVABLES:

| Particulars | As at March 31, 2021 (₹. Lakhs) | As at March 31, 2020 (₹. Lakhs) |
|-------------------------------------------|---------------------------------------|---------------------------------------|
| Unsecured: | | |
| Considered Good | 1,713.31 | 1,797.80 |
| Considered Doubtful | 912.90 | 807.51 |
| Less : Allowance for Doubtful Receivables | (912.90) | (807.51) |
| (Refer Footnote) | - | - |
| TOTAL | 1,713.31 | 1,797.80 |

Footnote:

Allowance for Doubtful Receivables:

| Particulars | As at March 31, 2021 (₹. Lakhs) | As at March 31, 2020 (₹. Lakhs) |
|-------------------------------------------------|---------------------------------------|---------------------------------------|
| Opening Balance | 807.51 | 287.54 |
| Add: Allowance during the year | 118.24 | 541.77 |
| Less: Reversal of allowances no longer required | 12.85 | 21.80 |
| TOTAL | 912.90 | 897.51 |

8 CASH AND CASH EQUIVALENTS:

| Particulars | As at March 31, 2021 (₹. Lakhs) | As at March 31, 2020 (₹. Lakhs) |
|-----------------------------------------|---------------------------------------|---------------------------------------|
| Balances with bank in current account** | 419.41 | 59.01 |
| Cash on Hand | 67.67 | 22.85 |
| Others - Union Bank Rewards Points | 2.68 | 2.68 |
| TOTAL | 509.76 | 84.54 |

** The above balance includes Rs. 3.18 lakhs of Kotak Bank Lucknow which is subject to confirmation and reconciliation (if any).

9 OTHER BANK BALANCE:

| Particulars | As at March 31, 2021 (₹. Lakhs) | As at March 31, 2020 (₹. Lakhs) |
|--------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| Fixed Deposit with Banks Maturity within less than twelve months (held by Bank as margin money for Guarantees & Letter of Credit given) | 92.08 | 65.07 |
| TOTAL | 92.08 | 65.07 |

10 OTHER FINANCIAL ASSETS:

| Particulars | As at March 31, 2021 (₹. Lakhs) | As at March 31, 2020 (₹. Lakhs) |
|---------------------------------------|---------------------------------------|---------------------------------------|
| Security Deposit: | | |
| a. With Related Party | - | - |
| b. With Others | | |
| Considered Good | 976.06 | 297.89 |
| Considered Doubtful | 13.85 | 13.85 |
| Less: Allowance for Doubtful Advances | (13.85) | (13.85) |
| | 976.06 | 297.89 |
| Loan to Staff | | |
| Considered Good | 10.00 | 9.76 |
| Considered Doubtful | 4.40 | 4.40 |
| Less: Allowance for Doubtful Advances | (4.40) | (4.40) |
| | 10.00 | 9.76 |
| Claims receivable insurance | 13.18 | 27.38 |
| Interest Accrued but not Due | 5.49 | 3.95 |
| TOTAL | 1,004.72 | 338.98 |

11 OTHER CURRENT ASSETS:



SAHARA HOSPITALITY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| Particulars | As at March 31, 2021 (₹. Lakhs) | As at March 31, 2020 (₹. Lakhs) |
|-----------------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| Prepaid Expenses | 75.08 | 90.20 |
| Deposit with SEBI under "SEBI Sahara Refund Account" (Refer Note no. 37) | 99.00 | 99.00 |
| Staff Advances | | |
| Considered Good | 40.29 | 35.69 |
| Considered Doubtful | 15.37 | 15.37 |
| Less: Allowance for Doubtful Advances | (15.37) | (15.37) |
| | 40.29 | 35.69 |
| TOTAL | 214.37 | 224.69 |



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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

12 EQUITY SHARE CAPITAL:

| Particulars | As at March 31, 2021 | | As at March 31, 2020 | |
|------------------------------------------------------------------------|----------------------|---------------------|----------------------|---------------------|
| | No. of shares | Amount (₹ Lakhs) | No. of shares | Amount (₹ Lakhs) |
| Authorized Share Capital | | | | |
| Equity Shares of ₹10/- each | 70,000,000 | 7,000.00 | 70,000,000 | 7,000.00 |
| | 70,000,000 | 7,000.00 | 70,000,000 | 7,000.00 |
| Issued, Subscribed & Paid up Capital | | | | |
| Equity Shares of ₹10/- each fully paid up (Refer Footnote (i) to v) | 57,112,047 | 5,711.20 | 57,112,047 | 5,711.20 |
| Total | 57,112,047 | 5,711.20 | 57,112,047 | 5,711.20 |

Footnote:

(i) Par Value per share:

The Authorized, issued, Subscribed and Fully paid-up share capital comprises of equity shares having a par value of ₹10 each.

(ii) Share Holding:

All the Equity Shares are held by Sahara Prime City Limited - Holding Company and its Nominees.

(iii) Reconciliation of the shares outstanding at the beginning and at the end of the year:

| Particulars | As at March 31, 2021 | | As at March 31, 2020 | |
|---------------------------------------------|----------------------|---------------------|----------------------|---------------------|
| | No. of shares | Amount (₹ Lakhs) | No. of shares | Amount (₹ Lakhs) |
| Equity Shares at the beginning of the year | 57,112,047 | 5,711.20 | 57,112,047 | 5,711.20 |
| Add: Shares Issued during the year | - | - | - | - |
| Less: Shares Bought Back during the year | - | - | - | - |
| Equity Shares at the end of the year | 57,112,047 | 5,711.20 | 57,112,047 | 5,711.20 |

(iv) Rights, preferences and restrictions attached to equity shares:

(a) The holders of the Equity Shares are entitled to receive dividend as and when declared from time to time, and are entitled to voting rights proportionate to their share holding at the meeting of shareholders.

(b) In the event of liquidation of the company, the holders of Equity Shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

(v) The details of Shareholders holding more than 5% shares in the Company:

| Name of the Shareholders | As at March 31, 2021 | | As at March 31, 2020 | |
|----------------------------------------------|----------------------|--------------|----------------------|--------------|
| | No. of shares | % of Holding | No. of shares | % of Holding |
| Sahara Prime City Limited including Nominees | 57,112,047 | 100.00% | 57,112,047 | 100.00% |



SAHARA HOSPITALITY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

13 OTHER EQUITY:

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|-------------------------------------------------------------------|----------------------------|----------------------------|
| | (₹. Lakhs) | (₹. Lakhs) |
| Securities Premium Account | | |
| Opening Balance | 30,072.41 | 30,072.41 |
| Add: Addition during the year | - | - |
| Closing Balance | <u>30,072.41</u> | <u>30,072.41</u> |
| Equity Capital Reserve | 4,194.08 | 2,858.46 |
| Retained Earnings | | |
| As per last balance sheet | (57,520.17) | (47,674.57) |
| Add: Profit/(Loss) for the year from Statement of Profit and Loss | (23,002.93) | (10,845.80) |
| Closing Balance | <u>(80,523.09)</u> | <u>(58,520.37)</u> |
| Other Comprehensive Income (OCI) | | |
| As per last balance sheet | (10,934.30) | (10,942.17) |
| Add: Actuarial Gain/(Loss) | 11.58 | 7.78 |
| Closing Balance | <u>(10,922.72)</u> | <u>(10,934.39)</u> |
| Total | <u>(57,179.42)</u> | <u>(45,523.69)</u> |

14 BORROWINGS:

| Particulars | As at March 31, 2021 | | As at March 31, 2020 | |
|--------------------------------------------------------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|
| | No. of shares | Amount (₹. Lakhs) | No. of shares | Amount (₹. Lakhs) |
| Preference Share Capital | | | | |
| Authorised | | | | |
| Preference Shares of ₹10/- each | 680,000,000 | 68,000.00 | 680,000,000 | 68,000.00 |
| | <u>680,000,000</u> | <u>68,000.00</u> | <u>680,000,000</u> | <u>68,000.00</u> |
| Issued, Subscribed & Paid up Capital | | | | |
| 0.05% Non-Cumulative, Optionally Convertible, Redeemable Preference Shares of ₹10/- each fully paid up | 586,500,000 | 111,379.49 | 586,500,000 | 102,034.58 |
| Secured | | | | |
| Term Loan From Bank- I | | 1,212.99 | | 1,221.64 |
| Term Loan From Bank- II | | 23,525.73 | | 23,905.48 |
| Term Loan From Bank- III | | 17,842.25 | | 18,419.68 |
| | | <u>42,580.97</u> | | <u>43,546.77</u> |
| (Refer Footnote I to x) | | | | |
| Total | | <u>153,960.46</u> | | <u>146,481.75</u> |



SAHARA HOSPITALITY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Footnote:

(i) Par Value per share:

The Authorized, Issued, Subscribed and Fully paid-up preference share capital comprises non-cumulative, optionally convertible, redeemable preference shares having a par value of ₹10 each.

(ii) Share Holding:

48,85,00,000 Preference Shares are held by Sahara Prime City Limited - Holding Company, 7,40,00,000 Preference Shares are held by Sahara Q Shop Unique Products Range Limited, 3,00,00,000 Preference Shares are held by Sahara Credit Co-Operative Society Limited and 1,40,00,000 Preference Shares are held by Saharajn Universal Multi-Purpose Society Limited.

(iii) Reconciliation of the preference shares outstanding at the beginning and at the end of the year:

| Particulars | As at March 31, 2021 | | As at March 31, 2020 | |
|------------------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|
| | No. of shares | Amount (₹. Lakhs) | No. of shares | Amount (₹. Lakhs) |
| Preference Shares at the beginning of the year | 586,500,000 | 102,934.98 | 586,500,000 | 95,130.71 |
| Add: Shares Issued during the year of the face value of ₹10 each | - | - | - | - |
| Add: Interest Expense on Preference Shares | - | 8,444.51 | - | 7,804.27 |
| Add: Fair Value of Preference Shares | - | - | - | - |
| Less: Shares Redeemed during the year | - | - | - | - |
| Preference Shares at the end of the year | 586,500,000 | 111,379.49 | 586,500,000 | 102,934.98 |

(iv) Rights, preferences and restrictions attached to preference shares:

(a) The holders of Preference Shares are entitled to receive 0.05% dividend of the face value as and when declared.

(b) 0.05% Non-Cumulative, Optionally Convertible, Redeemable Preference Shares will be redeemed or converted upon exercising the option. The redemption will be at ₹22/- per share after 10 years with the call option for premature redemption at a price equivalent to 12% per annum or part thereof on issue price or converted at book value per share or at Enterprise Value per share or at a price mutually agreed by parties.

(c) 0.05% Non-Cumulative Preference Shares that are Optionally Convertible or Redeemable at ₹22/- per share after the expiry of 10 years from the date of issue of such shares. We presume that contractual obligation to deliver cash exists for redemption of such share at the above mentioned rate and the company cannot avoid the outflow of cash at the end of 10 year. Therefore, the preference shares has been classified as a financial liability at Amortized Cost using Effective rate of interest and has accordingly been disclosed in the Balance Sheet under " Borrowings."

