

September 02, 2022

To,  
**BSE limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai – 400001

**Scrip Code: 509546**

Sir/Madam,

**Sub.: Annual Report of the Company and Notice convening 61<sup>st</sup> Annual General Meeting  
("AGM")**

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), please find enclosed Notice convening the AGM and the Annual Report of the Company for the Financial Year 2021-22, which is being sent to the members of the Company through electronic mode.

The AGM of the Company will be held on Tuesday, 27<sup>th</sup> September, 2022 at 12:30 P.M. through Video Conferencing / Other Audio Visual Means.

The Notice of AGM along with the Annual Report for the Financial Year 2021-22 is also being made available on the website of the Company at [www.gravisshospitality.com](http://www.gravisshospitality.com)

Request you to take the same on your records.

Thanking you.

Yours truly,  
For **GRAVISS HOSPITALITY LIMITED**


**Jalpa H. Salvi**  
Company Secretary and Compliance Officer

Encl.: As above.

# GRAVISS HOSPITALITY LIMITED 2021-2022



61<sup>ST</sup> ANNUAL REPORT



# GRAVISS HOSPITALITY LIMITED

(CIN: L55101PN1959PLC012761)

## BOARD OF DIRECTORS

Mr. Ravi Ghai	: Chairman – Non Executive and Non-Independent Director (w.e.f. 01.01.2022)
Mrs. Tina Pardal	: Independent Director (redesignated from Non Independent to Independent Director w.e.f. 11.03.2022)
Mr. Mahendra Doshi	: Independent Director
Mr. Harindra Pal Singh	: Independent Director (Resigned w.e.f. 14.12.2021)
Mr. Gulshan Bijlani	: Independent Director
Mr. Romil Ratra	: CEO and Whole Time Director
Mr. Harsh Kumar Varma	: Non-Executive Non-Independent Director

## CHIEF EXECUTIVE OFFICER

Mr. Romil R. Ratra

## CHIEF FINANCIAL OFFICER

Mr. Farangilal B. Goyal

## COMPANY SECRETARY

Ms. Jalpa H. Salvi – w. e. f. 19th April, 2021

## REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited  
C-101, 247 Park, LBS Marg  
Vikhroli (West), Mumbai – 400 083  
Contact No. 022-4918 6000, Fax: 022-4918 6060

## BANKERS

Axis Bank Limited  
Ground Floor, Bengal Chemical, Veer Savarkar Marg  
Prabhadevi, Mumbai – 400 030

## AUDITORS

M/s. A. T. Jain & Co.  
Chartered Accountants  
Mumbai

## SECRETARIAL AUDITORS

M/s. Ferrao MSR and Associates  
Dhun Building, 23/25 Janmabhoomi Marg  
Fort, Mumbai – 400 001

## INTERNAL AUDITORS

M/s. V. Sankar Aiyar & Co.  
Chartered Accountants  
2-C, Court Chambers, 35, New Marine Lines  
Mumbai – 400 020

## REGISTERED OFFICE

Plot No. A4 & A5, Khandala MIDC, Phase II, Kesurdi  
Khandala, Satara – 412 801  
Phone No.: 8828831331

## ADMINISTRATIVE OFFICE

Strand Cinema Building, 1st Floor, C. S. No. 506  
Arthur Bunder Road, Colaba, Mumbai – 400 005  
Phone No.: 022-6251 3131, Fax No.: 022-6251 3157

## UNIT

Hotel Inter-Continental, Marine Drive, Mumbai – 400 020  
Phone No.: 022-3987 9999, Fax No.: 022-3987 9600

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## Notice of Sixty First Annual General Meeting

NOTICE is hereby given that the 61st Annual General Meeting (AGM) of the members of GRAVISS HOSPITALITY LIMITED will be held on Tuesday, September 27, 2022 at 12.30 p.m. through video conferencing/other audio visual means to transact the following businesses:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements for the Financial Year ended 31st March 2022, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Harsh Kumar Varma (DIN: 03421941) who retires by rotation, and being eligible, offers himself for re-appointment.

By Order of the Board  
For GRAVISS HOSPITALITY LIMITED

Sd/-  
**Romil Ratra**  
CEO and Whole Time Director  
(DIN: 06948396)

Place: Mumbai  
Dated: August 10, 2022

**Registered Office:**  
Plot No. A4 & A5, Khandala M.I.D.C.  
Phase II Kesurdi Khandala, Satara – 412 801

# GRAVISS HOSPITALITY LIMITED

## NOTES FOR MEMBERS ATTENTION

### A. VIRTUAL MEETING:

In view of the outbreak of COVID-19 pandemic and its continuation in the current year, the Ministry of Corporate Affairs ("MCA") has vide its circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 ('Act') and the rules made thereunder on account of the threat posed by Covid-19", circular no. 20/2020 dated May 5, 2020 in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" and Circular no. 02/2021 dated January 13, 2021, Circular no. 19/2021 dated December 08, 2021, Circular no. 21/2021 December 14, 2021, Circular no. 02/2022 dated May 05, 2022 (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Covid-19 pandemic" and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the CoVID -19 pandemic" (collectively referred to as "SEBI Circulars") permitted the holding of the AGM through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the applicable provisions of the Act (including any statutory modification or re-enactment thereof for the time being in force) read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, read with the MCA Circulars, SEBI Circulars and pursuant to Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") the AGM of the Company is being held through VC/OAVM on Tuesday, September 27, 2022 at 12.30 p.m. (IST).

### B. PROXY:

Pursuant to the provisions of the act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the company. Since this AGM is being held pursuant to the MCA circulars through VC or OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, in terms of the MCA circulars and the SEBI circular, the facility for appointment of proxies by the members will not be available for this AGM and hence the proxy form, attendance slip and route map of AGM are not annexed to this notice.

### C. AUTHORISED REPRESENTATIVE:

Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative pursuant to Sections 112 and 113 of the Act, as the case maybe, to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting.

The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail through its registered e-mail address to at [mferraocs@yahoo.com](mailto:mferraocs@yahoo.com) with a copy marked to the Company Secretary at [investors.relations@gravissgroup.com](mailto:investors.relations@gravissgroup.com) not less than 48 (forty eight) hours before the commencement of the AGM i.e. by 12:30 p.m. on Sunday, September 25, 2022.

In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

### D. ELECTRONIC COPY OF ANNUAL REPORT AND NOTICE OF ANNUAL GENERAL MEETING:

- (a) In line with the MCA Circulars dated May 5, 2020 and January 13, 2021 and SEBI Circulars dated May 12, 2020 and January 15, 2021, the Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories.
- (b) Members may note that the Annual Report 2021-22 will also be available on the website of the Company at <https://www.gravisshospitality.com/investor-relations.html> and may also be accessed from the relevant section of the website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and website of Link Intime India Private Limited ("LI IPL") i.e. [www.instavote.linkintime.co.in](http://www.instavote.linkintime.co.in).

### E. E-VOTING:

- (a) Pursuant to Section 108 of the Act, rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, Regulation 44 of SEBI Listing Regulations and the MCA Circulars, the Company is pleased to provide the facility to Members to exercise their right to vote, on the resolutions proposed to be passed at AGM, by electronic means.
- (b) The Company has engaged the services of Link Intime India Private Limited (LI IPL) to provide the remote e-voting facility on InstaVote and the e-voting system on the date of the AGM on InstaMeet.
- (c) The Company has appointed Mr. Martinho Ferrao, (holding membership no. FCS 6221), Proprietor of M/s. Martinho Ferrao & Associates, Company Secretaries, to act as the Scrutinizer and to scrutinize the entire e-voting process (i.e. remote e-voting and e-voting at the AGM) in a fair and transparent manner.

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REMOTE E-VOTING : IMPORTANT DATES	
<b>Cut-Off date</b> [for determining the Members entitled to vote on the resolutions set forth in this notice]	September 21, 2022
<b>Remote e-voting period</b> [During this period, members of the Company as on the cut-off date may cast their vote by remote e-voting]	<b>Commences from:</b> 9:00 a.m. Saturday, September 24, 2022
	<b>End at</b> 5.00 p.m., Monday, September 26, 2022 [Remote e-voting module shall be disabled for voting thereafter by LIHPL]
<b>URL for remote e-voting :</b>	<a href="http://www.instavote.linkintime.co.in">www.instavote.linkintime.co.in</a>

## REMOTE E-VOTING : PROCEDURE

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
<b>Individual Shareholders holding securities in demat mode with NSDL</b>	<ul style="list-style-type: none"> <li>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL.</li> <li>Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password.</li> <li>After successful authentication, you will be able to see e-Voting services. Click on “Access to eVoting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.</li> </ul>
<b>Individual Shareholders holding securities in demat mode with CDSL</b>	<ul style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</li> <li>Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by</li> </ul>

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Type of shareholders	Login Method
<b>Individual Shareholders holding securities in demat mode with CDSL</b>	<p>sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.</p>
<b>Individual Shareholders (holding securities in demat mode) &amp; login through their depository participants</b>	<ul style="list-style-type: none"> <li>• You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.</li> </ul>
<b>Login method for Individual shareholders holding securities in physical form</b>	<ol style="list-style-type: none"> <li>1. Open the internet browser and launch the URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a> <ul style="list-style-type: none"> <li>▶ Click on “<b>Sign Up</b>” under ‘<b>SHARE HOLDER</b>’ tab and register with your following details:                             <ol style="list-style-type: none"> <li><b>A. User ID:</b> Shareholders holding shares in <b>physical form shall provide</b> Event No + Folio Number registered with the Company.</li> <li><b>B. PAN:</b> Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.</li> <li><b>C. DOB/DOI:</b> Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company – in DD/MM/YYYY format)</li> <li><b>D. Bank Account Number:</b> Enter your Bank Account Number (last four digits), as recorded with your DP/Company.                                     <ul style="list-style-type: none"> <li>• Shareholders/ members holding shares in <b>physical form</b> but have not recorded ‘c’ and ‘d’, shall provide their Folio number in ‘d’ above</li> </ul> </li> </ol> </li> <li>▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&amp;*), at least one numeral, at least one alphabet and at least one capital letter).</li> <li>▶ Click “confirm” (Your password is now generated).</li> </ul> </li> <li>2. Click on ‘Login’ under ‘<b>SHARE HOLDER</b>’ tab.</li> <li>3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘<b>Submit</b>’.</li> </ol> <p style="text-align: center;"><b>Cast your vote electronically:</b></p> <ol style="list-style-type: none"> <li>4. After successful login, you will be able to see the notification for e-voting. Select ‘<b>View</b>’ icon.</li> <li>5. E-voting page will appear.</li> <li>6. Refer the Resolution description and cast your vote by selecting your desired option ‘<b>Favour / Against</b>’ (If you wish to view the entire Resolution details, click on the ‘<b>View Resolution</b>’ file link).</li> <li>7. After selecting the desired option i.e. Favour / Against, click on ‘<b>Submit</b>’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘<b>Yes</b>’, else to change your vote, click on ‘No’ and accordingly modify your vote.</li> </ol>
<b>Guidelines for Institutional shareholders</b>	<ul style="list-style-type: none"> <li>• Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a> and register themselves as ‘Custodian / Mutual Fund / Corporate Body’. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘Custodian / Mutual Fund / Corporate Body’ login for the Scrutinizer to verify the same.</li> </ul>

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## HELPDESK

Type of shareholders	Login Method
Individual Shareholders holding securities in physical mode/ Institutional shareholders	Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at <a href="mailto:enotices@linkintime.co.in">enotices@linkintime.co.in</a> or contact on: – Tel: 022-49186000.
Individual Shareholders holding securities in demat mode NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30.
Individual Shareholders holding securities in demat mode CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43.