(v) The details of Preference Shareholders holding more than 5% shares:

| Name of the Shareholders | As at March 31, 2021 | | As at March 31, 2020 | |
|---------------------------------------------|----------------------|--------------|----------------------|--------------|
| | No. of shares | % of Holding | No. of shares | % of Holding |
| Sahara Prime City Limited | 488,500,000 | 79.88% | 488,500,000 | 79.88% |
| Sahara Q Shop Unique Products Range Limited | 74,000,000 | 12.61% | 74,000,000 | 12.61% |
| Sahara Credit Co-Operative Society Limited | 30,000,000 | 5.11% | 30,000,000 | 5.11% |



SAHARA HOSPITALITY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(vi) Term Loan From Bank - I:

Rupee Term loan from consortium of lenders namely Union Bank of India, UCO Bank, Bank of Baroda and Andhra Bank, secured by mortgage and pari passu charge on all immovable properties of the Company both present and future, first charge by hypothecation of all movable properties both present and future of the Company, Corporate Guarantee of Sahara Prime City Limited (as per the Loan agreement dated 14th February, 2005 and amendatory agreement dated 7th September 2006 and further amendatory agreement dated 29th January, 2013).

(vii) Term Loan From Bank - II:

Rupee Term loan from consortium of lenders namely Union Bank of India, Bank of Baroda, UCO Bank, Andhra Bank, IDBI Bank Limited, Corporation Bank and Karnataka Bank, secured by mortgage and pari passu charge on all immovable properties of the Company both present and future, first charge by hypothecation of all movable properties both present and future of the Company, Corporate Guarantee of Sahara Prime City Limited (as per the Loan agreement dated 3rd March, 2010 and addendum number 1 and 2 dated 29th January, 2013 and 22nd August, 2014 respectively).

(viii) Term Loan From Bank - III:

Rupee Term loan from consortium of lenders namely Union Bank of India, UCO Bank, Andhra Bank, Corporation Bank and Central Bank of India, secured by mortgage and charge on all immovable properties of the Company both present and future, first charge by hypothecation of all movable properties both present and future of the Company and invocable Corporate Guarantee of Sahara Prime City Limited (as per the common loan agreement dated 29th January, 2013 and addendum number 1 to common loan agreement dated 29th July, 2015).

The company in the consortium meeting held on 29th June, 2016 requested the term loan consortium member banks of Phase I, Phase II and Phase III for implementation of Flexible debt structuring scheme of Reserve bank of India and the same was implemented as per amendatory agreement dated 29th Nov, 2016.

Interest rates are linked to Lead Bank (i.e. Union Bank of India) 1 year Marginal Cost of funds based Lending Rate (MCLR) plus margin and the loan is repayable in installments starting from September, 2016 and ending in December, 2028.

(ix) Default Period and Amount:

Period and amount of default as on the Balance Sheet date in repayment of borrowings and interest are as under:

| Particulars | Amount (₹ In Lakhs) | | | Period of Delay (In days) |
|----------------------------------|---------------------|-----------------|-----------------|---------------------------|
| | Borrowings | Interest | Total | |
| Term Loan From Bank - I | | | | |
| For Nov-2019 | 6.82 | 19.97 | 25.93 | 488.00 |
| For Dec-2019 | 6.82 | 19.11 | 25.93 | 457.00 |
| For Jan-2020 | 6.82 | 19.11 | 25.93 | 426.00 |
| For Feb-2020 | 6.82 | 19.11 | 25.93 | 397.00 |
| For Mar-2020 | 6.82 | 19.11 | 25.93 | 366.00 |
| For April 2020 | 6.82 | 19.11 | 25.93 | 335.00 |
| For May 2020 | 6.82 | 19.11 | 25.93 | 304.00 |
| For June 2020 | 6.82 | 19.11 | 25.93 | 274.00 |
| For July 2020 | 6.82 | 19.11 | 25.93 | 243.00 |
| For Aug 2020 | 6.82 | 19.11 | 25.93 | 212.00 |
| For Sep 2020 | 6.82 | 19.11 | 25.93 | 182.00 |
| For Oct 2020 | 6.82 | 19.11 | 25.93 | 151.00 |
| For Nov 2020 | 6.82 | 19.11 | 25.93 | 121.00 |
| For Dec-2020 | 6.82 | 19.11 | 25.93 | 90.00 |
| For Jan-2021 | 6.82 | 19.11 | 25.93 | 59.00 |
| For Feb-2021 | 6.82 | 19.11 | 25.93 | 31.00 |
| For Mar-2021 | 6.82 | 19.11 | 25.93 | 1.00 |
| | 115.94 | 321.73 | 440.81 | |
| Term Loan From Bank - II | | | | |
| For Sep-2019 | - | - | - | - |
| For Oct-2019 | - | 245.00 | 257.00 | 518.00 |
| For Nov-2019 | 138.24 | 299.40 | 437.64 | 488.00 |
| For Dec-2019 | 138.24 | 299.40 | 437.64 | 457.00 |
| For Jan-2020 | 138.24 | 299.40 | 437.64 | 426.00 |
| For Feb-2020 | 138.24 | 299.40 | 437.64 | 397.00 |
| For Mar-2020 | 138.24 | 299.40 | 437.64 | 366.00 |
| For April 2020 | 138.24 | 299.40 | 437.64 | 335.00 |
| For May 2020 | 138.24 | 299.40 | 437.64 | 304.00 |
| For June 2020 | 138.24 | 299.40 | 437.64 | 274.00 |
| For July 2020 | 138.24 | 299.40 | 437.64 | 243.00 |
| For Aug 2020 | 138.24 | 299.40 | 437.64 | 212.00 |
| For Sep 2020 | 138.24 | 299.40 | 437.64 | 182.00 |
| For Oct 2020 | 138.24 | 299.40 | 437.64 | 151.00 |
| For Nov 2020 | 138.24 | 299.40 | 437.64 | 121.00 |
| For Dec-2020 | 138.24 | 299.40 | 437.64 | 90.00 |
| For Jan-2021 | 138.24 | 299.40 | 437.64 | 59.00 |
| For Feb-2021 | 138.24 | 299.40 | 437.64 | 31.00 |
| For Mar-2021 | 138.24 | 299.40 | 437.64 | 1.00 |
| | 2,340.08 | 5,334.00 | 7,686.88 | |
| Term Loan From Bank - III | | | | |
| For Oct-2019 | 57.00 | - | 57.00 | 518.00 |
| For Nov-2019 | 106.30 | - | 328.71 | 488.00 |
| For Dec-2019 | 106.30 | 75.19 | 328.71 | 457.00 |



SAHARA HOSPITALITY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| | | | | |
|----------------|-----------------|-----------------|------------------|--------|
| For Jan-2020 | 106.30 | 222.41 | 328.71 | 428.00 |
| For Feb-2020 | 106.30 | 222.41 | 328.71 | 387.00 |
| For Mar-2020 | 106.30 | 222.41 | 328.71 | 366.00 |
| For April 2020 | 106.30 | 222.41 | 328.71 | 335.00 |
| For May 2020 | 106.30 | 222.41 | 328.71 | 304.00 |
| For June 2020 | 106.30 | 222.41 | 328.71 | 274.00 |
| For July 2020 | 106.30 | 222.41 | 328.71 | 243.00 |
| For Aug 2020 | 106.30 | 222.41 | 328.71 | 212.00 |
| For Sep 2020 | 106.30 | 222.41 | 328.71 | 182.00 |
| For Oct 2020 | 106.30 | 222.41 | 328.71 | 151.00 |
| For Nov 2020 | 106.30 | 222.41 | 328.71 | 121.00 |
| For Dec-2020 | 106.30 | 222.41 | 328.71 | 90.00 |
| For Jan-2021 | 106.30 | 222.41 | 328.71 | 59.00 |
| For Feb-2021 | 106.30 | 222.41 | 328.71 | 31.00 |
| For Mar-2021 | 106.30 | 222.41 | 328.71 | 1.00 |
| | 1,884.10 | 3,415.34 | 5,645.07 | |
| | 4,320.12 | 9,071.67 | 13,772.76 | |

(x) Maturity Profile of Secured Term Loans are as set out below:

| Particulars | F.Y 2021-22 | F.Y 2022-23 | F.Y 2023-24 AND ONWARDS |
|--------------------------|-----------------|-----------------|-------------------------|
| | (₹. Lakhs) | (₹. Lakhs) | (₹. Lakhs) |
| Term Loan From Bank- I | 103.74 | 116.55 | 1,001.84 |
| Term Loan From Bank- II | 1,924.82 | 2,199.63 | 18,589.03 |
| Term Loan From Bank- III | 1,487.45 | 1,699.82 | 14,365.12 |
| | 3,516.00 | 4,016.00 | 33,956.00 |



SAHARA HOSPITALITY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

15 OTHER FINANCIAL LIABILITIES:

| Particulars | As at March 31, 2021 (₹. Lakhs) | As at March 31, 2020 (₹. Lakhs) |
|------------------------------------|---------------------------------------|---------------------------------------|
| Security and Other Deposits | 1,108.01 | 1,001.43 |
| Deferred Income (Security Deposit) | 208.49 | 628.24 |
| Payable to Contractors | 5,114.67 | 5,257.89 |
| Retention Money | 1,517.75 | 1,517.75 |
| Others | 31.27 | 31.09 |
| TOTAL | 7,980.19 | 8,436.40 |

16 PROVISIONS:

| Particulars | As at March 31, 2021 (₹. Lakhs) | As at March 31, 2020 (₹. Lakhs) |
|----------------------------------------|---------------------------------------|---------------------------------------|
| Provision for Employee Benefits | | |
| Provision for Leave Encashment | 14.55 | 11.82 |
| Provision for Gratuity | 68.94 | 65.31 |
| Provision for Incentives | - | - |
| Provision for Bonus | 60.32 | 45.22 |
| Total | 143.81 | 122.35 |

17 OTHER NON-CURRENT LIABILITIES:

| Particulars | As at March 31, 2021 (₹. Lakhs) | As at March 31, 2020 (₹. Lakhs) |
|------------------------------|---------------------------------------|---------------------------------------|
| Security Deposit From Others | 1,548.20 | 1,126.95 |
| Total | 1,548.20 | 1,126.95 |

18 BORROWINGS:

| Particulars | As at March 31, 2021 (₹. Lakhs) | As at March 31, 2020 (₹. Lakhs) |
|--------------------------------------------------|---------------------------------------|---------------------------------------|
| Current Portion of Long-Term Borrowings | 3,516.01 | 3,516.01 |
| Short-term borrowings | | |
| Secured | | |
| <u>Loans Repayable on Demand</u> | | |
| Rupee Loan (refer footnote (i)) | 2,708.14 | 2,731.47 |
| Unsecured | | |
| <u>Loans Repayable on Demand</u> | | |
| <u>Rupee Loan</u> | | |
| From Others | 233.97 | |
| From Holding company (Sahara Prime City Limited) | 1,991.96 | 2,225.95 |
| Total | 2,225.95 | 1,470.83 |
| Total | 8,450.90 | 7,718.31 |

Footnotes :

(i) Rupee Loan from Banks consists of Working Capital facilities including Credit Card Facilities. These are secured by way of hypothecation of all book debts, inventories/stocks, both present and future of the company. Cash credit is additionally secured by second charge of all the movable and immovable properties, both present and future, irrevocable corporate guarantee from M/s Sahara Prime City Limited. In addition, Credit card of union Bank of India of Rs. 737.07 lakhs is subject to confirmation & reconciliation (if any).



SAHARA HOSPITALITY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

19 TRADE PAYABLES:

| Particulars | As at March 31, 2021 (₹ Lakhs) | As at March 31, 2020 (₹ Lakhs) |
|------------------------------------------------------|--------------------------------------|--------------------------------------|
| Trade Payables | | |
| Micro and Small Enterprises (Refer Footnotes i & ii) | 454.45 | 454.45 |
| Others for Goods and Services | 4,871.35 | 4,885.81 |
| Total | 5,325.80 | 5,340.26 |

Footnotes :

(i) Amount due to micro and small enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2009" has been determined to the extent such parties have been identified on the basis of information available with the Company.

(ii) Disclosures relating to Micro and Small Enterprises are as under:

| Particulars | As at March 31, 2021 (₹ Lakhs) | As at March 31, 2020 (₹ Lakhs) |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| (a) The Principal amount remaining unpaid to supplier as at the end of the accounting year. | 454.45 | 454.45 |
| (b) The interest due thereon remaining unpaid to supplier as at the end of the accounting year. | - | - |
| (c) The amount of interest paid in terms of section 16, along with the amount of payment made to the supplier beyond the appointed day during the year. | - | - |
| (d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act. | - | - |
| (e) The amount of interest accrued during the year and remaining unpaid at the end of the accounting year. | - | - |
| (f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid. | - | - |

20 OTHER FINANCIAL LIABILITIES:

| Particulars | As at March 31, 2021 (₹ Lakhs) | As at March 31, 2020 (₹ Lakhs) |
|----------------------------------------|--------------------------------------|--------------------------------------|
| Current Financial Liabilities - Others | 3,818.77 | 3,276.89 |
| TOTAL | 3,818.77 | 3,276.89 |

21 SHORT TERM PROVISIONS:

| Particulars | As at March 31, 2021 (₹ Lakhs) | As at March 31, 2020 (₹ Lakhs) |
|---------------------------------------------------------|--------------------------------------|--------------------------------------|
| Provision for Employees Benefits (refer note 11) | | |
| Provision for Gratuity | 2.41 | 2.30 |
| Provision for Leave Encashment | 0.65 | 0.63 |
| Total | 3.06 | 2.93 |

22 OTHER CURRENT LIABILITIES:

| Particulars | As at March 31, 2021 (₹ Lakhs) | As at March 31, 2020 (₹ Lakhs) |
|-----------------------------------------------|--------------------------------------|--------------------------------------|
| Sutory Dues and Other Accruals | 14,396.52 | 6,169.63 |
| Other Advances | | |
| From Related Parties | 279.89 | |
| AARBY VALLEY LTD. | - | |
| Ging Ambay City Developer Corporation Limited | 279.89 | |
| From Others | 16.46 | 138.94 |
| Total | 14,692.88 | 6,305.57 |



SAHARA HOSPITALITY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

23 REVENUE FROM OPERATIONS:

| Particulars | March 31, 2021 (₹. Lakhs) | March 31, 2020 (₹. Lakhs) |
|------------------------------------|------------------------------|------------------------------|
| Room Income | 928.13 | 7,600.86 |
| Food and Beverages | 1,114.01 | 11,337.79 |
| Banquet Rentals | 165.87 | 1,688.50 |
| Other Rentals | 368.89 | 413.46 |
| Sale of Petrol and Allied Products | 1,826.23 | 3,855.64 |
| Other Services | 91.89 | 574.10 |
| Total | 4,494.82 | 25,470.35 |

24 OTHER INCOME:

| Particulars | March 31, 2021 (₹. Lakhs) | March 31, 2020 (₹. Lakhs) |
|------------------------------------------------------------|------------------------------|------------------------------|
| Interest Income (Gross) | | |
| On Deposit with Banks and Post office | 3.91 | 7.36 |
| On Others | 3.81 | - |
| | 7.72 | 7.36 |
| Net Gain On Foreign Currency Transaction | (0.01) | 1.33 |
| Other Non-Operating Income | 504.28 | 165.50 |
| Unwinding of deferred income on security deposits accepted | 237.93 | 136.74 |
| Total | 749.90 | 312.93 |

25 COST OF MATERIALS CONSUMED:

| Particulars | March 31, 2021 (₹. Lakhs) | March 31, 2020 (₹. Lakhs) |
|-------------------------------------------|------------------------------|------------------------------|
| Consumption of Food, Beverages and Smokes | 381.12 | 3,006.61 |
| Consumption of Stores and Supplies | 81.80 | 537.54 |
| Consumption of Petrol and Allied Products | 1,836.61 | 3,648.22 |
| Total | 2,299.33 | 7,192.37 |

26 EMPLOYEE BENEFIT EXPENSES:

| Particulars | March 31, 2021 (₹. Lakhs) | March 31, 2020 (₹. Lakhs) |
|-------------------------------------------|------------------------------|------------------------------|
| Salaries and Wages | 1,651.31 | 1,800.47 |
| Contribution to Provident and Other Funds | 73.13 | 69.48 |
| Staff Welfare Expenses | 100.96 | 291.09 |
| Total | 1,825.39 | 2,161.04 |

27 FINANCE COSTS:

| Particulars | March 31, 2021 (₹. Lakhs) | March 31, 2020 (₹. Lakhs) |
|-----------------------------------------------------|------------------------------|------------------------------|
| Interest Expense on Borrowings | 7,086.96 | 7,189.89 |
| Interest Expense on Preference Shares | 8,444.51 | 7,804.27 |
| Other Borrowing Costs | 46.58 | 166.27 |
| Interest on Lease liability | 139.20 | 281.87 |
| Interest cost on fair valuation of security deposit | 259.37 | 134.14 |
| Total | 15,976.62 | 15,576.24 |



SAHARA HOSPITALITY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

28 OTHER EXPENSES:

| Particulars | March 31, 2021 (₹. Lakhs) | March 31, 2020 (₹. Lakhs) |
|-----------------------------------------|------------------------------|------------------------------|
| Operating Expenses | | |
| Fuel, Power, Light and Water Charges | 621.69 | 2,398.60 |
| Soft Furnishings and Laundry Charges | 114.78 | 404.59 |
| Payment for Outsourced Services | 864.39 | 1,829.47 |
| Repairs to Buildings | 98.66 | 378.72 |
| Repairs to Plant and Machinery | 299.98 | 1,163.75 |
| Repairs to Others | 81.69 | 103.89 |
| Commission on Sales | 117.54 | 570.06 |
| Guest Transportation | 34.92 | 168.29 |
| Advertisement, Publicity and Marketing | 49.48 | 115.24 |
| Other Operating Expenses | 572.54 | 2,225.16 |
| | 2,855.65 | 9,357.77 |
| General Expenses | | |
| Printing and Stationery | 15.95 | 83.26 |
| Lease Rent | 104.19 | 467.25 |
| Licence Fees | 34.88 | 126.44 |
| Rates and Taxes | 19.76 | 330.31 |
| Insurance | 103.13 | 67.58 |
| Auditors' Remuneration (Refer Footnote) | 7.00 | 7.00 |
| Professional and Retainership Fees | 311.55 | 281.41 |
| Doubtful Debts Provision | 226.92 | 1,193.08 |
| | 823.38 | 2,556.31 |
| Total | 3,679.03 | 11,914.07 |

Footnote:

Auditors Remuneration:

| Particulars | March 31, 2021 (₹. Lakhs) | March 31, 2020 (₹. Lakhs) |
|----------------|------------------------------|------------------------------|
| Audit Fees | 6.00 | 6.00 |
| Tax Audit Fees | 1.00 | 1.00 |
| Total | 7.00 | 7.00 |



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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

29. Contingent Liabilities (to the extent not provided for):

a) In respect of claims against the Company:

| | 2020-21 (₹ Lakhs) | 2019-20 (₹ Lakhs) |
|----------------------------------------------------------------------------|----------------------|----------------------|
| Bank Guarantees issued on behalf of the Company | 50.00 | 455.00 |
| Other Money for which the company is Contingently liable -Letter of Credit | - | - |

In respect of Bank Guarantees and Letter of Credit, the Company has given Counter Guarantee to Union Bank of India for the entire non-fund based facility of ₹ 2,000.00 Lakhs (Previous Year ₹ 2,000.00 Lakhs).

- b) The Company had raised in the past a claim of ₹ 235.67 Lakhs, based on independent professional report, on Hotel Corporation of India Limited who had raised a counter claim of ₹ 439.15 Lakhs which the Company had not accepted. The matter had been under arbitration and on 19th April 2011, the Hon'ble Arbitral Tribunal had awarded a sum of ₹188.49/- Lakhs together with interest at State Bank of India prime lending rate plus 2% per annum from 15.08.2002 along with ₹ 40.00 Lakhs towards costs. The Company has challenged the said award before the Hon'ble High Court of Mumbai and on 08th May, 2015, the Arbitral award was set aside. The Hotel Corporation of India has preferred an appeal against the said Order of the High Court, which is admitted and pending for hiring. The Company has in the meantime invoked fresh arbitration claiming a sum of ₹ 235.67 lakhs plus interest on Hotel Corporation of India.

30. Capital Commitments:

Estimated amount of contracts remaining to be executed on capital account net of capital advances and not provided for ₹ NIL (Previous Year ₹ NIL).

31. Employee Benefits:

- a) The Company has recognized the following expenses as Defined Contribution Plan for the year which are as under:

| | 2020-21 (₹ Lakhs) | 2019-20 (₹ Lakhs) |
|-------------------------------------------|----------------------|----------------------|
| Employer's Contribution to Provident Fund | 15.44 | 15.34 |
| Employer's Contribution to Pension Scheme | 35.35 | 29.26 |



SAHARA HOSPITALITY LIMITED

- b) Employees' gratuity obligation, which is a defined benefit plan, is met by the company as and when the employees leave the organization. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method. The obligation for leave encashment is recognized in the same manner as gratuity.
- a) Gratuity Disclosure Statement as per Indian Accounting Standard 19 (Ind-AS 19) for the period 01/04/2020 – 31/03/2021:-

| | Current Period | Previous Period |
|---------------------|---------------------------------------------|---------------------------------------------|
| Type of Benefit | Gratuity | Gratuity |
| Country | India | India |
| Reporting Currency | INR | INR |
| Reporting Standard | Indian Accounting Standard – 19 (Ind AS 19) | Indian Accounting Standard – 19 (Ind AS 19) |
| Funding Status | Unfunded | Unfunded |
| Starting Period | 01-04-2020 | 01-04-2019 |
| Date of Reporting | 31-03-2021 | 31-03-2020 |
| Period of Reporting | 12 Months | 12 Months |

| Assumptions (Current Period) | | |
|-------------------------------------|--------------------------------------------------------------------------------|--------------------------------------------------------------------------------|
| Expected Return on Plan Assets | N.A. | N.A. |
| Rate of Discounting | 6.80% | 6.80% |
| Rate of Salary Increase | 5.00% | 5.00% |
| Rate of Employee Turnover | For Service 4 years and below 20% p.a. ; For Service 5 years and above 5% p.a. | For Service 4 years and below 20% p.a. ; For Service 5 years and above 5% p.a. |
| Mortality Rate During Employment | Indian Assured Lives Mortality (2006-08) | Indian Assured Lives Mortality (2006-08) |
| Mortality Rate After Employment | N.A. | N.A. |