## REMOTE E-VOTING : POINTS TO REMEMBER

- (a) If you have forgotten the password:
  - Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
  - Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.
- (b) In case shareholders/ members is having valid e-mail address, Password will be sent to his / her registered e-mail address.
- (c) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (d) During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".
- (e) Shareholders/ members holding multiple folios/demat account shall choose the voting process separately for each of the folios/ demat account.
- (f) In addition, shareholder will also be provided with a facility to attend the AGM through VC/OAVM through the LIPL e-voting system. The members who have cast their vote by remote e-voting prior to the AGM will be entitled to and may attend the AGM but shall not be entitled to cast their vote again.
- (g) In case shareholders/ members have any queries regarding e-voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-voting manual available at [www.instavote.linkintime.co.in](http://www.instavote.linkintime.co.in), or send an e-mail to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on : – Tel: 022 4918 6000.

## F. PROCEDURE FOR JOINING THE AGM THROUGH VC/OAVM:

### ATTENDING THE AGM THROUGH INSTAMEET

- (a) Shareholder will be provided with a facility to attend the AGM through VC/OAVM through InstaMeet. The meeting shall be opened 30 (Thirty) minutes before the scheduled time of the AGM and shall be kept open throughout the proceedings of the AGM.
- (b) Please note that the attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.



## GRAVISS HOSPITALITY LIMITED

(c) Members desiring to attend the AGM through VC/OAVM are requested to refer to the detailed procedure given below:

<b>ATTEND THE AGM THROUGH VC/OAVM: PROCEDURE</b>	
<b>Step No.</b>	<b>For all Shareholders</b>
1.	Open the internet browser and launch the URL: <a href="http://www.instameet.linkintime.co">www.instameet.linkintime.co</a> .
2.	Select the "Company" and 'Event Date' and register with your following details:
A.	<b>Demat Account No. or Folio No:</b> Enter your 16 digit Demat Account No. or Folio No:
(i)	For members holding shares in demat account held with CDSL
(ii)	For members holding shares in demat account held with NSDL
(iii)	For members holding shares in physical form
B.	<b>PAN:</b> Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.
C.	<b>Mobile No.:</b> Enter your mobile number.
D.	<b>E-mail ID:</b> Enter your e-mail ID, as recorded with your DP/Company.
3.	Click "Go to Meeting" ( <i>You are now registered for InstaMeet and your attendance is marked for the meeting</i> ).
4.	Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.
5.	Shareholders will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: – Tel: 022-49186175.

### **G. SPEAKER REGISTRATION FOR THE AGM:**

- (a) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 (seven) days prior to meeting i.e. Tuesday, September 20, 2022 mentioning their name, demat account number/folio number, e-mail ID, mobile number at [investors.relations@gravissgroup.com](mailto:investors.relations@gravissgroup.com).
- (b) Only those shareholders who have registered themselves as a speaker will be allowed to express their views/ ask questions during the meeting.
- (c) Shareholders will get confirmation on first cum first basis.
- (d) Shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application by clicking on the link Download – Webex (Members may also refer a tutorial video available on Webex – Download – Tutorial).
- (e) Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.
- (f) Please note that the Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.

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(g) Other shareholder may ask questions to the panel list, via active chat-board during the meeting.

The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 (seven) days prior to meeting i.e. Tuesday, September 20, 2022 mentioning their name, demat account number/ folio number, e-mail ID, mobile number at [investors.relations@gravissgroup.com](mailto:investors.relations@gravissgroup.com). These queries will be replied to by the Company suitably by e-mail. Further In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: – Tel: 022-49186175.

## H. E-VOTING DURING THE AGM THROUGH INSTAMEET:

- (a) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
- (b) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- (c) Shareholders who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

## I. E-VOTING DURING THE AGM THROUGH INSTAMEET: PROCEDURE:

Step No.	For all Shareholders
1.	On the Shareholders VC page, click on the link for e-voting "Cast your vote".
2.	Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered e-mail ID) received during registration for InstaMEET and click on 'Submit'.
3.	After successful login, you will see "Resolution Description" and against the same the option "Favour/Against" for voting.
4.	Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5.	After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6.	Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an e-mail to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: – Tel: 022-49186175.

## J. OTHER INFORMATION RELATED TO E-VOTING:

- (a) A person, whose name is recorded in the register of members or in the register of beneficial owners of the Company, as on the cut-off date i.e. Wednesday, September 21, 2022 only shall be entitled to avail the facility of e-voting, either through remote e-voting and voting at the AGM. A person who is not a member as on the cut-off date should treat this notice for information purposes only.
- (b) Members who have cast their vote by remote e-voting prior to the AGM will be entitled to attend the AGM and their presence shall be counted for the purpose of quorum. However, they shall not be entitled to cast their vote again. In case a member casts his vote by more than one mode of voting including remote e-voting, then voting done through remote e-voting shall prevail and other shall be treated as invalid.
- (c) Voting rights of the members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. September 21, 2022.

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- (d) Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the notice and holds shares as of the cut-off date may follow the procedure for remote e-voting as enumerated in detail hereinabove. They may also refer to the FAQs and e-voting manual available at [www.instavote.linkintime.co.in](http://www.instavote.linkintime.co.in) or write an e-mail to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or [investors.relations@gravissgroup.com](mailto:investors.relations@gravissgroup.com).
- (e) Every client ID no./folio no. will have one vote, irrespective of number of joint holders. However, in case the joint holders wish to attend the meeting, the joint holder whose name is higher in the order of names among the joint holders, will be entitled to vote at the AGM.
- (f) The members may also update their mobile number and e-mail ID in the user profile details of their respective client ID no./folio no., which may be used for sending future communication(s).

### **K. GENERAL INSTRUCTIONS:**

- (a) Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.
- (b) Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.
- (c) Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- (d) At the AGM, the Chairperson shall, at the end of discussion on the resolutions on which voting is to be held, allow e-voting at the AGM.
- (e) The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, not later than 48 (forty eight) hours of the conclusion of the AGM, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (f) The results alongwith the consolidated Scrutinizer's Report shall be declared by means of:
  - (i) dissemination on the website of the Company i.e. [www.gravisshospitality.com](http://www.gravisshospitality.com) and website of LIPL i.e. [www.instavote.linkintime.co.in](http://www.instavote.linkintime.co.in); and
  - (ii) communication to BSE Limited thereby enabling them to disseminate the same on their respective websites.

### **L. CORRESPONDENCE:**

Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the Company or RTA, quoting their folio number or DP ID – client ID, as the case may be.

For any queries/issues (including but not limited to Annual Report/AGM), you may reach the Company team /RTA at the address for correspondence provided in the section 'General Shareholder Information' of the Annual Report.

### **M. INFORMATION FOR NON-RESIDENT INDIAN SHAREHOLDERS:**

Non-resident Indian shareholders are requested to immediately inform the Company/ RTA, if shares are held in physical mode or to their DP, if the holding is in electronic mode, regarding change in the residential status on return to India for permanent settlement and/or the particulars of the NRE account with a bank in India, if not furnished earlier.

### **N. TRANSFER OF UNCLAIMED/UNPAID AMOUNTS TO THE INVESTOR EDUCATION AND PROTECTION FUND:**

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), dividend, if not claimed for a consecutive period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ('IEPF').

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

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In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends, if any, in order to avoid transfer of dividends/shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are transferred to the IEPF Authority, are uploaded on the Company's website <https://www.gravisshospitality.com/investor-relations.html>.

In light of the aforesaid provisions, the Company has transferred to IEPF the unclaimed dividends, outstanding for seven consecutive years, of the Company. Further, shares of the Company, in respect of which dividend has not been claimed for seven consecutive years or more from the date of transfer to unpaid dividend account, shall be also transferred to the demat account of IEPF Authority.

The Members who have a claim on the dividends as displayed on the Company's website may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending a copy off the same to our RTA M/s. Link Intime India Pvt. Ltd., C-101, 247 Park, LBS.Marg, Vikhroli (West), Mumbai – 400 083, Tel No.: (022) 49186270, e-mail : [iepf.shares@linkintime.co.in](mailto:iepf.shares@linkintime.co.in).

Please provide following details in all your communications:

1. Name of the Company,
2. Folio No. or DP and Client ID,
3. Name of shareholder,
4. Contact No.,
5. Email ID.

No claims shall lie against the Company in respect of the dividend/shares so transferred.

### **O. NON-REQUIREMENT OF RATIFICATION OF APPOINTMENT STATUTORY AUDITORS:**

At the 58<sup>th</sup> AGM held on 26.07.2019 the Members approved the appointment of M/s. A. T. Jain & Co., Chartered Accountants, Mumbai (Firm Registration No: 103886W) as the Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 63<sup>rd</sup> AGM, subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of Statutory Auditors at the 61<sup>st</sup> AGM.

### **P. CONVERSION OF PHYSICAL HOLDING/S INTO DEMATERIALIZED FORM:**

As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of listed Companies can be transferred only in dematerialised form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members can contact Company's Registrars and Transfer Agent, Link Intime India Private Limited ('RTA') at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) for assistance in this regard.

### **Q. MEMBERS TO REGISTER AND INTIMATE CHANGES FOR ELECTRONIC COMMUNICATION:**

- (a) Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination, power of attorney registration, Bank Mandate details, etc., to their DPs in case the shares are held in electronic form and to the RTA at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) in case the shares are held in physical form, quoting your folio no. Further, Members may note that SEBI has mandated the submission of PAN by every participant in securities market.
- (b) To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
- (c) To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company in case the shares are held by them in physical form.

### **R. DOCUMENTS OPEN FOR INSPECTION:**

Documents for inspection will be available electronically, without any fee, from the date of circulation of the Notice of AGM up to the date of AGM. Members seeking to inspect such documents can send an e-mail to [investors.relations@gravissgroup.com](mailto:investors.relations@gravissgroup.com) stating their DP/ Client ID or Folio Nos.