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| | | Gratuity (Unfunded) | |
|----|------------------------------------------------------------------------------------|----------------------|----------------------|
| | | 2020-21 (₹ Lakhs) | 2019-20 (₹ Lakhs) |
| a) | Change in the Present Value of Projected Benefit Obligation: | | |
| | Present Value of Benefit obligation at the beginning of the year. | 67.67 | 60.91 |
| | Current Service Cost | 10.74 | 12.54 |
| | Interest Cost | 4.52 | 4.14 |
| | Past Service Cost | - | - |
| | Benefit Paid from the fund | - | - |
| | Benefit Paid Directly by the Employer | (Nil) | (2.15) |
| | Actuarial Gains/(Losses) on Obligations – Due to change in Demographic Assumptions | - | - |
| | Actuarial Gains/(Losses) on Obligations – Due to change in Financial Assumptions | Nil | 6.61 |
| | Actuarial Gains/(Losses) on Obligations – Due to Experience | (11.58) | (14.38) |
| | Present Value of Benefit obligation at the end of the period | 71.35 | 67.67 |
| b) | Reconciliation of opening and closing balances of fair value of plan assets | | |
| | Fair value of plan assets at beginning of the period | - | - |
| | Expected Return on Plan Assets | - | - |
| | Contributions by the Employer | - | - |
| | Benefits Paid from the fund | - | - |
| | Return on Plan Assets, Excluding Interest Income | - | - |
| | Fair Value of Plan assets at year end of the period | - | - |
| c) | Reconciliation of fair value of assets and Obligations | | |
| | Fair value of plan assets at the end of the Period | - | - |
| | Present value of obligation at the end of the Period | (71.35) | (67.67) |
| | Funded Status (Surplus/(Deficit)) | (71.35) | (67.67) |
| | Net Asset / (Liability) recognized in Balance Sheet | (71.35) | (67.67) |



SAHARA HOSPITALITY LIMITED

| | 2020-21 (₹ Lakhs) | 2019-20 (₹ Lakhs) |
|------------------------------------------------------------------------------------------|----------------------|----------------------|
| d) Net Interest Cost for Current Period | | |
| Present Value of Benefit Obligation at the Beginning of the Period | 67.67 | 60.91 |
| Fair Value of Plan Assets at the beginning of the Period | - | - |
| Net Asset/(Liability) at the Beginning | 67.67 | 60.91 |
| Interest Cost | 4.52 | 4.14 |
| (Interest Income) | - | - |
| Net Interest Cost for the Current Period | 4.52 | 4.14 |
| e) Expenses recognized in the Statement of Profit or Loss for Current Period | | |
| Current Service Cost | 10.74 | 16.68 |
| Net Interest Cost | 4.52 | 4.14 |
| Past Service Cost | - | - |
| (Expected Contributions by the Employees) | - | - |
| (Gains)/Losses on Curtailments and Settlements | - | - |
| Net Effect of Changes in Foreign Exchange Rates | - | - |
| Expenses recognized | 15.27 | 16.68 |
| f) Expenses recognized in the Other Comprehensive Income (OCI) for Current Period | | |
| Actuarial (Gains)/Losses on Obligation for the Period | (11.58) | (7.78) |
| Return on Plan Assets, Excluding Interest Income | - | - |
| Change in Asset Ceiling | - | - |
| Net Income/(Expense) for the period recognized in OCI | (11.58) | (7.78) |



SAHARA HOSPITALITY LIMITED

- c) The Company has made provision for leave salary on actuarial valuation basis. This being retirement benefit, an obligation to pay this amount might arise at the time of separation of the employees. The breakup of the same is as under:

| Nature of obligation | Carrying amount at the beginning of the period (₹ Lakhs) | Additional provisions made during the year (₹ Lakhs) | Amounts incurred and charged against the provision during the period (₹ Lakhs) | Unused amounts reversed during the period (₹ Lakhs) | Carrying amount at the end of the period (₹ Lakhs) |
|----------------------|----------------------------------------------------------|------------------------------------------------------|--------------------------------------------------------------------------------|-----------------------------------------------------|----------------------------------------------------|
| FY 2020-21 | 12.45 | 3.13 | (0.38) | Nil | 15.20 |
| FY 2019-20 | 21.11 | (1.47) | (1.90) | (5.29) | 12.45 |

The estimate of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotions and other relevant factors. The above information has been certified by actuary and has been relied upon by the auditors.

32. Disclosure in respect of Indian Accounting Standard (Ind AS) 116 "Leases"

Company as lessee

- a) The Company is situated on a leasehold land, held by Airport Authority of India. The lease rent agreement includes fixed rent + variable (2% of turnover). While calculating the figure according to Ind AS 116, the variable rent part has not been restated.
- b) Lease Liability are presented in the statement of Financial position as follows:

| Particulars | As at March 31, 2021 (₹ Lakhs) |
|--------------|--------------------------------|
| Non-Current | 3311.78 |
| Current | 112.08 |
| Total | 3423.86 |

- c) Future minimum lease payments as on 31st Mar 2021 are as follows:

| Particulars | As on 31 st March 2021 | | |
|----------------------------|-----------------------------------|---------------------------|------------------------------|
| | Lease Payments (₹ Lakhs) | Finance Charges (₹ Lakhs) | Net Present Values (₹ Lakhs) |
| Minimum lease payments due | | | |
| Within 1 year | 390.47 | -278.39 | 112.08 |
| 1-2 years | 390.47 | -269.43 | 121.05 |
| 2-3 years | 390.47 | -259.74 | 130.73 |
| 3-4 years | 468.57 | -249.28 | 219.28 |
| 4-5 years | 468.57 | -231.74 | 236.82 |
| After 5 years | 3,504.87 | -844.87 | 2,660.00 |
| Total | 5,613.42 | -2,133.45 | 3,479.96 |



SAHARA HOSPITALITY LIMITED

d) Lease payments not recognized as a liability

The lease rent agreement includes fixed rent + variable (2% of turnover). While calculating the figure according to Ind AS 116, the variable rent part has not been restated.

| Particulars | As at March 31,2021 (₹ Lakhs) |
|----------------------------|-------------------------------------|
| Short Term Leases | - |
| Leases of Low value assets | - |
| Variable Lease Payments | 104.19 |
| Total | 104.19 |

e) Additional information on right-of-use assets by class of assets is as follows:

| Particulars | Carrying Amount (Net block) (₹ Lakhs) | Depreciation Expense (₹ Lakhs) |
|-----------------------------------|------------------------------------------------|--------------------------------------|
| As on 31 st March 2021 | | |
| Buildings (On Leasehold Land) | 3082.99 | 146.81 |
| Total right-of-use assets | 3082.99 | 146.81 |

f) Following are the amounts disclosed in cash flow statement:

| Particulars | As at March 31,2021 (₹ Lakhs) |
|--------------------------|-------------------------------------|
| Cash Outflow from Leases | 139.20 |
| Total | 139.20 |

Company as Lessor:

Not calculated according to Ind AS 116 as all Leases are of very Low value.



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33. Quantitative information in respect of petrol and high-speed diesel:

| | 2020-21 (in Litres) | 2019-20 (in Litres) |
|----------------------|--------------------------------|--------------------------------|
| Opening Stock | 56,395 | 39122 |
| Purchases | 21,28,000 | 53,80,000 |
| Turnover * | 21,21,029 | 53,38,988 |
| Closing Stock | 48,251 | 56,395 |

* After adjusting evaporation loss of 15,116 Liters (Previous year 23,739 Liters)

34. CIF Value of Imports:

| | 2020-21 (₹ Lakhs) | 2019-20 (₹ Lakhs) |
|---------------|-------------------------------|------------------------------|
| Inventory | Nil | 6.74 |
| Capital Goods | Nil | 3.67 |

35. Expenditure in Foreign Exchange:

| | 2020-21 (₹ Lakhs) | 2019-20 (₹ Lakhs) |
|-----------------------------------------------|-------------------------------|------------------------------|
| Travelling | Nil | Nil |
| Professional Consultancy Fees & other matters | Nil | 1.73 |
| Commission | 7.48 | 134.30 |

36. Earnings in Foreign Exchange:

| | 2020-21 (₹ Lakhs) | 2019-20 (₹ Lakhs) |
|------------------|-------------------------------|------------------------------|
| Revenue Receipts | 263.24 | 1369.83 |

37. In the matter of dispute in respect of repayment of Optionally Fully Convertible Debentures (OFCDs) by two group companies namely M/s Sahara India Real Estate Corporation Limited and Sahara Housing Investment Corporation Limited, the Hon'ble Supreme Court of India by its order dated 21st November 2013, had directed that both of the above companies as well as group companies and its promoters shall not part with any movable and immovable property till further orders. However, properties or bank accounts of the company have not been attached / frozen by the Securities and Exchange Board of India (SEBI) and the Hotel is continuing operation in the normal course of business. As on date, the aforesaid case is pending before the Hon'ble Supreme Court of India. Further, the company has deposited ₹ 99.00 lakhs in "SEBI Sahara Refund Account" during the financial year i.e. 2016-17.



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38. Related Party Disclosures:

Related Party Disclosures, as required by "Indian Accounting Standard: 24 (Ind AS-24)" are given below:

- a) Holding Company: Sahara Prime City Limited.
- b) Key Management Personnel: Mr. Muneesh Sodhi (Chief Executive Officer), Mr. Mahipal Jain (Chief Financial Officer), and Chandra Jugani (Company Secretary).

Details of related parties and transactions during the year ended March 31, 2021:

1. Enterprises over which persons specified in (a) and (b) above, have significant influence:

| Sr. No. | Name |
|---------|-------------------------------------------------|
| 1. | Sahara India Commercial Corporation Limited |
| 2. | Sahara India Financial Corporation Limited |
| 3. | Aamby Valley Limited |
| 4. | Sahara India (Firm) |
| 5. | Sahara One Media and Entertainment Limited |
| 6. | Sahara Pure Eatables Corporation Limited |
| 7. | Sahara Global Design Studio Limited |
| 8. | Sahara Asset Management Company Private Limited |
| 9. | Sahara Global Mastercraft Limited |
| 10. | Sahara Adventure Sports Limited |
| 11. | Sahara India CAPSAC Limited |
| 12. | Sahara Q Shop Unique Products Range Limited |
| 13. | Sahara Universal Minings Corporation Limited |
| 14. | Sahara Infrastructure and Housing Limited |
| 15. | Sahara India Mass Communication (Firm) |
| 16. | Sahara India Limited |
| 17. | Aamby Valley Airport Project Limited |
| 18. | Qing Ambay City Developers Corporation Limited |
| 19. | Aamby Valley Global Sports Limited |
| 20. | Aamby Valley Green Golf Limited |
| 21. | Aamby Valley Mega Retail Limited |
| 22. | Aamby Entertainment Services Limited |
| 23. | AVL Canal Limited |
| 24. | AVL Land Holdings Company Limited |
| 25. | AVL Royal Apartments Limited |
| 26. | AVL Villas Limited |
| 27. | AVL Hotels and Resorts Limited |
| 28. | Sahara Q Gold Mart Limited |
| 29. | Sahara School Holding Limited |
| 30. | Sahara Worldwide Limited |



SAHARA HOSPITALITY LIMITED

| | |
|-----|----------------------------------------------|
| 31. | Sudhir Chandra Sahara Sugar Industry Limited |
|-----|----------------------------------------------|

2. DETAILS OF KEY MANAGERIAL PERSONNEL OF HOLDING COMPANY – 'SAHARA PRIME CITY LIMITED' FOR FINANCIAL YEAR 2019-20:

| Name of the Key Managerial Personnel | Relationship |
|--------------------------------------|-------------------------|
| Shri Madhukar | Director |
| Shri Swapan Ghosh | Director |
| Shri Devi Dayal | Director |
| Shri Tapas Kumar Subodh Basak | Director |
| Shri Rana Zia | Director |
| Shri Manoj Kumar Srivastav | Manager |
| Shri Rudra Nath Yadav | Chief Financial Officer |

3. Details of related party transactions during the year ended March 31, 2021.

| Description of transaction | Holding Company (₹ Lakhs) | Individuals having control over the Company (₹ Lakhs) | Key Management Personnel (₹ Lakhs) | Enterprise over which person specified in (b) and (c) above have significant influence. (₹ Lakhs) |
|----------------------------|------------------------------|----------------------------------------------------------|---------------------------------------|------------------------------------------------------------------------------------------------------|
| Sales/ Rentals/ Misc | - | - | - | 252.62 |
| Income (including taxes) | (-) | (-) | (-) | (726.47) |
| Current liability | - | - | - | (-) |
| | (-) | (-) | (-) | (-) |
| Loans Taken | 1826.02 | - | - | - |
| | (2533.01) | (-) | (-) | (-) |
| Remuneration | - | - | 68.92 | - |
| Paid/Payable (Gross) | (-) | (-) | (103.72) | (-) |

Note: Figures in bracket represent previous year amounts.



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4. Balance Outstanding as at March 31, 2021.

| Description of transaction | Holding Company (₹ Lakhs) | Individuals having control over the Company (₹ Lakhs) | Key Management Personnel (₹ Lakhs) | Enterprise over which person specified in (b) and (c) above have significant influence. (₹ Lakhs) |
|----------------------------|---------------------------|-------------------------------------------------------|------------------------------------|---------------------------------------------------------------------------------------------------|
| Trade Receivable | - (-) | - (-) | - (-) | 139.33 (764.88) |
| Security Deposit | - (-) | - (-) | - (-) | - (-) |
| Trade Payable | - (-) | - (-) | - (-) | - (-) |
| Loans and Advances | - (-) | - (-) | - (-) | (0.50) (187.07) |
| Other Payable | - (-) | - (-) | - (-) | - (-) |
| Unsecured Loan | 1991.98 (1236.17) | - (-) | - (-) | - (-) |

Note: Figures in bracket represent previous year amounts.

5. Statement of Material Transactions.

| Name of the company | March 31, 2021 (₹ Lakhs) | March 31, 2020 (₹ Lakhs) |
|------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| I) Holding Company | | |
| Sahara Prime City Limited | | |
| > Sales of Services | 00.00 | 00.00 |
| Unsecured Loan | 1826.02 | 2533.01 |
| II) Remuneration to Key Management Personal | | |
| Mr. Muneesh Sodhi | 45.27 | 78.07 |
| Mr. Mahipal Jain | 19.98 | 19.98 |
| Mr. Nitin Prajapati | 0 | 0 |
| Mr. Abhishek Jain | 0 | 0 |
| Mr Chandra Jugani | 3.67 | 5.67 |
| II) Enterprise over which persons specified in (b) and (c) above, have significant influence: | | |
| Sahara Q Shop Unique Products Range Limited | | |
| > Sales of Services | 0.00 | 0.00 |
| Sahara India (Firm) | | |
| > Sale of Services | 67.74 | 577.50 |
| Sahara India Commercial Corporation Limited | | |
| Sale of Services | 117.33 | 80.82 |
| Aamby Valley Limited | | |
| > Sale of Services | 20.19 | 19.21 |



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39. Segmental Reporting:

A. Primary Segment Report

Information about Business Segment

| | 2020-21 (₹ Lakhs) | 2019-20 (₹ Lakhs) |
|----------------------------|----------------------|----------------------|
| Segment Revenue: | | |
| a. Hotel | 3418.51 | 21927.64 |
| b. Income from Petrol Pump | 1826.21 | 3855.64 |
| Total Revenue | <u>5244.72</u> | <u>25783.28</u> |
| Segment Results: | | |
| Profit before tax: | | |
| a. Hotel | (24455.22) | (17329.72) |
| b. Petrol Pump | (10.41) | 70.53 |
| Total Profit | <u>(24465.63)</u> | <u>(17259.19)</u> |
| Other Information: | | |
| Segment Assets | | |
| a. Hotel | 137,745.19 | 142,140.67 |
| b. Petrol Pump | 133.74 | 138.01 |
| Total | <u>137,878.93</u> | <u>142,278.68</u> |

B. Secondary Segment Report

The company primarily operates from Mumbai and does not have any other geographically located segment.

Notes: The above segment results for hotel include:

| | 2020-2021 (₹ Lakhs) | 2019-2020 (₹Lakhs) |
|-----------------|------------------------|-----------------------|
| a. Depreciation | 5929.97 | 6,198.74 |
| | <u>5929.97</u> | <u>6,198.74</u> |



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40. Earnings Per Share:

| Particulars | 2020-21 | 2019-20 |
|-------------------------------------|------------|------------|
| Profit / (Loss) after Tax (₹ Lakhs) | (23002.93) | (19845.61) |
| Weighted No. of Equity shares: | | |
| Basic | 57,112,047 | 57,112,047 |
| Diluted | 57,112,047 | 57,112,047 |
| Earnings / (Loss) Per Share | | |
| Basic (₹) | (40.28) | (34.75) |
| Diluted (₹) | (40.28) | (34.75) |
| Face Value per Equity Share (₹) | 10.00 | 10.00 |

41. Financial Instruments:

i. Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument fails to perform or pay the amounts due causing financial loss to the company. Credit risk arises from company's activities in investments, dealing in derivatives and outstanding receivables from customers. The company has a prudent and conservative process for managing its credit risk arising in the course of its business activities.

Exposure to Credit Risk

The Company maintains exposure in cash and cash equivalents, term deposits with banks, government securities.

The Company maximum exposure to credit risk as at 31st March, 2021 and 2020 is the carrying value of each class of financial assets.



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ii. Liquidity Risk

Liquidity risk arises from the Company's inability to meet its cash flow commitments on time. The company's liquidity is managed with own self-generated cash flow.

Maturity Profile of Loans and Derivative Financial Liabilities as on 31st March 2021

(₹ Lakhs)

| Particulars | Carrying Amount | Contractual Cash Flow | | |
|-----------------------------|-----------------|-----------------------|-------------|-------------|
| | | 0-12 Months | 1-3 Years | Total |
| Borrowings | 1,62,410.56 | 8,450.10 | 1,53,960.46 | 1,62,410.56 |
| Trade Payables | 5,325.80 | 5,325.80 | - | 5,325.80 |
| Other Financial Liabilities | 11,249.84 | 3,269.65 | 7,980.19 | 11,249.84 |

Maturity Profile of Loans and Derivative financial Liabilities as on 31st March 2020

(₹ Lakhs)

| Particulars | Carrying Amount | Contractual Cash Flow | | |
|-----------------------------|-----------------|-----------------------|-------------|-------------|
| | | 0-12 Months | 1-3 Years | Total |
| Borrowings | 1,54,200.06 | 7,718.31 | 1,46,481.75 | 1,54,200.06 |
| Trade Payables | 5,140.06 | 5,140.06 | - | 5,140.06 |
| Other Financial Liabilities | 11,713.29 | 3,276.89 | 8,436.40 | 11,713.29 |

42. Necessary provision for Trade Receivables, Loans and Advances which were not considered as good has been made and balance amount has been considered as good and recoverable and are taken at book value because their carrying amounts are reasonable approximation of fair value. The same are subject to confirmation, reconciliation and consequential adjustments, if any.
43. All Group company balances shown under Trade Receivables/Trade Payables/ Other Non-Current Financial Liabilities/ Other Current Liabilities are subject to reconciliation and confirmation and consequential adjustments, if any.
44. Miscellaneous expenses do not include any items of expenses which exceed 1% of Revenue from Operation or ₹ 1, 00,000/- whichever is higher.



SAHARA HOSPITALITY LIMITED

45. a) Assessment completed up to Assessment Year 16-17 and Assessment Year 17-18 is in process, no demand was raised by Department.

Deferred Tax Balance:-

| Particulars | | As at 31-03-2021 | As at 31-03-2020 |
|------------------------|--|------------------|------------------|
| Deferred Tax Assets | | 17,141.25 | 14,937.72 |
| Deferred Tax Liability | | (12,742.59) | (12,001.75) |
| Total | | 4398.66 | 2,935.97 |

Movement of Deferred Tax 2020-21

| Particulars | Opening balance | Recognized in profit and loss | Recognized in other comprehensive income | Closing balance |
|----------------------------------------------------------|-----------------|-------------------------------|------------------------------------------|-----------------|
| Property, Plant & Equipment | (12001.75) | (740.83) | - | (12,742.58) |
| Retirement Benefit Plans | 5.06 | 8.13 | - | 13.19 |
| Bonus to employees | 4.68 | (0.70) | - | 3.98 |
| Unabsorbed Depreciation carried forward under Income Tax | 14847.23 | 7.89 | - | 14855.12 |
| Property & NA Tax | 81.21 | (77.77) | - | 3.44 |
| Service Tax & Professional Tax | (.46) | (0.06) | - | (0.52) |
| Goods and Service tax | - | 338.46 | - | 338.46 |
| Interest on Loan From Bank | - | 1822.89 | - | 1822.89 |
| Interest on Statutory Dues | - | 104.68 | - | 104.68 |
| Total | 2935.97 | 1462.69 | | 4398.66 |

Movement of Deferred Tax-2019-20

| Particulars | Opening balance | Recognized in profit and loss | Recognized in other comprehensive income | Closing balance |
|----------------------------------------------------------|-----------------|-------------------------------|------------------------------------------|-----------------|
| Property, Plant & Equipment | (13,617.62) | 1615.87 | - | (12,001.75) |
| Retirement Benefit Plans | 2.58 | 2.48 | - | 5.06 |
| Bonus to employees | 3.71 | 0.97 | - | 4.68 |
| Unabsorbed Depreciation carried forward under Income Tax | 19,081.37 | (4234.14) | - | 14,847.23 |
| Doubtful Debt & Advances | 52.34 | (52.34) | - | - |
| Property & NA Tax | - | 81.21 | - | 81.21 |
| Service Tax & Professional Tax | - | (0.46) | - | (0.46) |
| TOTAL | 5,522.38 | (2,586.41) | | 2,935.97 |



SAHARA HOSPITALITY LIMITED

B) Fair Value Measurements

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk. The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received.

Classification of financial assets and liabilities

| Particulars | 31-Mar-21 | | | 31-Mar-20 | | |
|---------------------------------------------|------------------|-----------------------|-------------------|------------------|-------------------|-------------------|
| | F V P L | F V O C I | Amortized cost | F V P L | FV O C I | Amortized cost |
| <u>Non-current financial assets</u> | | | | | | |
| Loans | | | 0.00 | | | 0.00 |
| Other financial assets | | | 263.37 | | | 263.37 |
| <u>Current financial assets</u> | | | | | | |
| Other financial assets | | | 1004.72 | | | 339.98 |
| Trade receivables | | | 1713.31 | | | 1797.80 |
| Cash and cash equivalents | | | 509.76 | | | 84.54 |
| Total Financial Asset | | | 3491.16 | | | 2485.69 |
| <u>Current Financial Liabilities</u> | | | | | | |
| Trade payables | | | 5325.80 | | | 5140.06 |
| Employee benefits payable | | 11.58 | | | 7.78 | - |
| Total Financial Liabilities | | 11.58 | 5325.80 | | 7.78 | 5140.06 |

| Financial assets and liabilities measured at amortized cost for which fair values are disclosed at March 31, 2021 | Level 1 | Level 2 | Level 3 | Total |
|-------------------------------------------------------------------------------------------------------------------|---------|----------------|----------------|----------------|
| <u>Non-current financial assets</u> | | | 263.37 | 263.37 |
| Loans | | | 0.00 | 0.00 |
| Other financial assets | | | 1004.73 | 1004.73 |
| Total Financial Asset | | | 1268.10 | 1268.10 |
| <u>Current Financial Liabilities</u> | | | | |
| Trade payables | | 5325.80 | | 5325.80 |
| Employee benefits payable | | 11.58 | | 11.58 |
| Total Financial Liabilities | | 5337.38 | | 5337.38 |



SAHARA HOSPITALITY LIMITED

| Financial assets and liabilities measured at amortized cost for which fair values are disclosed at March 31, 2020 | Level 1 | Level 2 | Level 3 | Total |
|-------------------------------------------------------------------------------------------------------------------|---------|-----------------|---------------|-----------------|
| Non-current financial assets | | | 263.37 | 263.37 |
| Loan | | | 0.00 | 0.00 |
| Other financial assets | | | 338.98 | 338.98 |
| Total Financial Asset | | | 602.35 | 602.35 |
| Current Financial Liabilities | | | | |
| Trade payables | | 5,140.06 | | 5,140.06 |
| Employee benefits payable | | 7.78 | | 7.78 |
| Total Financial Liabilities | | 5,147.84 | | 5,147.84 |

The carrying value of current trade receivables, cash and cash equivalents, current loans, trade payables and other financial assets and liabilities are considered to be the same as their fair values due to their short term nature. The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in valuation technique. The hierarchy gives highest priority to quoted prices in active market for identical assets or liabilities (Level 1 measurement) and lowest priority to unobservable inputs (Level 3 measurement).