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## ANNEXURE TO THE EXPLANATORY STATEMENT

Disclosure pursuant to Secretarial Standard-2 on General Meetings and Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended, is as under:

1.	<b>Name of the Director DIN</b>	<b>Harsh Kumar Varma DIN: 03421941</b>
2.	<b>Date of Birth</b>	02/02/1958
3.	<b>Age</b>	64 years
4.	<b>Qualification</b>	BA (Honors) Economics and LL.B. along with Diploma in Hotel Management and Operations
5.	<b>Experience &amp; Expertise</b>	Mr. Harsh Kumar Varma comes with 28 years of rich experience in the areas of operations, business development, finance, legal and corporate matters across renowned brands and organizations in the hospitality and real estate sectors
6.	<b>The last drawn remuneration</b>	Nil
7.	<b>Date of first appointment on the Board</b>	09/03/2021
8.	<b>Shareholding of the Director in the Company</b>	Nil
9.	<b>Relationships with other Directors, Manager and other Key Managerial Personnel of the Company</b>	He is not related to any Director and Key Managerial Personnel of the Company.
10.	<b>Number of Board Meetings attended during the year</b>	6 out of 6 Board Meetings
11.	<b>Other Directorships</b>	Graviss Hospitality Limited Graviss Foods Private Limited Graviss Hotels & Resorts Limited Graviss Holdings Private Limited Kwality Fantasy Private Limited Graviss Food Solutions Private Limited Graviss Retail Private Limited Graviss Brands Private Limited Cross Word Beverages Private Limited Famed Properties Private Limited Graviss Catering Private Limited
12.	<b>Committee Chairmanships / Memberships</b>	Nil

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## MESSAGE FROM THE CEO

Dear Shareholders,

I am pleased to present to you the Annual Report of Graviss Hospitality Limited (GHL), my second year, as the Chief Executive Officer of the Company, that is celebrating its 61st anniversary this year.

As the world is now slowly recovering from the COVID-19 outbreak, there is no doubt that the pandemic changed the world as we know it. The pandemic brought the parts of the world economy, especially the travel and hospitality industry to a near standstill, however in the year 2021-22 the economy started its slow walk towards a semblance of recovery.

The impact of COVID-19 on the Indian hotel sector was quite devastating with India's average occupancy that was at ~65% in 2019, plummeted to as low as a single digit in some months and locations throughout 2020 and 2021, greatly hurting the industry's overall performance. This was only made worse by the second and third waves of the Delta and Omicron variants of the virus which resulted in further lockdowns and restrictions over the year. While there was partial lifting of restrictions on travel and dining in restaurants throughout the country the same resumed on a full-fledged basis only during the second half of the year. While the industry recovered significantly in 2021, the year was not without pandemic-related setbacks, as the appearance of a new COVID strain caused temporary hurdles in the sector's recovery. Travellers and hotel industry players, on the other hand, continued to adapt to the changing scenario and find new methods to move forward. Driven by a strong recovery in demand, average room rates began to improve after the second wave and are gradually approaching pre-COVID levels.

The global hotel industry continues to navigate challenges stemming from the pandemic as well as more recent headwinds from labour shortages, inflation, and geopolitical concerns. Despite these, the industry posted a strong showing in the financial year, growing at 4.6%, with a particularly good performance in Asia.

The Indian hospitality industry has witnessed healthy recovery from mid-February 2022 aided by leisure, transient demand, weddings and gradual pickup in business travel. While demand was impacted in January 2022 and for the first two weeks of February 2022 because of the Omicron wave, normalcy has returned at a much faster pace compared to that during Covid 2.0. Further, the impact on hotel demand during the third wave was relatively shorter at about 4-5 weeks compared to 10-12 weeks in Covid 2.0. While the possibility of a fourth Covid wave cannot be ruled out, the increasing vaccination coverage and reducing disruption with each Covid19 wave provide comfort. On account of which, your Company has also recovered losses.

The InterContinental, Marine Drive, the hotel unit of the Company has recovered considerably during the past year owing to the ease on travel restrictions by the Government, the steady decline of Covid cases, and resurgence of domestic as well as some inbound international travel. The Company has earned a revenue from operations of Rs. 2877 lakhs in the financial year ended 31st March, 2022 which is more than thrice that of previous year. The Company aims to go back to pre-covid or even better numbers in the current year and has been making continuous efforts towards the achievement of that goal.

Good business ethics and governance are key towards building strong and successful companies. As in the past, your Company has always ensured that sustainability is given its due importance in its business activities and established adequate processes and resources to manage and monitor sustainability initiatives. Your Company has shown that it adheres to these even during the most testing of times faced by the hospitality industry.

Before closing, I would like to express my sincere thanks to our Board Members for their continued support. I express my sincere gratitude to all the shareholders, customers, creditors and friends across the world for placing their trust in us. And most importantly, a note of thanks to the team members and colleagues— who are our key driving force and biggest assets, for their passion towards the continued stability and growth of the Company.

I count on your continued support as we aspire to get back on our feet into a post pandemic world with a drive towards profitable growth and maximising value for all our stakeholders in a sustainable manner.

Best Regards,

**Romil Ratra**

## Management Discussion and Analysis Report

### Economic Environment – An Overview

#### Global Economy:

While the global economy has rebounded quite well since the start of the Covid-19 pandemic, global economic prospects have worsened significantly since International Monetary Fund's last World Economic Outlook forecast in January 2022. The Covid-19 pandemic, the war in Ukraine and rising global inflation may severely set back the global recovery, slowing growth considerably.

The Covid-19 virus continues to disrupt supply chains especially out of China. New virus mutations and the accumulating human toll raise concerns, even as growing vaccine coverage lifts sentiment. Economic recoveries are diverging across countries and sectors, reflecting variation in pandemic-induced disruptions and the extent of policy support. The battle between the virus and vaccines, may partly influence the growth of the country, as it also hinges on how effectively economic policies deployed under high uncertainty can limit the lasting damage from this unprecedented pandemic.

Following a contraction of 3.1% in the calendar year 2020, global growth is projected to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023. This is 0.8 and 0.2 percentage points lower for 2022 and 2023 than projected in January 2022. (Source: World Economic Outlook)

Since the Monetary Policy Committee's (MPC) meeting in April, the global economic recovery has been gaining momentum, driven mainly by major advanced economies (AEs) and powered by massive vaccination programmes and stimulus packages. Activity remains uneven in major emerging market economies (EMEs), with downside risks from renewed waves of infections due to contagious mutants of the virus and the relatively slow progress in vaccination. World mercantile trade continues to recover as external demand resumes, though elevated freight rates and container dislocations are emerging as constraints. CPI inflation is firming up in most AEs, driven by release of pent-up demand, elevated input prices and unfavourable base effects. Inflation in major EMEs has been generally close to or above official targets in recent months, pushed up by the sustained rise in global food and commodity prices. Global financial conditions remain benign. (Source: RBI Bulletin – Monetary Policy Statement-2021-22)

Global tourism continued to be impacted in 2021 by repeated waves of the pandemic and consequent reintroduction of travel restrictions. International tourist arrivals across the world for 2021 were 421 Million, 4.6% over that of 2020 but lower by 71.3% compared to 2019 according to data from the United Nations World Tourism Organisation (UNWTO). In absolute numbers, international arrivals at destinations worldwide were still far less by a billion travellers in 2021 than the pre-pandemic levels of 2019. Asia and the Pacific registered an absolute decline in international arrivals in 2021 over 2020 by 64.7%. International tourist arrivals in South Asia were at 5.7 Million, lower by 42.9% from 2020 and 83.1% from 2019. In 2019, South Asia had 33.7 Million international tourist arrivals. Amongst other regions, international tourist arrivals in 2021 over 2020 to North America and Africa grew by 22.2% and 13.9% respectively while the Middle East declined by 8.3%. All these regions are trailing their pre-pandemic levels by large margins. International tourist arrivals i.e. overnight visitors increased by 130% in January 2022, higher by 18 Million. Even though the increase in arrivals during January 2022 was the same as that for the entire 2021 over 2020, it was 67.1% lower than the pre-pandemic level of January 2019. South Asia recorded an increase of 135.3% in arrivals in January 2022 over the same month in 2021. The encouraging results were impacted by the Omicron variant of COVID-19 virus and re-introduction of travel restrictions across several countries. The ebbing of this wave of the virus gave way to the rising geopolitical stress in Europe and South Asia. (Source: UNWTO, Barometer March 2022)

#### Indian Economy:

According to the Economic Survey of India, the last two years have been difficult for the world economy on account of the COVID-19 pandemic. Repeated waves of infection, supply-chain disruptions and, more recently, inflation have created particularly challenging times for policy-making. Advance estimates suggest that the Indian economy is expected to witness real GDP expansion of 9.2 per cent in 2021-22 after contracting in 2020-21. This implies that overall economic activity has recovered past the pre-pandemic levels. Almost all indicators show that the economic impact of the "second wave" in Q1 was much smaller than that experienced during the full lockdown phase in 2020-21 even though the health impact was more severe. Agriculture and allied sectors have been the least impacted by the pandemic and the sector is expected to grow by 3.9 per cent in 2021-22 after growing 3.6 per cent in the previous year. Other advance estimates suggest that the GVA of Industry (including mining and construction) will rise by 11.8 per cent in 2021-22 after contracting by 7 per cent in 2020-21. The Services sector has been the hardest hit by the pandemic, especially segments that involve human contact.

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This sector is estimated to grow by 8.2 per cent this financial year following last year's 8.4 per cent contraction. Total Consumption is estimated to have grown by 7.0 per cent in 2021-22 with significant contributions from government spending. Similarly, Gross Fixed Capital Formation exceeded pre-pandemic levels on the back of ramped up public expenditure on infrastructure. Exports of both goods and services have been exceptionally strong so far in 2021-22, but imports also recovered strongly with recovery in domestic demand as well as higher international commodity prices.

With the vaccination programme having covered the bulk of the population, economic momentum building back and the likely long-term benefits of supply-side reforms in the pipeline, the Indian economy is in a good position to witness GDP growth of 8.0-8.5 per cent in 2022-23. Nonetheless, the global environment still remains uncertain. At the time of writing, a new wave in the form of the Omicron variant was sweeping across the world, inflation had jumped up in most countries, and the cycle of liquidity withdrawal was being initiated by major central banks. This is why it is especially important to look at India's macroeconomic stability indicators and their ability to provide a buffer against the above stresses.

The Indian GDP grew during FY 2021-22 at 8.7% compared to a contraction of 6.6% in FY 2020-21 as per the Press Note dated May 31, 2022 of the National Statistical Office of the Government of India. Total Consumption grew by 7.0% in FY 2021-22 enabled by private spending. Exports of both goods and services have been exceptionally strong in FY 2021-22 growing by 24.3%. Imports also recovered strongly with recovery in domestic demand coupled with higher international commodity prices to grow by 35.5% in FY 2021-22. In terms of Gross Value Added (GVA), the agricultural sector was the least impacted compared to other industries and grew by 3% during FY 2021-22 after a growth of 3.3% in FY 2020-21. Trade, Hotels, Transport, Communication and Broadcasting related services, constituting about a third of overall services grew by 11.1%. The Indian real estate market, which has proven to be inflation-proof, has shown a significant revival in FY 2021-22. India's balance of payments remained in surplus throughout the past two years which has enabled the Reserve Bank of India to maintain a strong position in foreign currency reserves above US\$ 600 billion. In its Monetary Policy Report of April 2022, the Reserve Bank of India (RBI) has projected real GDP to grow at 7.2% in FY 2022-23. Several high frequency indicators viz. railway freight, GST collections, electricity demand, import of capital goods, etc. have displayed robust growth during February and March 2022. There has been a significant rise in consumer optimism on the back of improved sentiments of the general economic situation. According to 'The Economist' – May 14, 2022 edition, India is expected to be the fastest growing big economy in the world. While the economy has been looking up in the fourth quarter of FY 2021-22, escalating geopolitical tensions in the Black Sea region resulting in significant hardening of international crude oil and other commodity prices, the loss of momentum in global trade and risk of future waves of COVID-19 infections pose downside risks to the outlook for India in line with the global economy. Further, in May 2022 the RBI considered prevailing high inflationary conditions while raising interest rates by 40 basis points. (Source: Reserve Bank of India Monetary Policy Report – April 2022 and May 2022)

Services account for more than half of the Indian economy and was the most impacted by the COVID-19 related restrictions, especially for activities that need human contact. Although the overall sector first contracted by 8.4 per cent in 2020-21 and then is estimated to grow by 8.2 per cent in 2021-22, it should be noted that there is a wide dispersion of performance by different sub-sectors. Both the Finance/Real Estate and the Public Administration segments are now well above pre-COVID levels. However, segments like Travel, Trade and Hotels are yet to fully recover. It should be added that the stop-start nature of repeated pandemic waves makes it especially difficult for these sub-sectors to gather momentum.

The Indian economy, as seen in quarterly estimates of GDP, has been staging a sustained recovery since the second half of 2020-21. Although the second wave of the pandemic in April-June 2021 was more severe from a health perspective, the economic impact was muted compared to the national lockdown of the previous year. Advance estimates suggest that GDP will record an expansion of 9.2 per cent in 2021-22. This implies that the level of real economic output will surpass the pre-COVID level of 2019-20.

The services sector as a whole has mostly recovered from the impact of the nationwide lockdown imposed during March-May 2020 and localised lockdowns during the second covid wave in April-May 2021, although some of the sub-sectors continue to be impacted. During the first half of 2021-22, the Services sector grew by 10.8 per cent. The recovery is more pronounced given the Gross Value Added (GVA) of Services crossed the pre-pandemic level in Q2 2021-22. However, being a contact intensive sub-sector, GVA of 'Trade, hotels, transport, communication & services related to broadcasting' still remains below its pre-pandemic level.

### **Outlook:**

The United Nations has raised India's growth forecast to 7.5 per cent for calendar year 2021, marking a 0.2 per cent increase from its projection in January, but said the country's outlook for the year remains highly fragile. The surging Covid-19 infections and inadequate



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vaccination progress in many countries threaten a broad-based recovery of the world economy, said the World Economic Situation and Prospects report. It also projected India's GDP to grow by 10.1 per cent in 2022. "India has been particularly affected by a brutal second wave which is overwhelming the public health system in large parts of the country."

A report by OECD says that after recording the strongest GDP rebound in the G20 in 2021, the Indian economy is progressively losing momentum as inflationary expectations remain elevated due to rising global energy and food prices, monetary policy normalises and global conditions deteriorate. Real GDP is projected to grow by 6.9% in fiscal year (FY) 2022-23 and 6.2% in FY 2023-24, despite a pick-up of corporate investment facilitated by the Production-Linked Incentive Scheme. While inflation will gradually decline, the current account deficit will widen due to the surge in energy import costs.

The tense global geopolitical situation and the consequent elevated commodity prices impart considerable uncertainty to the domestic inflation outlook. The restrictions on wheat exports should improve the domestic supplies but the shortfall in the rabi production due to the heat wave could be an offsetting risk. The forecast of a normal south-west monsoon augurs well for the kharif agricultural production and the food price outlook. Edible oil prices remain under pressure on adverse global supply conditions, notwithstanding some recent correction due to the lifting of export ban by a major supplier. Consequent to the recent reduction in excise duties, domestic retail prices of petroleum products have moderated. International crude oil prices, however, remain elevated, with risks of further pass-through to domestic pump prices. There are also upside risks from revisions in the prices of electricity. Early results from manufacturing, services and infrastructure sector firms polled in the Reserve Bank's surveys expect further input and output price pressures going forward. Taking into account these factors, and on the assumption of a normal monsoon in 2022 and average crude oil price (Indian basket) of US\$ 105 per barrel, inflation is now projected at 6.7 per cent in 2022-23, with Q1 at 7.5 per cent; Q2 at 7.4 per cent; Q3 at 6.2 per cent; and Q4 at 5.8 per cent, with risks evenly balanced.

The recovery in domestic economic activity is gathering strength. Rural consumption should benefit from the likely normal south-west monsoon and the expected improvement in agricultural prospects. A rebound in contact-intensive services is likely to bolster urban consumption, going forward. Investment activity is expected to be supported by improving capacity utilisation, the government's capex push, and strengthening bank credit. Growth of merchandise and services exports is set to sustain the recent buoyancy. Spillovers from prolonged geopolitical tensions, elevated commodity prices, continued supply bottlenecks and tightening global financial conditions nevertheless weigh on the outlook. Taking all these factors into consideration, the real GDP growth projection for 2022-23 is retained at 7.2 per cent, with Q1 at 6.2 per cent; Q2 at 6.2 per cent; Q3 at 4.1 per cent; and Q4 at 4.0 per cent, with risks broadly balanced.

### **Indian Hospitality and Tourism Industry:**

According to statistics by IBEF, the Travel and Tourism industry provides 4 crore jobs, 8% of total employment in the country and contributes nearly about 7% to the country's GDP. This industry was one of the hardest-hit industries in the pandemic.

FY 2021-22 however has been a year of strong recovery in the Indian travel and tourism industry. While flight restrictions continued for most part of the year subduing international travel, demand was largely from pent-up domestic leisure travel, extended stays, wedding, social events and a partial resumption of business travel in the country. Total air passenger traffic within India for 2021 was 182 Million, higher than 2020 by 27% but lower than 2019 by 48%. Of this, 164 Million or 90% constituted domestic air passenger traffic. (HVS Anarock – India Hospitality Industry Overview 2021 and Airports Authority of India data). In contrast, foreign tourist arrivals were 1.41 Million for the calendar year 2021 in comparison with 2.74 Million in 2020 and 10.93 Million in 2019 (Government of India, Ministry of Tourism Annual Report – 2021-22). As per Horwath HTL Market Report: India Hotel Market Review 2021, calendar year occupancy for 2021 was 43.5% in comparison with 32.0% in 2020 and 24.9% during the initial pandemic period of March to December 2020. The recovery from the 'second wave' of COVID-19 was quicker and demand during the period July to September 2021 was particularly strong. The 13 Indian destinations tracked by STR, a global hospitality data analytics firm, registered an occupancy of 50.0% in the fourth quarter of FY 2021-22 as against 46.1% in FY 2020-21 with a 39% improvement in RevPAR.

The country's hotel industry is expected to return to the pre-COVID level in the current fiscal itself on the back of a significant improvement in demand, according to a report. Rating agency ICRA's Assistant Vice President and Sector Head Vinutaa S was quoted in an article by the Economic Times that demand in the near term is expected to stem largely from domestic leisure travel, although there will be gradual recovery in business travel and free trade agreements (FTAs). According to its report, the hotel industry is expected to clock 60 per cent of pre-COVID revenues in FY22, despite almost four months of impact because of COVID 2.0 and COVID 3.0.

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Despite contact-sensitive services still being impacted by COVID, there has been a strong recovery of the Purchasing Managers' Index-Services since August 2021 (Figure 13). In this context, it is important to note the role of new forms of High Frequency Indicators to gauge real-time trends. For example, the Google mobility indicators for retail and recreation (i.e., restaurants, cafes, shopping centres, etc.) and transit stations (public transport hubs such as subway, bus, and train stations), measuring percentage deviation from pre-pandemic levels of mobility, has exceeded pre-pandemic levels in December 2021 before the Omicron wave again led to restrictions (Figure 12). Similarly, the hotel occupancy rate has recovered substantially, reaching 56-58 per cent in October 2021, from 30-32 per cent in April 2021.

The Indian Government has realised the country's potential in the tourism industry and has taken several steps to make India a global tourism hub. Some of the major initiatives planned by the Government of India to boost the tourism and hospitality sector of India are as follows:

- From November 15, 2021, India allowed fully vaccinated foreign tourists to visit India.
- In the Union Budget 2022-23, an additional US\$ 316.3 million was earmarked for Ministry of Tourism.
- In November 2021, the Ministry of Tourism signed a Memorandum of Understanding (MoU) with Indian Railway Catering and Tourism Corporation to strengthen hospitality and tourism industry. The ministry has also signed an MoU with Ease My Trip, Cleartrip, Yatra.com, Make My Trip and Goibibo.
- The Ministry of Tourism developed an initiative called SAATHI (System for Assessment, Awareness & Training for Hospitality Industry) by partnering with the Quality Council of India (QCI) in October 2020. The initiative will effectively implement guidelines/SOPs issued with reference to COVID-19 for safe operations of hotels, restaurants, B&Bs and other units.

### **Internal Control Systems and their Adequacy:**

The Company has institutionalised an adequate system of internal controls, with documented procedures covering all corporate functions and hotel operating units. Internal controls provide reasonable assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls, and compliance with applicable laws and regulations.

The audit committee of the Board regularly reviews the internal audit reports and the adequacy and effectiveness of internal controls.

### **Discussion on Financial Performance with Respect to Operational Performance:**

During the previous year, on account of covid outbreak and various government restrictions, operations of the company were impacted significantly. During the year, the situation has improved and accordingly, cashflows and profitability has also improved as compared to previous year.

### **Material Developments in Human Resources / Industrial Relations Front, including Number of People Employed:**

Hiring and training the right talent with a focus on up-skilling and re-skilling remains a key imperative for the company, with employee well-being and engagement continuing to remain critical to empower the distributed workforce. The Company currently employs approximately 117 people.

There have been no material developments in the Human Resources / Industrial Relations Front during the year under review.

### **Details of Significant Changes in Key Financial Ratios:**

1. Current Ratio: During the year 2020-21 the current ratio was 0.32 which has increased 65.25 times to 0.52 in the year 2021-22 due to repayment of borrowings made by the Company.
2. Debt Equity Ratio: During the year 2020-21 the Debt Equity Ratio was 0.07 which has decreased 90.02 times to 0.01 in the year 2021-22, the significant improvement has been due to repayment of borrowings by the Company.

## GRAVISS HOSPITALITY LIMITED

3. Return on Equity Ratio: During the year 2020-21 the Return on Equity Ratio was (7.15) which has decreased by 85.44 % to (1.04) in the year 2021-22, the increase has been due to increased profitability of the Company.
4. Trade Receivables turnover ratio: During the year 2020-21 the Trade Receivables turnover ratio was 110.47 which has decreased 89.83 times to 11.23 in the year 2021-22, the significant improvement has been due to increased turnover of the Company.
5. Net Profit Ratio: During the year 2020-21 the Net Profit Ratio was (159.33) which has increased by 95.68 % to (6.89) in the year 2021-22, the improvement has been due to increased turnover and profitability of the Company.
6. Return on capital employed: During the year 2020-21 the Return on capital employed was (7.40) which has increased by 90.85% to (0.68) in the year 2021-22, the improvement has been due to increased profitability before interest and taxes.
7. Return on Investment: During the year 2020-21 the Return on Investment was 1.62 which has increased by 882.98 % to 15.92 in the year 2021-22, the increase has been due profit on sale of subsidiary.

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## Directors' Report

To,  
The Members of Graviss Hospitality Limited

Dear Shareholders,

Your Directors have pleasure in presenting the Sixty First Annual Report of the Company together with the Audited Standalone and Consolidated Financial Statements for the Financial Year ended 31st March, 2022.