The categories used are as follows:

Level-1: Hierarchy includes financial instruments measured using quoted price.

Level-2: The fair value of financial instruments that are not traded in an active market is determined using valuation technique which maximizes the use.

Level -3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.



SAHARA HOSPITALITY LIMITED

- C) The financial statements are presented in Indian rupees rounded off to the nearest rupees in Lakhs.
- D) Previous year figures have been regrouped, re-arranged, and recast wherever necessary.

For and on behalf of the Board

For D.S.Shukla & Co.
Chartered Accountants
Firm Regn No. 000773C




Praveen Kumar Agarwal
Partner
Membership No 416717



O.P. Srivastava
Director
DIN-00144000



Muneesh Sodhi
Chief Executive
Officer



Mahipal Jain
Chief Financial
Officer



Rachana Mehrotra
Director
DIN-08359787



Sweety Bajpai
Company
Secretary

Place: Lucknow
Date: 06/09/2021

SAHARA HOSPITALITY LIMITED
BOARD'S REPORT
TO THE MEMBERS:

Your Directors are delighted in presenting the Thirty Second Annual Report of the Company together with its Audited Statement of Profit and Loss for the year ended 31st March, 2021 and the Balance Sheet as on that date.

1. FINANCIAL HIGHLIGHTS:

The financial/operational highlights of the Company for financial year 2020-21 are summarized below:

| PARTICULARS | 2020-21 | 2019-20 |
|-----------------------------------------------------------------------|-------------------------|-------------------------|
| | <u>Rs. Lakhs</u> | <u>Rs. Lakhs</u> |
| Total Revenue | 5244.72 | 25,783.28 |
| Profit/Loss Before Interest, Depreciation, Exceptional Items & Tax | (2559.04) | 4515.79 |
| Less: Depreciation | 5,929.97 | 6,198.74 |
| Less: Interest | 15,976.62 | 15,576.24 |
| Less: Exceptional Items | - | - |
| Net Profit/(Loss) Before Tax | (24,465.63) | (17,259.19) |
| Less: Taxation Expenses | | |
| Current Tax (MAT) | - | - |
| Minimum Alternate Tax Credit | - | - |
| Deferred Tax | (1462.70) | 2,586.42 |
| Net Profit/(Loss) After Tax | (23,002.93) | (19,845.61) |

2. STATE OF AFFAIRS OF THE COMPANY AND BUSINESS OVERVIEW:

The total revenue for the financial year ended on 31st March, 2021 stood at Rs. 5244.72 Lakh, as compared to 25,783.28 Lakhs for the financial year ended 31st March, 2020, representing a deficit of 79.65%, whereas the revenue from operations has been decreased by 82.35%.

SAHARA HOSPITALITY LIMITED

Total Income from Hotel Business for the year ended 31st March, 2021 stood at Rs. 2,208.01 Lakh Compare to Rs. 20,627.14 Lakh in previous year, recorded huge decrease as compared to previous year.

The Loss before tax stood at Rs. 24,465.63 Lakhs as compared Loss before tax of Rs 17,259.19 Lakhs in the previous year and the loss after tax was Rs. 23,002.93 Lakhs as compared to Loss after tax of Rs. 19,845.61 Lakhs in the previous year.

3. SHARE CAPITAL:

There was no change in Share Capital of the Company during Financial Year 2020-21.

Hence, as on 31st March, 2021 the Share Capital stands as under:

Authorised: Rs. 75,000 Lakhs divided into 700 Lakhs equity Shares of Rs.10/- each and 6,800 Lakhs Preference Shares of Rs. 10 each.

Paid-Up: Rs. 64,361.20 Lakhs divided into 571.12 Lakhs Equity Shares of Rs. 10/- each and 5,865 Lakhs Preference Shares of Rs. 10/- each.

4. RESERVES & SURPLUS:

The Company has carried a deficit amount of Rs.24465.63 Lakhs to reserves during the financial year under review. The Reserves & Surplus stood at Rs. (67,179.42) Lakhs as on 31st March, 2021 as compared to Rs. (45,523.70) Lakhs as on 31st March, 2020.

5. DIVIDEND:

In view of accumulated losses of the Company the Directors regret their inability to declare any dividend for the Financial Year 2020-21.

6. LOAN, GUARANTEES AND INVESTMENT:

During the year under review the Company has not given any loan or guarantee or has not provided any security to any person or other body Corporate. Further, during the year under review no investments were made by the Company.

SAHARA HOSPITALITY LIMITED

7. PUBLIC DEPOSIT:

The Company has not invited or accepted any public deposit during the year.

8. DETAILS OF SUBSIDIARY, HOLDING AND ASSOCIATE COMPANIES:

The Company does not have any subsidiary, joint venture and associate Companies. However The Company is wholly owned subsidiary of Sahara Prime City Limited.

9. CHANGE IN THE NATURE OF BUSINESS:

There is no change in the Nature of business during the financial year to which this report relates.

10. INTERNAL CONTROL SYSTEM AND ITS ADEQUACY:

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of operations. These systems are routinely tested and certified by Statutory as well as Internal Auditors. Significant audit observations and follow up actions thereon are reported to the Audit Committee. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management systems.

The cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, are not applicable on your Company.

11. VIGIL MECHANISM:

The Company has in place Vigil Mechanism Policy to provide a mechanism for the Directors and employees to report genuine concerns about any unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The provisions of this policy are in line with the provisions of Section 177 (9) of the Companies Act 2013. The

SAHARA HOSPITALITY LIMITED

Vigil Mechanism Policy of the Company is available on the Company's website also and can be accessed at the following web-link

www.saharastar.com

12. EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as **Annexure I**. The Annual Return of the Company is available on the Company's website also and can be accessed at the following web-link www.saharastar.com

13. CORPORATE SOCIAL RESPONSIBILITY:

On the recommendation of the Corporate Social Responsibility Committee, the Board had formulated the Corporate Social Responsibility Policy ("CSR Policy") of the Company. As per the parameters outlined in the Act, there was no requirement for your Company to make any expenditure in CSR activities during financial year 2020-21, further details of the same are set out in **Annexure II**. The updated CSR Policy of the Company is available on the Company's website and can be accessed at the following web-link www.saharastar.com

Further, As per Companies amendment act, 2020 which got effective on September 28, 2020, section 135 of the Companies Act, 2013 has been amendment to provide relaxation to the Companies for constitution of the Corporate Social Responsibility Committee if the amount to be spent by them on CSR activity does not exceed fifty lakh rupees.

Accordingly, the CSR Committee has been dissolved by the Board vide its resolution passed at the 01/2021-2022 meeting dated 25th June, 2021.

14. CONTRACT AND ARRANGEMENT WITH RELATED PARTIES:

All Related Party Transactions (RPTs) that were entered into during the financial year were in the ordinary course of business and carried on at an arm's length basis. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC 2 is not applicable. However, requisite approval of the Audit Committee and the Board was obtained.

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15. RISK MANAGEMENT:

The Board has adopted a Risk Management Policy, pursuant to the provisions of Section 134 of the Act, wherein all material business risks and opportunity faced by the Company are identified and assessed. For each of the Risks identified in the policy, corresponding controls are assessed and policies and procedure are put in place for monitoring, mitigating and reporting risk on a periodic basis. This framework seeks to create transparency, minimize adverse impact on business objective and enhance the Company's competitive advantage.

16. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Appointment:

In terms of Section 203 of the Companies Act, 2013 the Board of Director of the Company vide Board Meeting dated 31st March 2021, had appointed Ms. Sweety Bajpai as Company Secretary of the Company.

Retire by Rotation:

In accordance with the Section 152 of the Companies Act, 2013, two thirds of the Board, excluding independent directors, should be of directors retiring by rotation Mr. Om Prakash Srivastava (DIN No. 00144000) being longest in the office of Director is liable to retire by rotation at the forthcoming Annual General Meeting and has offered himself for reappointment. The Board recommends his re-appointment.

Resignations:

1. In terms of Section 167 (1)(b) of the Companies Act, 2013 the office of Mr. Joy Broto Roy (DIN: 00432043) has been vacated as the Board of Director of the Company w.e.f. 28th December, 2020.
2. Mr. Chandra Prakash Jugani has resigned from the post of Company Secretary w.e.f. 31st January 2021.

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Declaration given by Independent Director:

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the Companies Act 2013.

17. BOARD MEETINGS:

During the year under review, 4 Board Meetings were held and the intervening gap between the meetings did not exceed the period prescribed under the Act. Detail of Board meetings are given hereunder:

| S/No. | Date of Board Meetings |
|-------|---------------------------------|
| 1. | 25 th June, 2020 |
| 2. | 15 th September 2020 |
| 3. | 28 th December, 2020 |
| 4. | 31 st March, 2021 |

Following are the number of Board meetings attended by each director:

| Name of the Director | Number of meeting attended |
|-----------------------------|----------------------------|
| Shri. Om Prakash Srivastava | 4 |
| Shri. Joy Broto Roy* | 0 |
| Shri Dilip Arora | 4 |
| Shri. Subodh Kumar Goel | 4 |
| Mrs. Rachana Mehrotra | 4 |

* Office of Shri. Joy Broto Roy (DIN: 00432043) as the Board of Director of the Company got vacated w.e.f. 28th December, 2020.

18. ANNUAL BOARD PERFORMANCE AND FORMAL EVALUATION:
A. Board Evaluation:

Your Company believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior, in consonance with the Company's Code of Conduct, policy for its employees and also for the Board of Directors. The honesty, integrity and sound judgment and performance of the Directors and the Senior Management are key criteria for the success and for building a good reputation of the

SAHARA HOSPITALITY LIMITED

Company. Therefore the Company had made policy to facilitate the formal annual evaluation required to be made by the Board of Directors of its own performance (self-appraisal) and that of its committees and individual Directors pursuant to the provisions of the Act.

The performance of the Board was evaluated by the Board after seeking inputs from the Directors on the basis of the criteria such as the Board Composition and structures, effectiveness of Board processes, information and functioning, etc.

The performance of the Committees were evaluated by the Board after seeking inputs from the Directors/Committee members on the basis of the criteria such as the Composition and structures, effectiveness of processes, information and functioning, etc.

The Board and Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and Committee meetings like attendance, preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, performance of specific duties and obligations etc.