### FINANCIAL RESULTS

The performance of the Company for the financial year ended 31st March, 2022 is summarized below:

(₹ in Lacs)

Particulars	Standalone		Consolidated	
	2021-2022	2020-2021	2021-2022	2020-2021
Revenue	2877	889.78	4833	2,286.78
Other Income	177	132.78	204	146.31
<b>Total Income</b>	<b>3054</b>	<b>1,022.56</b>	<b>5037</b>	<b>2433.09</b>
<b>Total Expenses</b>	<b>3259</b>	<b>2,824.54</b>	<b>5693</b>	<b>4342.22</b>
<b>Net Loss Before Tax</b>	<b>(204)</b>	<b>(1,801.98)</b>	<b>(656)</b>	<b>(1909.13)</b>
Deferred Tax (Net)	(6)	385.05	(6)	385.05
Current Tax	—	—	—	—
Short Provision of Tax for earlier years	—	(0.73)	—	(0.77)
<b>Net Loss After Tax</b>	<b>(198)</b>	<b>(1,417.66)</b>	<b>(650)</b>	<b>(1524.85)</b>
Balance of P & L brought forward	—	(2,570.45)	—	(3542.30)
Balance available for appropriation	—	—	—	—
Proposed Dividend on Equity Shares	—	—	—	—
Tax on proposed Dividend	—	—	—	—
<b>Balance carried forward</b>	<b>(198)</b>	<b>(3,988.11)</b>	<b>(650)</b>	<b>(5,067.11)</b>

### OVERVIEW OF OPERATIONAL VIS-À-VIS FINANCIAL PERFORMANCE

On a standalone basis, the total revenue was Rs. 3054 lacs which was higher than the previous year's total revenue Rs. 1022.56 lacs caused by the lifting of restrictions to travel and tourism due to reduction in the severity of the COVID-19 pandemic. The revival of the nation's economy and the travel and tourism industry restarting at the steady pace has resulted in overall better numbers than that of the previous year. Consequently, the Net Loss after tax stood at Rs. 198 lacs as against loss of Rs. 1417.66 lacs in the previous year.

On a consolidated basis, the Total Income for FY 2021-22 was Rs. 5037 lacs higher than the previous year's Total Income of Rs. 2433.09 lacs. The Loss after tax for FY 2021-22 was Rs. 650 lacs as against a Loss after Tax of Rs. 1524.85 lacs for FY 2020-21 which is a positive sign.

### BUSINESS OVERVIEW

An analysis of the Business and Financial Results are given in the Management Discussion and Analysis, which forms a part of the Annual Report.

# GRAVISS HOSPITALITY LIMITED

## CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of Companies Act, 2013 (hereinafter referred to as "the Act"), Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and applicable Accounting Standards, the Audited Consolidated Financial Statements of the Company for the financial year 2021-22, together with the Auditors' Report form part of this Annual Report.

## SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Your Company has 2 subsidiaries as on March 31, 2022. Out of which, Graviss Catering Private Limited continues to be the wholly owned subsidiary and Graviss Hotels and Resorts Private Limited, which was 99.8% holding, became a wholly owned subsidiary with effect from March 11, 2022. Further Graviss Hotels and Resorts Limited is a material unlisted subsidiary of your Company as defined under Regulation 16(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 wef June 07, 2022.

Hotel Kanakeshwar Private Limited was a wholly owned subsidiary of the Company. The Company has sold its stake in Hotel Kanakeshwar Private Limited on February 18, 2022, pursuant to which it has ceased to be a wholly owned subsidiary. There has been no material change in the nature of the business of the subsidiaries.

The Financial Performance of each of the Subsidiaries is detailed below:

(₹ in Lacs)

Sr. No.	Name of the Subsidiary Company	Turnover		Profit / (Loss) Before Tax		Profit / (Loss) After Tax	
		Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period
1.	Graviss Hotels and Resorts Limited	1,956.25	1,397.00	(469.01)	(106.69)	(469.01)	(106.69)
2.	Graviss Catering Private Limited	0	0	(8.54)	(9.71)	(8.42)	(9.75)

Your Company does not have any Joint Ventures or Associate Companies.

Pursuant to the provisions of Section 129(3) of the the Act a statement containing the salient features of financial statements of the Company's subsidiaries in Form No. AOC-1 is attached to the financial statements of the Company as **Annexure A**.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company at <https://www.gravisshospitality.com/investor-relations.html>.

## DIVIDEND

On account of the losses incurred during the year under review, your Directors do not recommend any dividend for the Financial Year ended 31st March, 2022.

## TRANSFER TO RESERVES

Due to losses in FY 2021-22, no amount has been transferred to Reserves.

## INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

In accordance with the applicable provisions of Companies Act, 2013 read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund ) Rules, 2016 ("IEPF Rules"), all unclaimed dividends are required to be transferred by the Company to the IEPF, after completion of seven (7) years. Further, according to IEPF Rules, the shares on which dividend has not been claimed by the shareholders for seven (7) consecutive years or more shall be transferred to the demat account of the IEPF Authority. The details relating to amount of dividend transferred to the IEPF and corresponding shares on which dividends were unclaimed for seven (7) consecutive years, are provided on the Investors Relations page of the Company's website, viz. [www.gravisshospitality.com](http://www.gravisshospitality.com).

## MANAGEMENT DISCUSSION AND ANALYSIS

In compliance with the Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations"), a separate section on the Management Discussion and Analysis giving details of overall industry structure, developments, performance and state of affairs of the Company's business, is annexed.

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## NUMBER OF MEETINGS OF THE BOARD AND ITS COMMITTEES

The details of the meetings of the Board of Directors and its Committees, convened during the financial year 2021-22 are given in the Corporate Governance Report which forms a part of this Report.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

### (a) RE-APPOINTMENT BY RETIREMENT OF OFFICE BY ROTATION:

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Harsh Kumar Varma (DIN: 03421941), Non-Executive Non-Independent Director, retires by rotation and being eligible offers himself for re-appointment to the Board.

The above re-appointment forms part of the Notice of the Sixty First Annual General Meeting and the relevant Resolution is recommended for your approval thereto.

### (b) DIRECTORS AND KEY MANAGERIAL PERSONNEL AND CHANGES AMONG THEM:

Mr. Romil Ratra – Chief Executive Officer, Mr. Farangilal Goyal – Chief Financial Officer and Mrs. Jalpa H. Salvi- Company Secretary and Compliance Officer, are the Key Managerial Personnel of your Company in accordance with the provisions of Section 2(51), 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, from time to time.

Further, the following were the changes in the Board of Directors of the Company during the year:

1. Mr. Ravi Ghai (DIN: 00074612) was appointed as Chairman – Non Executive Director w. e. f. 1st January, 2022 approved by shareholders vide postal ballot resolution dated March 22, 2022.
2. Mrs. Tina Pardal (DIN: 07148874) was re-designated from Non-Executive Non Independent Director to a Non-Executive – Independent Director of the Company w.e.f March 11, 2022 approved by shareholders vide postal ballot resolution dated April 17, 2022.

### (c) DECLARATION OF INDEPENDENCE FROM INDEPENDENT DIRECTORS:

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of the Act, read with the Schedules and Rules issued thereunder, as well as clause (b) of sub-regulation (1) of Regulation 16 of the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force). There has been no change in the circumstances affecting their status as Independent Directors of the Company.

In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses, if any, incurred by them and as applicable; for the purpose of attending meetings of the Board/Committee of the Company.

### (d) FAMILIARISATION PROGRAMME:

Whenever any person joins the Board of the Company as a Director, an induction programme is arranged for the new appointee, wherein the appointee is familiarised with the Company, his/her roles, rights and responsibilities in the Company, the Code of Conduct of the Company to be adhered, nature of the industry in which the Company operates, and business model of the Company.

The details of such familiarization programmes have been disclosed on the Company's website under the web link: <https://www.gravishhospitality.com/invester-relations.html>.

### (e) BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 read with Rules issued thereunder and Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board of Directors on recommendation of the Nomination & Remuneration Committee has carried out an annual evaluation of its own performance, board committees and individual Directors (including independent directors and Chairperson).

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of criteria such as the Board Composition and Structure; Degree of fulfillment of key responsibilities towards stakeholders (by way of monitoring corporate governance practices, participation in the long- term strategic planning, etc.); Effectiveness of board processes, information

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and functioning, etc.; Extent of co-ordination and cohesiveness between the Board and its Committees; and Quality of relationship between Board Members and the Management.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The evaluation criteria is in compliance with the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

**(f) DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES:**

The remuneration paid to the Directors is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force). The salient aspects covered in the Nomination and Remuneration Policy have been outlined in the Corporate Governance Report which forms part of this Report. The CEO of your Company does not receive remuneration from any of the subsidiaries of your Company.

The information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors/employees of your Company is set out in Annexure B to this Report.

Your Directors wish to place on record their appreciation for the good services rendered by the employees at all levels of the Company.

## **AUDIT COMMITTEE**

The Audit Committee of your Company comprises of four Members viz. Mr. Mahendra V. Doshi, a Non-Executive Independent Director as the Chairman and Mr. Gulshan Bijlani, a Non-Executive Independent Director, Mr. Harsh Kumar Varma, a Non-Executive Non Independent Director and Mrs. Tina Pardal, Non-Executive Independent Director as Members of the Committee.

The details including the attendance of the Members at the Meetings and terms of Reference are included in the Corporate Governance Report, which forms a part of the Annual Report.

## **EXTRACT OF ANNUAL RETURN**

As provided under Section 92(3) and 134(3)(a) of the Act, read with Rule 12 of Chapter VII, Companies (Management and Administration) Amendment Rules, 2020, Annual Return in Form MGT-7 for FY 2021-22 is uploaded on the website of the Company and can be accessed at <https://www.gravishshospitality.com/investor-relations.html>.

## **CORPORATE GOVERNANCE**

In compliance with the requirements of Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate report on Corporate Governance along with the Auditors' certificate on its compliance, forms an integral part of this Report.

## **LISTING OF SHARES**

The Company's equity shares are listed on BSE Limited (BSE). Further, the listing fees as applicable have been duly paid to the BSE Limited.

## **AUDITORS AND THEIR REPORT**

**(a) STATUTORY AUDITORS:**

At the 58th Annual General Meeting of the Company held on 26th July, 2019, M/s. A. T. Jain & Co., Chartered Accountants (Firm Registration Number: 103886W), were appointed as Statutory Auditors of the Company for a period of five consecutive years, i.e. from the conclusion of the ensuing 58th Annual General Meeting of the Company till the conclusion of the 63rd Annual General Meeting of the Company to be held in the year 2024 subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing AGM and a note in respect of same has been included in the Notice for this AGM.

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The Statutory Auditors of the Company have issued an unmodified opinion on the Financial Statements for the financial year ended 31st March 2022. The Auditor's Report for the financial year ended 31st March, 2022 does not contain any qualification, reservation or adverse remarks.

**(b) COST AUDITORS:**

Maintenance of cost records as specified by the Central Government under Section 148 (1) of the Act and Companies (Cost Records and Audit) Rules, 2013 is not applicable to the Company.

**(c) INTERNAL AUDITORS:**

M/s. V. Sankar Aiyar & Co., Chartered Accountants (Firm Registration No. 109208W), Mumbai were appointed as the Internal Auditors of the Company for the financial year 2021-22.