B. Appointment of Directors and Criteria for determining qualifications, positive attributes, independence of a Director:

The Board of Directors is collectively responsible for selection of a member on the Board. The Nomination and Remuneration Committee (NRC) of the Board follows defined criteria for identifying, screening, recruiting and recommending candidates for election as a Director on the Board. The NRC reviews and meets potential candidates, prior to recommending their nomination to the Board. At the time of appointment, specific requirements for the position, including expert knowledge expected, is communicated to the appointee. Further NRC has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 188 (3) of the Act.

While evaluating the suitability of individual Board members, the Nomination and Remuneration Committee may take into account factors, such as General understanding of the Company's business

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dynamics, educational and professional background; personal and professional ethics, integrity and values; knowledge, perspective, age and gender, willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively. It is also ensured that the Board has a mix of members with different educational background, knowledge and with adequate experience in banking and finance, accounting and taxation, economics, legal and regulatory matters, service industry, hospitality sector and other disciplines related to the Company's businesses.

C. Remuneration Policy:

Your Company recognizes the importance of aligning the business objectives with specific and measureable individual objectives and targets. The Company has therefore pursuant to provision of the Companies Act, 2013 had formulated and adopted the remuneration policy for its directors, key managerial personnel and other employees.

The Remuneration Policy of the Company specify identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, remuneration for the same and recommend to the Board their appointment and removal. The updated remuneration policy of the Company is available on the Company's website and can be accessed at the following web-link www.saharastar.com

Remuneration to Key Managerial Personnel:

The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Key Managerial Personnel of the Company, if any within the overall limits approved by the shareholders. However to attract and retain talented and qualified individuals suitable for every role, Management ensures that overall remuneration should be sufficient. It should be fair, market competitive and linked to individual performance, Company's size, industry, sector, attributed to experience, skill, responsibility etc.

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Remuneration to Non-Executive Directors/ Independent Directors:

The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Non-Executive Directors of the Company, if any within the overall limits approved by the shareholders. Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. The Non-Executive Directors can also be paid profit related commission in addition to the sitting fees, if approved by the Board on the recommendation of the Nomination and Remuneration Committee. Further Independent Directors may be paid sitting fees for attending the meetings of the Board and of Committees of which they may be members, and receive commission within regulatory limits, as recommended by the NRC and approved by the Board.

Remuneration to other Employees:

Employees have been assigned to grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs which shall be finalized by the Human Resource Department in consultation with the Head of the Department of respective fields/departments.

19. COMMITTEE OF BOARD:

The Company has various committees, which have been established as a part of the good corporate governance practices and in compliance with the requirements of the Companies Act, 2013 and other statutes. The Company has following Committees of the Board:

- (i) Audit Committee
- (ii) Nomination and Remuneration Committee
- (iii) Corporate Social Responsibility Committee (dissolved w.e.f. 25th June, 2021)
- (iv) Internal Complaint Committee

The Audit Committee of the Board Comprises of following Directors of the Company as member:-



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- (i) Shri Om Prakash Srivastava
- (ii) Shri Dilip Lokooram Arora
- (iii) Shri Subodh Kumar Goel

20. STATUTORY AUDITORS AND AUDITORS' REPORT:

M/s. D. S. Shukla & Co., Chartered Accountants, having firm registration no. 000773C, were appointed as Statutory Auditors of your Company at the Annual General Meeting held on 29th September, 2017 to hold office till the conclusion of the Annual General Meeting of the Company to be held for F.Y. 2021-2022.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. there has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report except Point No. 1 to 5 of "Emphasis of Matters", given in Auditors' Report,

The "**Basis of Qualification**" in the Statutory Audit Report given hereunder along with the reply of Board.

1. ***We draw attention to Note 1.3 (VI) to the standalone financial statements, which describe the possible effect of uncertainties relating to COVID-19 pandemic on the Company's financial performance as assessed by the Management.***

Boards' reply: Due to outbreak of COVID-19 pandemic and subsequent restrictions on hospitality industry, the Business has suffered a huge revenue loss. Also, as the whole world is still fighting with the pandemic the business operations are uncertain.

2. ***We draw attention to the fact that the management of the company has not made payment of Bonus to employees pertaining to earlier years amounting to Rs. 67.27 Lakh. As per Payment of Bonus act, 1965, payment of bonus is to be made within 8 months from close of the relevant financial year.***

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Boards' reply: Your Company has shortage of fund in that period due to which the aforesaid amount of Bonus was not paid to the employees. However, your Company is making provisions to pay outstanding Bonus to employees.

3. ***During the Financial Year 2015-16, the Gratuity Trust in which company was making gratuity contribution was dissolved, and upon dissolution, the Trust has refunded the amount pertaining to the company but company has neither created any Recognized Gratuity Fund Trust nor made any other arrangement to deposit this amount to any other recognized Gratuity Fund Trust.***

Boards' reply: Your Directors have adopted a proper procedure to pay gratuity amount to the eligible employees when they resign from the organization upon final settlement of dues. Further your Company is in process to create separate Gratuity fund as soon as possible.

4. ***Reference is invited to Note 11 to the Standalone Ind AS financial statements regarding deposit of Rs. 9,900,000/- to Sahara-SEBI Refund account in the matter of dispute in respect of repayment of Optionally Fully Convertible Debentures (OFCDs) by two group companies, namely M/s Sahara India Real Corporation Limited & Sahara Housing Investment Corporation Limited as per Hon'ble Supreme Court vide it's order dated 4th June, 2014. However, we are unable to ascertain whether this amount is fully recoverable or not and its further impact, if any, that may arise in case if this amount is subsequently determined to be doubtful of recovery.***

Boards' reply: In opinion of your Directors, the amount as mentioned by the Auditor herein above was transferred pursuant to the order of Hon'ble Supreme Court of India dated June 04, 2014 and same is recoverable.



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5. ***The balance of Credit card of union Bank of India of Rs. 737.07 lakhs and some of the balances of Trade Receivables, Loans & Advances and Group Company accounts (including the balance of the holding company) are subject to confirmation, reconciliation and adjustment, if any, in the books of accounts. In view of non-reconciliation and non-confirmation, we are not in a position to ascertain and comment on the correctness of the outstanding balances and resultant impact of the same on the Financial Statements of the Company.***

Boards' reply: Due to nonpayment of principal / interest of loan accounts to the Bankers accounts of the Company are classified as NPA by the Bankers. Upon classification of NPA Company has not received any Credit Card statement therefore, the company was unable to reconcile the credit card balance.

21. INSTANCES OF FRAUD, IF ANY REPORTED BY THE AUDITORS:

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Companies Act, 2013.

22. SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT:

Pursuant to Section 204 of the Companies Act 2013, the Company had appointed M/s. Yogesh Sharma & Co., Practicing Company Secretaries, as its Secretarial Auditors to conduct the secretarial audit of the Company for the FY 2020-21. The Report of Secretarial Auditor for the FY 2020-21 is annexed to this report as **Annexure - III**.

23. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURT OR TRIBUNALS:

During the year under review, no significant material orders were passed by any regulators or courts or tribunals which may impact the going concern status and the Company's operations.

SAHARA HOSPITALITY LIMITED**24. MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY:**

There were no material changes and commitments, affecting the financial position of the Company which has occurred between the end of the financial year of the Company i.e. 31st March, 2021 and the date of this report.

25. FOREIGN EXCHANGE EARNINGS & OUTGO:

As required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, the information relating to foreign exchange earnings and outgo is given in note 35 and 36 to the financial statements.

Foreign exchange Earning : Rs. 263.24 Lakhs

Foreign Exchange Outgo : Rs. 7.48 Lakhs

26. ENERGY CONSERVATION:

The Company continually takes steps to absorb and adopt the latest technologies and innovations. These initiatives should enable the facilities to become more efficient and productive as the company expands, thus helping conserve energy.

All machinery and equipment are continuously serviced, updated and overhauled in order to maintain them in good condition. This resulted in consumption of lesser energy consumption.

Conservation of Energy continues to receive increased emphasis at all the units of the Company. Effective steps are being carried out on a regular basis for reduction in consumption of energy.

27. TECHNOLOGY ABSORPTION:

During the financial year the Company invested further Rs.89.63 Lakhs Plant, Equipment's and computerizing the operations of the Hotel. This technology upgradation will help to ensure connectivity and solutions for enhancing customer value across the entire hotel.

28. PARTICULARS OF EMPLOYEES:

The disclosure required to be furnished pursuant to Section 207 read with Rule 5 (2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure IV** to this report.

29. DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (Permanent, contractual, temporary, trainees) are covered under this policy. The following is a summary of sexual harassment complaints received and disposing off during the year.

| | |
|--------------------------------|---|
| No. of complaints received | 0 |
| No. of complaints disposed off | 0 |
| Pending Complaints | 0 |

30. DIRECTORS' RESPONSIBILITY STATEMENT:

Accordingly, pursuant to Section 134(3)(C) of the Companies Act, 2013, the Board of Directors, to the best of its knowledge and ability, confirms that:

- i. In the preparation of the accounts for the year ended March 31, 2021, the applicable accounting standards have been followed and that there are no material departures.
- ii. 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 the end of the financial year and of the loss of the Company for that period.

- iii. The Directors have taken proper and sufficient care to the best of their knowledge and ability 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.
- iv. The Directors have prepared the accounts for the year ended March 31, 2021 on a 'going concern basis.
- v. The Directors have laid down internal financial controls for the Company which are adequate and are operating effectively.
- vi. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and are operating effectively.

31. ACKNOWLEDGEMENTS:

The Directors place on record their deep sense of appreciation and co-operation received from all associates and entire workforce at all levels.

**By the order of Board of Directors
For Sahara Hospitality Limited**



O. P. Srivastava
Director
(DIN: 00144000)





Rachana Mehrotra
Director
(DIN: 08359787)



**Place: Lucknow
Date: 06.09.2021**

ANNEXURE TO DIRECTORS' REPORT**ANNEXURE-I****FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31.03.2021

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

| I.REGISTRATION AND OTHER DETAILS: | |
|---------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| CIN | U55101MH1989PLC140211 |
| Registration Date | 26 th September, 1989 |
| Name of the Company | Sahara Hospitality Limited |
| Category / Sub-Category of the Company | Company having Share Capital |
| Address of the Registered Office and contact details | Hotel Sahara Star, Opp. Domestic Airport, Vile Parle (East), Mumbai-400099 Phone : 022-39895000 |
| Whether listed company | No |
| Name, address and contact details of Registrar and Transfer Agent, if any | Link Intime India Private Limited C-3, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West) Mumbai- 400078 022- 25963838 |

| | | | | | | | | | |
|--------------------------------------------------------|-----------------|----------|-----------------|-------------|-----------------|----------|-----------------|-------------|------------|
| holding nominal share capital in excess of Rs. 1 lakh | | | | | | | | | |
| c) Others (specify) | - | - | - | - | - | - | - | - | - |
| Sub Total (B)(2) | 6 | - | 6 | 0.01 | 6 | - | 6 | 0.01 | NIL |
| Total Public Shareholding (B) = (B)(1)+(B)(2) | 6 | - | 6 | 0.01 | 6 | - | 6 | 0.01 | NIL |
| C. Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| Grand Total (A+B+C) | 57112047 | - | 57112047 | 100 | 57112047 | - | 57112047 | 100 | NIL |