At the Meeting of the Board of Directors of the Company held on 30th May, 2022, M/s. V. Sankar Aiyar & Co., Chartered Accountants (Firm Registration No. 109208W), Mumbai have been re-appointed as the Internal Auditors for the financial year 2022-2023.

The Audit Committee of the Board of Directors, Statutory Auditors and the Management are periodically apprised of the Internal Audit findings and corrective actions are taken.

**(d) SECRETARIAL AUDITORS:**

In terms of Section 204 of the Companies Act, 2013, the Board of Directors of your Company at its meeting held on 7th June, 2021 had appointed M/s. Martinho Ferrao & Associates, Company Secretaries (Certificate of Practice No. 5676), as the Secretarial Auditor to conduct an audit of the secretarial records, for the financial year 2021-22. Your Company had received consent from M/s. Martinho Ferrao & Associates to act as the Secretarial Auditors for conducting audit of the Secretarial records for the financial year ending 31st March, 2022. The Secretarial Audit Report for the financial year ended 31st March, 2022 is annexed as **Annexure C**.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Further, M/s. Ferrao MSR & Associates, Company Secretaries (Certificate of Practice No. 5676), have been appointed as the Secretarial Auditor to conduct an audit of the secretarial records, for the financial year 2022-2023 by the Board of Directors at their meeting held on 30th May, 2022.

Graviss Hotels and Resorts Limited became a material unlisted subsidiary of your Company with effect from June 07, 2021. As per Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019 a listed Company is required to annex the Secretarial Audit Report of its material unlisted subsidiary in the Board's Report. Accordingly, the Secretarial Audit report of Graviss Hotels and Resorts Limited for FY 2021-22 issued by M/s. Martinho Ferrao and Associates is annexed to this report.

## NOMINATION AND REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration including criteria for determining qualifications, positive attributes, Independence of a Director and other matters provided under Section 178(3) of the Act. During the year under review, the Company has revised the Nomination and Remuneration Policy, in accordance with the amendments to Section 178 of the Act and Listing Regulations.

The Nomination & Remuneration Policy is also displayed on the Company's website under the web link:

<https://www.gravishhospitality.com/investor-relations.html>

## POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected therewith or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All the employees (permanent, contractual and trainees) are covered under this policy. The following is a summary of the sexual harassment complaints as on March 31, 2022:

Number of complaints received during the FY 2021-22	—	<b>NIL</b>
Number of complaints disposed off during the FY 2021-22	—	<b>NIL</b>
Number of complaints pending at the end of the FY 2021-22	—	<b>NIL</b>



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

The Company has adopted a 'Vigil Mechanism Policy' in compliance with the provisions of Section 177 (9) of the Act and Regulation 22 of the SEBI Listing Regulations, with an objective to conduct its affairs in a fair and transparent manner and by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. The Company has established mechanism for reporting concerns about unethical behaviour, actual or suspected fraud, violation of our Code of Conduct and Ethics.

The details of the policy have been disclosed in the Corporate Governance Report, which forms a part of the Annual Report and is also available on <https://www.gravishhospitality.com/investor-relations.html>.

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

The requirements of disclosure with regard to Conservation of Energy and Technology Absorption in terms of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, are not applicable to the Company, since it doesn't own any manufacturing facility.

Foreign Exchange earned during the Financial Year 2021-2022 in terms of actual inflows: **Rs. 209.87 lacs**

Foreign Exchange outgo during the Financial Year 2021-2022 in terms of actual outflows: **Rs. 4.54 lacs**

## **TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

During the year under review, no amount was transferred by the Company to the Investor Education and Protection Fund.

## **PUBLIC DEPOSITS**

During the financial year 2021-22, your Company has not accepted any deposit within the meaning of Sections 73 and 76 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

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

Details of loans, guarantees and investments under the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on 31st March, 2022, are set out in Note Nos. 6 & 7 to the Standalone Financial Statements forming part of this report. The Members are requested to refer to the said Notes for details in this regard.

## **RELATED PARTY TRANSACTIONS**

In line with the requirements of the Act and the SEBI Listing Regulations, the Company has formulated a Policy on Related Party Transactions and the same can be accessed on the Company's website at <https://www.gravishhospitality.com/investor-relations.html>.

All Related Party Transactions which were entered during the financial year 2021-22 were on an arm's length basis and in the ordinary course of business. There were no materially significant related party transactions made by the Company with related party(s) as defined under Section 2(76) of the Companies Act, 2013 which may have a potential conflict with the interest of the Company at large. All transactions with related parties were reviewed and approved by the Audit Committee and are in accordance with the Policy on dealing with and Materiality of Related Party Transactions, formulated by the Company. There are no materially significant related party transactions that may have potential conflict with interest of the Company at large. There are no person(s) or entities forming part of the Promoter(s)/ Promoter(s) Group which individually hold 10% or more shareholding in the Company.

The details of the related party transactions of the Company as required under Accounting Standard – 18 are set out in Note No. 40 to the Standalone Financial Statements forming part of this Annual Report.

All contracts/arrangements/transactions entered by the company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. Therefore, Form AOC-2 is not required to be annexed to this report.

## **INTERNAL FINANCIAL CONTROLS**

The Company has sound internal financial controls commensurate to the size and nature of its business. The Company periodically reviews the internal financial controls in the light of new statutes, changes in business models, adoption of new technology solutions and suggestions for improvements received from employees. Further, the details in respect of internal financial control and their adequacy are also included in the Management Discussion and Analysis, which forms a part of the Annual Report.

## **RISK MANAGEMENT**

Pursuant to Section 134 of the Companies Act, 2013, the Company has a Risk Management Policy in place for identification of key risks to its business objectives, impact assessment, risk analysis, risk evaluation, risk reporting and disclosures, risk mitigation and monitoring,

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and integration with strategy and business planning. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

## **SIGNIFICANT / MATERIAL ORDERS PASSED BY THE REGULATORS**

There were no significant/material orders passed by any of the Regulators or Courts or Tribunals impacting the going concern status of your Company or its operations in future during the financial year 2021-22.

## **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

The impact of COVID-19 on the Company's financial statements has been given in the notes to financial statements for the year ended March 31, 2022 and the Company's response to the situation arising from the pandemic has been explained in the Management Discussion and Analysis, which forms a part of the Annual Report.

## **CHANGE IN NATURE OF BUSINESS**

During the year under review, there has been no change in the nature of business of the Company.

## **REGISTERED OFFICE OF THE COMPANY**

There was a change in the registered office of the Company during the year.

The registered office was shifted to Plot No. A4 & A5, Khandala MIDC, Phase II, Kesurdi, Khandala, Satara 412801 from "Dairy Tops", Plot No.J-177, MIDC, Bhosari, Pune – 411026. The change was approved by the Board in its meeting held on March 11, 2022 and by the shareholders via special resolution vide postal ballot dated April 17, 2022.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134 (3) (c) of the Companies Act, 2013, the Directors confirm that:

- (a) In the preparation of the annual accounts for the financial year ended 31st March, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at 31st March, 2022 and of the loss of the Company for the financial year ended 31st March, 2022;
- (c) proper and sufficient care has been taken 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;
- (d) the annual accounts have been prepared on a going concern basis;
- (e) proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and were operating effectively and;
- (f) proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

## **DISCLOSURE REQUIREMENTS**

As per SEBI Listing Regulations, the Corporate Governance Report with the Practicing Company Secretary's Certificate thereon, and the Management Discussion and Analysis are attached as a separate section which forms a part of the Annual Report.

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

## **ACKNOWLEDGEMENTS**

The Directors thank the Company's customers, vendors, investors and partners for their continuous support.

The Directors also thank the Government of India, Governments of various states in India, Governments of various countries and concerned Government departments and agencies for their co-operation.

The Directors regret the loss of lives due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

# GRAVISS HOSPITALITY LIMITED

The Directors appreciate and value the contribution made by all our employees and their families and the contribution made by every other member of the Graviss family, for making the Company what it is.

For and on behalf of the Board of Directors

For **GRAVISS HOSPITALITY LIMITED**

Place: Mumbai  
Dated: August 10, 2022

Sd/-  
**Romil Ratra**  
*CEO & Whole Time Director*  
(DIN: 06948396)

Sd/-  
**Tina Pardal**  
*Independent Director*  
(DIN: 07148874)

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## ANNEXURE A TO THE DIRECTORS' REPORT

### Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

### Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

#### Part "A": Subsidiaries

(Rs. in lacs)

Sl. No.	Particulars	Graviss Hotels & Resorts Limited	Graviss Catering Private Limited	Hotel Kanakeshwar Private Limited
1.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.	N.A.
2.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	INR
3.	Share capital	5.00	7.65	24.50
4.	Reserves & surplus	(1189.76)	(341.03)	43.65
5.	Total assets	3426.42	18.88	305.64
6.	Total Liabilities	4611.18	352.26	237.48
7.	Investments	—	—	—
8.	Turnover	1956.25	—	—
9.	Profit before taxation	(469.01)	(8.54)	30.96
10.	Provision for taxation	—	0.12	—
11.	Profit after taxation	(469.01)	(8.42)	30.96
12.	Proposed Dividend	—	—	—
13.	% of shareholding	100%	100	*NIL

\* The company has sold its stake in the subsidiary, Hotel Kanakeshwar Private Limited w.e.f. 18.02.2022.

1. Names of subsidiaries which are yet to commence operations: NIL
2. Names of subsidiaries which have been liquidated or sold during the year: NIL

On behalf of the Board of Directors  
For **GRAVISS HOSPITALITY LIMITED**

Sd/-  
**Romil Ratra**  
CEO and Whole Time Director  
(DIN: 06948396)

Place: Mumbai  
Dated: August 10, 2022

# GRAVISS HOSPITALITY LIMITED

## ANNEXURE B TO THE DIRECTORS' REPORT

[Pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**A. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the Financial Year 2021-22.**

Name of Directors drawing remuneration	Total Remuneration (in ₹)	Ratio to median remuneration
*Mr. Ravi Ghai	—	—
Mr. Romil Ratra	1,40,81,912	58

\* Appointed as a Non Executive Director & Chairman w.e.f January 01, 2022.

Notes:

- Median Remuneration for the F. Y. 2021-22 is ₹2,40,986/-.
- In the aforesaid calculation, remuneration is not considered of those permanent employees who worked for less than 12 months during the financial year 2021-22.
- The remuneration of Directors excludes sitting fees paid to them for the F. Y. 2021-22.

**B. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2021-22.**

Name	Remuneration (in ₹)		Increase / (Decrease) (in %)
	2021-22	2020-21	
*Mr. Ravi Ghai – Chairman & Director	—	—	—
Mr. Romil Ratra – Chief Executive Officer and Whole Time Director	1,40,81,912	76,68,550	84%
Mr. Farangilal Goyal – Chief Financial Officer	22,34,913	10,44,300	114%
**Ms. Jalpa H. Salvi – Company Secretary	15,38,540	—	—

\* Appointed as a Non – Executive Director w.e.f January 01, 2022.

\*\* Appointed as Company Secretary w.e.f April 19, 2021

**C. The percentage increase in the median remuneration of employees in the financial year 2021-22: 7-8%**

**D. The number of permanent employees on the rolls of company: 117**

**E. Average percentile increase already made in the salaries of employees other than the managerial personnel in the financial year 2021-22 and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

7-8%. The increase of remuneration of employees other than Key Managerial Personnel is considerably in line with the increase in remuneration of Key Managerial Personnel.

**F. The key parameters for any variable component of remuneration availed by the directors: N.A.**

**G. Affirmation that the remuneration is as per the Nomination & Remuneration Policy of the Company:**

It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and other senior management is as per the Nomination and Remuneration policy of the Company.

### FORM MR-3

#### SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31st March, 2022

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

To,  
The Members,  
**Graviss Hospitality Limited**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Graviss Hospitality Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

We have examined the papers, minute books, forms, returns filed and other records maintained by the Company for the financial year ended on 31st March 2022 provided to us through electronic mode. No physical verification of any document / record was possible. Based on our verification of Graviss Hospitality Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Graviss Hospitality Limited ("the Company") for the financial year ended on 31st March 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; – **Not applicable as the Company has not issued any securities during the financial year under review;**
  - (d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; – **Not applicable as the Company has not issued any Employee Stock Option Scheme and Employee Stock Purchase Scheme;**
  - (e) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; – **Not applicable as the Company has not issued any debt securities during the financial year under review;**
  - (f) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; – **Not applicable as the Company is not registered as Registrar to an issue and Share Transfer Agent during the financial year under review;**
  - (g) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; – **Not applicable as the Company has not delisted its equity shares from any Stock Exchange during the financial year under review;**
  - (h) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013: – **Not applicable as the Company has not issued any such securities during the financial year under review.**
  - (i) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; – **Not applicable as the Company has not bought back any of its securities during the financial year under review.**
  - (j) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; – **Not applicable to the Company securities during the financial year under review.**
  - (k) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR).

# GRAVISS HOSPITALITY LIMITED

We have also examined the compliances of the provisions of the following other laws applicable specifically to the company wherein we have also relied on the compliance certificates issued by the head of the respective departments in addition to the checks carried out by us:

- (i) Food Safety and Standards Act, 2006
- (ii) The Legal Metrology Act, 2009

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with the Bombay Stock Exchange.

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

1. *Form MGT-14 regarding intimation of Appointment of Mrs. Jalpa Salvi as Company Secretary and Appointment of Mr. Romil Ratra as Whole Time Director of the Company in board meeting filed after due date.*

#### **We further report that:**

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period, the Company has taken approval of shareholders in the 60th Annual General Meeting of the Company held on 22nd September, 2021 for:

1. Approval for Re-appointment of Mr. Romil Ratra as a Director of the Company.
2. Approval for Appointment of Mr. Romil Ratra as a Whole Time Director in the Company for a period of 5 years.
3. Approval for Re-appointment of Mr. Harsh Kumar Varma as a Director of the Company.

#### **Limitations:**

Due to the guidelines issued by the Ministry of Home Affairs (MHA) on different dates for containment of spread of COVID-19, the abovementioned documents, registers, disclosures filed, etc. have not been physically verified by us, and as informed to us, these are being maintained by the Company at their offices. While we have taken all possible steps to verify the records as made available to us by the Company through electronic medium and taken confirmation from the Company wherever required, the audit was done subject to limitation of availability of documents.

For **Martinho Ferrao & Associates**  
*Company Secretaries*

Sd/-  
**Martinho Ferrao**  
*Proprietor*  
**FCS No. 6221**  
**C.P. No. 5676**  
**UDIN: F006221D000430986**

Place: Mumbai  
Dated: May 30, 2022

This report is to be read with our letter which is annexed as **Annexure A** and forms an integral part of this report.

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'Annexure A'

To,  
The Members,  
**Graviss Hospitality Limited**

Our report is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. The minutes, documents, records and other information checked for the purpose of audit were received from the Company in soft copy and through electronic mail due to the nationwide lockdown caused pursuant to the outbreak of COVID-19 (Coronavirus).
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **Martinho Ferrao & Associates**  
*Company Secretaries*

Sd/-  
**Martinho Ferrao**  
*Proprietor*  
**FCS No. 6221**  
**C.P. No. 5676**  
**UDIN: F006221D000430986**

Place: Mumbai  
Dated: May 30, 2022



## Report on Corporate Governance

### 1. Company's Philosophy on the Code of Governance:

Corporate Governance at Graviss Hospitality Limited ('the Company') cares for the overall well-being and welfare of all constituents of the system and takes into account the stakeholders' interest in every business decision. The basic objective of the Corporate Governance Policies adopted by the Company is to attain the highest levels of transparency, accountability and integrity. This objective extends not merely to meet with the statutory requirement, but also to go beyond by putting in place the requisite procedures and systems which are in accordance with the best practices of governance. Your Company believes that good corporate governance enhances the trust and confidence of all its stakeholders. Good practice in corporate behavior helps to enhance and maintain public trust in companies and stock market.

The Board of Directors of the Company has adopted a "Code Of Conduct For Board Of Directors And Senior Management Personnel" (hereinafter referred to as 'Code') based on the principles of good Corporate Governance and best management practices being followed. The Code is available at the following link: <https://www.gravisshospitality.com/investor-relations.html>. The Company remained committed towards protection and enhancement of overall long term value for its entire stakeholders – Customer, Lenders, Employee and Society.

Your Company ensures adequate, timely and accurate disclosure on all material matters including the financial situation, performance, ownership and governance of the Company to the stock exchanges and the investors. The Company has complied with the mandatory provisions of Schedule II of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015, which deals with the compliance of Corporate Governance requirement as detailed below:

### 2. Board of Directors:

#### (a) Composition and Category of Directors

The Company believes that an active, well-informed and independent board is necessary to ensure the highest standards of corporate governance. The composition of the Board of Directors of the Company is in compliance with the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 prescribed by the stock exchanges and in accordance with Good Corporate Governance Practices. The board functions as full Board and through various committees constituted for their specific purpose and operational area. The board has constituted 3(three) Committees viz. Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. These board committees comprised majority of Independent Directors and were chaired by Independent Directors.

As on the date of this Report, the Board comprises of 6(six) Directors, out of which 3 (three) are Independent Directors constituting half of the Board's strength, 2 (two) are Non- Executive Non Independent Directors and 1(One) is an Executive Whole Time Director. The Board also has representation of Woman Director being a Non-Executive Director. The composition of the Board is in conformity with the requirements of Regulation 17 of the Listing Regulations as well as the Companies Act, 2013 read with the Rules issued thereunder.

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### (b) Attendance of the Directors

The details of attendance of Directors at Board Meetings during the financial year 2021-22 and at the Annual General Meeting (AGM) of the Company are as reproduced below:

Name of the Director & Director Identification Number (DIN)	Board Meeting Dates						AGM held on 22.09.2021
	19.04.2021	07.06.2021	30.07.2021	27.10.2021	14.02.2022	11.03.2022	
*Mr. Ravi Iqbal Ghai (DIN: 00074612)	N.A.	N.A.	N.A.	N.A.	N.A.	✓	N.A.
**Mrs. Tina Sunil Pardal (DIN: 07148874)	✓	✓	✓	✓	✓	X	✓
Mr. Mahendra Vasantrai Doshi (DIN: 00123243)	✓	✓	✓	✓	✓	X	✓
Mr. Gulshan Mohan Bijlani (DIN: 01987683)	X	X	✓	✓	X	✓	✓
@Mr. Harindra Pal Singh (DIN: 00032181)	✓	✓	X	X	N.A.	N.A.	X
Mr. Romil Ratra (DIN: 06948396) (w.e.f. 1st March, 2021)	✓	✓	✓	✓	✓	✓	✓
Mr. Harsh Kumar Varma (DIN: 03421941)	✓	✓	✓	✓	✓	✓	✓

\* Appointed as Director w.e.f 01.01.2022

\*\* Redesignated from Non-Executive and Non Independent Director to Non-Executive and Independent Director of the Company w.e.f. 11th March, 2022

@ Resigned as a Director w.e.f 14.12.2021

## GRAVISS HOSPITALITY LIMITED

**(c) Composition of the Board of Directors, Number of Shares held in the Company, Attendance Details and Other Directorship/ Committee Details held as on 31st March, 2022**

Sl. No.	Names of Directors and DIN	Category	Directorships in other listed entities	Number of Shares and Convertible Instruments held	Attendance at the Board Meetings held during the F.Y. 2021-2022	Attendance at the last AGM held on September 22, 2021	No. of Directorships in other Companies*	Membership and Chairmanship of the Committees of the Board of other Companies**	
								Chairman	Member
1.	*Mr. Ravi Iqbal Ghai (DIN: 00074612)	Promoter and Non-Executive Chairman	Nil	23,16,345	1/6	N.A.	Nil	Nil	Nil
2.	**Mrs. Tina Sunil Pardal (DIN: 07148874)	Non-Executive and Non-Independent Director	Nil	0	5/6	Yes	Nil	Nil	Nil
3.	Mr. Mahendra Vasantrai Doshi (DIN: 00123243)	Non-Executive and Independent Director	LKP Finance Limited – Executive Director, Chairman & Managing Director  LKP Securities Limited – Non-Executive Non-Independent Director  Nilkamal Limited – Non-Executive Independent Director	0	5/6	Yes	8	1	3
4.	Mr. Gulshan Mohan Bijlani (DIN: 01987683)	Non-Executive and Independent Director	Nil	17,350	4/6	Yes	1	Nil	Nil
5.	@Mr. Harindra Pal Singh (DIN: 00032181)	Non-Executive and Independent Director	Nil	0	1/6	Yes	2	Nil	Nil
6.	Mr. Romil Ratra (DIN: 06948396)	Executive Whole Time Director	Nil	0	6/6	Yes	Nil	Nil	Nil
7.	Mr. Harsh Kumar Varma (DIN: 03421941)	Non-Executive and Non-Independent Director	Nil	0	6/6	Yes	1	Nil	Nil

\* Excludes directorship in Graviss Hospitality Limited. Also excludes directorship in private companies, foreign companies, companies incorporated under Section 8 of the Companies Act, 2013 and alternate directorships.

\*\* For the purpose of considering the limit of Committee memberships and chairmanships of a Director, membership and chairmanship of Audit Committee and Stakeholders Relationship Committee of public companies have been considered. Also excludes the memberships & chairmanships in Graviss Hospitality Limited.

\* Appointed as Director w.e.f 01.01.2022

\*\* Redesignated from Non-Executive and Non Independent Director to Non-Executive and Independent Director of the Company w.e.f. 11th March, 2022

@ Resigned as a Director w.e.f 14.12.2021

Certificates have also been obtained from the Independent Directors confirming their position as Independent Directors on the Board of the Company in accordance with Section 149 of the Companies Act, 2013, read with the relevant provisions of (SEBI LODR) Regulations.

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**(d) Disclosure of Relationships between Directors inter-se:**

The Directors are not related to each other inter-se

**(e) Web Link where details of Familiarization Programmes imparted to Independent Directors is disclosed:**

<https://www.gravishhospitality.com/investor-relations.html>

**(f) Key Board Qualifications, Expertise and Attributes:**

The Board comprises qualified members who bring in the required skills, competence and expertise so that effective contribution is made by the Board and its committees and so that the Company achieves highest standards of Corporate Governance.