(ii) Shareholding of Promoters

| Sr. No | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the End of the year | | | % change in Shareholding during the year |
|--------|---------------------------|-------------------------------------------|----------------------------------|------------------------------------------------|-------------------------------------|----------------------------------|--------------------------------------------------|------------------------------------------|
| | | No. of shares | % of total Shares of the company | % of Shares Pledge/ encumbered to total shares | No. of shares | % of total Shares of the Company | % of Shares Pledged / encumbered to total shares | |
| 1 | Sahara Prime City Limited | 57112041 | 99.99% | 51% | 57112041 | 99.99% | 51% | NONE |

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

| | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
| | No. of shares | % of total shares of the Company | No. of shares | % of total shares of the company |
| At the beginning of the year | No Change During the Year | | | |
| Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc): | No Change During the Year | | | |
| At the end of the year | No Change During the Year | | | |

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

| Sr. No. | Name of Shareholders | Shareholding at the beginning of the year | | Shareholding at the end of the year | |
|---------|----------------------------|-------------------------------------------|----------------------------------|-------------------------------------|----------------------------------|
| | | No. of shares | % of total shares of The Company | No. of shares | % of total shares of the company |
| 1. | Shri Subrata Roy Sahar | 1 | 0.00 | 1 | 0.00 |
| 2. | Smt. Swapna Roy | 1 | 0.00 | 1 | 0.00 |
| 3. | Shri Om Prakash Srivastava | 1 | 0.00 | 1 | 0.00 |

| | | | | | |
|----|---------------------------|----------|-------------|----------|-------------|
| 4. | Shri Joy Broto Roy | 1 | 0.00 | 1 | 0.00 |
| 5. | Shri Sushanto Roy | 1 | 0.00 | 1 | 0.00 |
| 6. | Shri Seemanto Roy | 1 | 0.00 | 1 | 0.00 |

(v) Shareholding of Directors and Key Managerial Personnel:

| | Shareholding at the beginning of the year | | Shareholding at the end of the year | |
|-----------|-------------------------------------------|----------------------------------|-------------------------------------|----------------------------------|
| | No. of shares | % of total shares of the Company | No. of shares | % of total shares of the company |
| NA | | | | |

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amount in Lakhs)

| Indebtedness at the beginning of the financial year | Secured Loans | Unsecured | Deposits | Total |
|---------------------------------------------------------|---------------|--------------|----------|---------------|
| i) Principal Amount | 40466 | 1451 | - | 4197 |
| ii) Interest due but not paid | 3081 | 20 | - | 3100 |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 43,547 | 1,471 | - | 45,018 |
| Change in Indebtedness during the financial year | | | | |
| Addition | - | 755 | - | 755 |
| Reduction | 966 | - | - | 966 |
| Net Change | (966) | - | - | (211) |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 33509 | 2205 | - | 35714 |
| ii) Interest due but not paid | 9072 | 21 | - | 9093 |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 42581 | 2226 | - | 44,807 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Not Applicable)

(Amount in Lakhs)

| Sl. No. | Particulars of Remuneration | | Total Amount |
|---------|-------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|--------------|
| | Gross Salary | | |
| 1 | (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | - | - |
| | (b) Value of perquisites under Section 17(2) Income Tax Act, 1961 | - | - |
| | (c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961 | - | - |
| 2 | Stock Options | - | - |
| 3 | Sweat Equity | - | - |
| 4 | Commission | - | - |
| | - as % of profit | - | - |
| | - others, specify.... | - | - |
| 5 | Others, please specify | - | - |
| | Total (A) | - | - |
| | Ceiling as per the Act | Remuneration shall not exceed 5% of net profit or limit specified in Schedule V of the Companies Act, 2013. | |

B. Remuneration to other directors:**1. Independent Director****(Amount in Lakhs)**

| Sl. No | Particulars of Remuneration | Mr. Subodh K. Goel | Mr. Dilip L. Arora | Total Amount |
|--------|----------------------------------------------|----------------------------------------------|--------------------|--------------|
| | Fee for attending Board / committee meetings | 165000 | 165000 | 330000 |
| | Commission | - | - | - |
| | - Others, please Specify | - | - | - |
| | Total (B)(1) | 165000 | 165000 | 330000 |
| | Ceiling as per the Act | 1,00,000 per meeting or 1% of the net profit | | |

2. Other Non-Executive Director**(Amount in Lakhs)**

| S. No | Particulars of Remuneration | Mr. Om Prakash Srivastava | Mr. Joy Broto Roy (Cessation w.e.f. 28.12.2020) | Mrs. Rachana Mehrotra | Total Amount |
|-------|--------------------------------------------|---------------------------|----------------------------------------------------|-----------------------|--------------|
| 1 | Fee for attending Board/Committee meetings | 165000 | 120000 | 80000 | 365000 |
| 2 | Commission | | | | |
| 3 | - Others, please Specify | | | | |
| | Total (B)(2) | 165000 | 120000 | 80000 | 365000 |

| | | | |
|--|------------------------|----------------------------------|---------------|
| | | Total (B)= (B)(1)+ (B)(2) | 365000 |
| | Ceiling as per the Act | | |

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(Amount in Lakhs)

| S/N | Particulars of Remuneration | Key Managerial Personnel | | | |
|-----|------------------------------------------------------------------------------------|--------------------------|---------------------------|------------------------------------------------------------|-------|
| | | Mr. Muneesh Sodhi (CEO) | Mr. Mahipal B. Jain (CFO) | Mr. Chandra P. Jugani (CS) (Resigned w.e.f. 31.01.2021) | Total |
| 1. | | | | | |
| | a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | 34.82 | 9.58 | 3.68 | |
| | (b) Value of perquisites under Section 17(2) Income Tax Act, 1961 | - | - | - | - |
| | (c) Profit in lieu of salary under Section 17(3) Income Tax Act, 1961 | - | - | - | - |
| 2 | Stock Options | - | - | - | - |
| 3 | Sweat Equity | - | - | - | - |
| 4 | Commission | - | - | - | - |
| | - as % of profit | - | - | - | - |
| | - others, specify.... | - | - | - | - |
| 5 | Others, please specify | - | - | - | - |
| | Total (C) | 34.82 | 9.58 | 3.68 | |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

| Type | Section of the Companies Act | Brief Description | Details of Penalty/Punishment/Compounding fees imposed | Authority [RD / NCLT/ COURT] | Appeal made, if any (give Details) |
|-------------------------------------|------------------------------|-------------------|--------------------------------------------------------|------------------------------|------------------------------------|
| A. COMPANY | | | | | |
| Penalty | | | NONE | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. Directors | | | | | |
| Penalty | | | NONE | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. Other Officers In Default | | | | | |
| Penalty | | | NONE | | |
| Punishment | | | | | |
| Compounding | | | | | |

For & on behalf of Sahara Hospitality Limited



O. P. Srivastava
 Director
 DIN : 00144000



Rachana Mehrotra
 Director
 DIN : 08359787

Place: Lucknow
Date: 06/09/2021

**Annual Report on Corporate Social Responsibility Activities as prescribed under
Section 135 of the Companies Act, 2013 and
Companies (Corporate Social Responsibility Policy) Rules, 2014**

| | | |
|----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs | Sahara Hospitality Limited strives to be a socially responsible Company and strongly believes in development which is beneficial for the society at large. As a Corporate Citizen receiving various benefits out of society, it is our co-extensive responsibility to pay back in return to the society in terms of helping needy people by providing foods, clothes, Education, etc., keeping the environment clean and safe for the society by adhering to the best industrial practices and adopting best technologies, and so on. For More Detail please visit www.saharastar.com |
| 2. | The Composition of the CSR Committee.* | Shri. Om Prakash Srivastava, Director Shri. Subodh Kumar Goel, Independent Director Shri. Dilipkumar Lokooram Arora, Independent Director |
| 3. | Average net profit of the Company for last three financial years. | |

| | | |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|
| 6. | In case the company has failed to spend the two per cent, of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report. | NA |
| 7. | A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company. | The implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and policy of the Company. |

• w.e.f. 25th June, 2021 the CSR Committee stands dissolved.

For Sahara Hospitality Limited




O. P. Srivastava
Director
DIN : 00144000




Rachana Mehrotra
Director
DIN : 08359787

Place: Lucknow

Date: 06.09.2021

ANNEXURE TO DIRECTORS' REPORT**ANNEXURE-IV**

Information under Section 197 of the Act read with Rule 5 of the Companies(Appointment and Remuneration of Managerial Personnel) Rules, 2014

List of Top Ten Employee as per rule5 (2) of The Companies Appointment & Remuneration of Managerial Personnel) Amendment rules, 2016.

| Sr. No | Name of Employee | Designation/ Nature of Employment | Age on 31.03.21 | Gross Remuneration (Rs. Lakhs) | Net Remuneration as per capping (Rs. Lakhs) | Qualification | Experience (No. of years as on 31.03.21) | Last employment held | Commencement of employment |
|--------|------------------------|--------------------------------------|-----------------|--------------------------------|---------------------------------------------|-------------------------------------------------------|------------------------------------------|-------------------------|----------------------------|
| 1. | Mr. Muneesh Sodhi | C.E.O | 45 | 83.02 | 34.82 | Master in Business Administration | 23 Yrs | Hotel Lalit | January, 2018 |
| 2. | Mr. Salil Vijay Fadnis | Deputy General-Manager-Operation | 53 | 30.90 | 12.53 | B. Com. Diploma in Hotel | 30 Yrs | Neptune Hotel, Kenya | March, 2007 |
| 3. | Mr. Ranjan Rajani | Executive Chef | 43 | 24.39 | 9.99 | Dip in Hotel Mgt | 19 Yrs | Grand Hyatt | October, 2018 |
| 4. | Mr. Mahipal Jain | CFO | 49 | 23.08 | 9.58 | C.A. | 22 Yrs | Hotel Pride | Feb, 2019 |
| 5. | Mr. Amit Ganpuley | F and B Manager | 43 | 22.83 | 9.55 | HSC Diploma in Hotel Administration & Food Technology | 23 Yrs | Resort Rio & Rio Royale | January, 2018 |

| | | | | | | | | | |
|-----|-------------------------------|-----------------------|----|-------|------|---------------------------------------|--------|-----------------------|-----------|
| 6. | Mr. Vishal Dayal Singh Kunwar | Master Chef | 53 | 22.81 | 9.49 | S.S.C. & Course in Basic Food Hygiene | 30 Yrs | StarwoodHotels, Dubai | May,2006 |
| 7. | Ms Ashrath Sharma | Room Division Manager | 43 | 22.80 | 9.42 | Dip. In Aviation | 21 Yrs | Air Sahara | July,2007 |
| 8. | Mr.Vinod Phoolchand Gupta | Head Loss Prevention | 48 | 16.85 | 9.39 | B.com | 20 Yrs | The Lalit | Mar,2018 |
| 9. | Mr. Sushant Parab | Executive Sous Chef | 38 | 16.46 | 7.76 | Hotel Management | 18 Yrs | Park Hyatt, Goa | Aug, 2018 |
| 10. | Mr. Dinesh Khare | Manager-Project | 49 | 15.62 | 7.37 | Dip in Electrical Engineering | 24 Yrs | - | Nov, 1997 |

Note:

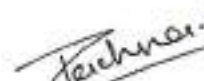
1. Net Remuneration is arrived at by deducting from the remuneration received, Income Tax.
2. The employee is entitled to Gratuity and other benefits as per rules of the Company.
3. The employee has adequate experience to discharge the responsibility assigned to him.
4. The employee is not related to any director of the Company.
5. The employee does not hold any share in the paid-up capital of the Company.

For & on behalf of Sahara Hospitality Limited



O. P. Srivastava
Director
DIN : 00144000





Rachana Mehrotra
Director
DIN : 08359787



Place: Lucknow
Date: 06.09.2021