In view of the objectives and activities of our Business, the Company requires skills/expertise/competencies in the areas of Finance & Regulatory, Strategy, Technology, Sales & Marketing, Hospitality & Operations, Human Resources and Risk & Governance.

The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, diversity and independence required for it to function effectively. These Directors are nominated based on well-defined selection criteria. The Nomination and Remuneration Committee ('NRC') considers, inter alia, key skills, qualifications, expertise and competencies, whilst recommending to the Board the candidature for appointment of Director. The Board periodically evaluates the need for change in its composition and size.

The table below summarizes the key attributes and skills matrix, identified by the Board of Directors, as required in the context of business, which is to be considered while selecting the Director:

<b>Financial and Regulatory</b>	Proficiency in Financial Management, Capital Allocation, Treasury and Accountancy, Costing, Budgetary Controls and in Statutory and Regulatory requirements.
<b>Hospitality and Operations</b>	Understanding Organizations, Business processes including but not limited to Hospitality business and Driving change.
<b>Risk and Governance</b>	Understanding Risk Management, Corporate Governance, Transparency, Economies of Scale and Protecting the interest of stakeholders, enterprise reputation, accountability and following governance practice.
<b>Strategy</b>	Understanding Strategic Planning so as to drive the Company's business into right direction.
<b>Sales &amp; Marketing</b>	Handling diverse business scenario, sales and marketing strategies, Global market opportunities, Macro policies and business economics.
<b>Technology</b>	Having fair understanding and knowledge about the Technological developments that can be put to right use in the Company's business.
<b>Human Resources</b>	Ethics, Communication, Business Leader and Problem Solver.

## GRAVISS HOSPITALITY LIMITED

Name of the Director	Attributes						
	Financial & Regulatory	Hospitality & Operations	Risk & Governance	Strategy	Sales & Marketing	Technology	Human Resources
*Mr. Romil Ratra	✓	✓	✓	✓	✓	✓	✓
Mrs. Tina Pardal	✓	✓	✓	✓	✓	X	X
Mr. Harsh Kumar Varma	✓	✓	✓	✓	X	✓	✓
Mr. Gulshan Mohan Bijlani	✓	✓	✓	✓	X	✓	✓
Mr. Mahendra Vasantrai Doshi	✓	✓	✓	✓	✓	✓	✓
Mr. Harindra Pal Singh	✓	✓	✓	✓	✓	X	✓

\*Mr. Harindra Pal Singh has resigned from the Board of the Company w.e.f. 14.12.2021 and Mrs. Tina Pardal has been redesignated from Non-Executive and Non Independent Director to Non-Executive and Independent Director of the Company w.e.f. 11th March, 2022.

**(g) Confirmations:**

The Company confirms that in the opinion of the board, the independent directors fulfill the conditions specified in the SEBI (LODR) Regulations, 2015 and are independent of the management.

The required information is duly circulated to the Directors including the Non-Executive Directors who have actively participated in the deliberations of the Board.

**3. Audit Committee:**

The Board has constituted a well-qualified Audit Committee. All the members of the Committee are Independent Directors including its Chairman. The primary objective of the Audit Committee is to ensure accurate, timely and proper disclosures, transparency, integrity and quality of financial reporting and the Committee has played an important role in ensuring the same.

The composition and terms of reference of the Audit Committee are in accordance with the provisions of Section 177 of the Companies Act, 2013 read with Rules made there under and Regulation 18 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Mr. Gulshan Bijlani and Mr. Harsh Kumar Varma, as the members are financially literate and Mr. Mahendra Doshi, Chairman has accounting and related financial management expertise /exposure.

The Audit Committee invites such of the executives, as it considers appropriate (particularly the Chief Financial Officer), Chief Financial Officer, Statutory Auditors and Internal Auditors to attend the Audit Committee Meeting(s). The Company Secretary of the Company acts as a Secretary to the Committee. The minutes of each Audit Committee meeting are placed and discussed at the next meeting of the Board.

The previous Annual General Meeting ("AGM") of the Company was held on September 22, 2021 and was attended by Mr. Mahendra V Doshi, Chairman of the Audit Committee.

**(i) The Terms of Reference role of the Audit Committee include the following:**

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Scrutiny of inter-corporate loans and investments;
5. Reviewing, with the management, the quarterly, half-yearly, nine monthly and annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - (b) Changes, if any, in accounting policies and practices and reasons for the same;

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- (c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) Significant adjustments made in the financial statements arising out of audit findings;
  - (e) Compliance with listing and other legal requirements relating to financial statements;
  - (f) Disclosure of any related party transactions;
  - (g) Qualifications in the draft audit report;
6. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  7. Examination of the financial statement and the auditors' report thereon;
  8. Reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for the purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
  9. Review and monitor the auditor's independence and performance and effectiveness of audit process;
  10. Evaluation of internal financial controls and risk management systems.
  11. Approval or any subsequent modification of transactions of the company with related parties;
  12. Valuation of undertakings or assets of the company, wherever it is necessary;
  13. Establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed;
  14. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems of the Company
  15. Looking into the reasons for substantial defaults (if any), in payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  16. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  17. Discussion with internal auditors of any significant findings and follow up there on;
  18. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate;
  19. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  20. To review the functioning of the Whistle Blower mechanism;
  21. Reviewing the Management Discussion and Analysis for the financial condition and results of operation; and
  22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee has approved and has in its place; the overall framework for Related Party Transactions, the Policy on materiality and dealing with the Related Party Transactions and the criteria for granting omnibus approval in line with the policy of dealing with Related Party Transactions in accordance with provisions of the Companies Act, 2013 and Regulations 23 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

- (ii) **The details as to the date(s) on which the Audit Committee meetings were held during the financial year ended 31st March, 2022 are as follows:**

Sl. No.	Dates of Meetings
1.	07th June, 2021
2.	30th July, 2021
3.	27th October, 2021
4.	14th February, 2022

## GRAVISS HOSPITALITY LIMITED

(iii) The composition of the Audit Committee of the Board of Directors of the Company along with details of the meetings attended during the financial year ended 31st March, 2022 are detailed below:

Sl. No.	Name	Category	Nature of Membership	No. of Meetings during the year 2021-22	
				Held	Attended
1.	Mr. Mahendra V. Doshi	Non-Executive and Independent	Chairman	4	4
2.	*Mr. Harindra Pal Singh	Non-Executive and Independent	Member	4	1
3.	Mr. Gulshan Bijlani	Non-Executive and Independent	Member	4	3
4.	**Mr. Harsh Kumar Varma	Non-Executive – Non Independent	Member	4	2

\* Mr. Harindra Pal Singh has resigned from the Board of the Company w.e.f. 14.12.2021

\*\* Mr. Harsh Kumar Varma was appointed on the Audit Committee w.e.f. 27.10.2021

Four audit committee meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days. The necessary quorum was present for all the meetings.

#### 4. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee determines the composition of the Board according to the needs and requirements of the Company from time to time and determines the overall compensation for Directors.

(i) The terms of reference of Nomination & Remuneration Committee are as per the SEBI (LODR) Regulations, 2015 and Companies Act, 2013. The broad terms of reference of Nomination & Remuneration Committee as approved by the Board are as under:

1. Formulation of criteria for qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees. The committee will consider periodically reviewing the composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience;
2. Recommend to the Board the appointment or reappointment of directors;
3. Formulation of criteria for evaluation of Independent Directors and the Board;
4. Devising a policy on diversity of the Board of Directors;
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
6. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. Carry on the evaluation of every director's performance;
8. Any other matter as the Board may decide from time to time.

(ii) During the Financial Year ended 31st March, 2022, the meeting of the Nomination and Remuneration Committee was held as follows:

Sl. No.	Dates of Meetings
1.	19th April, 2021
2.	14th February, 2022
3.	11th March, 2022

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(iii) The composition of the Nomination and Remuneration Committee of the Board of Directors of the Company along with details of the meetings attended during the financial year ended 31st March, 2022 are detailed below:

Sl. No.	Name	Category	Nature of Membership	No. of Meetings during the year 2021-22	
				Held	Attended
1.	Mr. Mahendra V. Doshi	Non-Executive and Independent	Chairman	3	3
2.	*Mr. Harindra Pal Singh	Non-Executive and Independent	Member	3	1
3.	Mr. Gulshan Bijlani	Non-Executive and Independent	Member	3	1
4.	**Mr. Harsh Kumar Varma	Non-Executive – Non Independent	Member	3	2

\* Mr. Harindra Pal Singh has resigned from the Board of the Company w.e.f. 14.12.2021

\*\* Mr. Harsh Kumar Varma was appointed on the Audit Committee w.e.f. 27.10.2021

#### (iv) Performance Evaluation Criteria for Independent Directors

The performance of Independent Directors of the Company is evaluated by the entire Board of Directors (excluding the Director being evaluated). A Brief Evaluation Form is filled by the Board of Directors, which, in addition to covering the parameters laid down for evaluation of all Directors, also covers criterion for evaluation of performance of Independent Directors.

Following are the criterion for performance evaluation of Independent Directors of the Company:

- Participation and contribution at Board and Committee meetings;
- Managing relationships with fellow Board members and senior management;
- Director upholds ethical standards of integrity and probity;
- The skills, knowledge and expertise relevant to the Company's business, with extensive experience at a senior leadership level in a comparable company or organization;
- Director exercises objective independent judgment in the best interest of Company;
- Director has effectively assisted the Company in implementing best corporate governance practice and then monitors the same;
- Director helps in bringing independent judgment during board deliberations on strategy, performance, risk management etc.;
- Director keeps himself/ herself well informed about the Company and external environment in which it operates;
- Director acts within his authority and assists in protecting the legitimate interest of the Company, Shareholders and employees;
- Director maintains high level of confidentiality;
- Director adheres to the applicable code of conduct for Independent Directors;
- The willingness and commitment to devote the extensive time necessary to fulfill his/her duties;
- Commitment, including guidance provided to the Senior Management outside of Board/ Committee Meetings

The Performance evaluation of the Chairman and Managing Director and the Non Independent Directors was carried out by independent directors. The Directors have expressed their satisfaction with evaluation process.

#### 5. Stakeholders' Relationship Committee:

The terms of reference of the Committee are in line with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 which include, inter-alia.; resolving of grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings, measures taken for effective exercise of



## GRAVISS HOSPITALITY LIMITED

voting rights by shareholders, adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent, reviewing of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends, if any, and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company and all other acts or deeds as may be necessary or incidental thereto.

The Stakeholders' Relationship Committee consists of three (3) Members, viz. Mr. Gulshan Bijlani, as Chairman, Mr. Mahendra Doshi, Mr. Harindra Pal Singh (resigned w.e.f 14.12.2021) and Mr. Harsh Kumar Varma (appointed w.e.f. 27.10.2021) as Members. Ms. Jalpa H. Salvi, Company Secretary is the Compliance Officer of the Company and acts as Secretary to the Committee.

- (a) The constitution of the Stakeholders Relationship Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year ended 31st March, 2022 is detailed below:

Sl. No.	Dates of Meetings
1.	30th April, 2021
2.	29th May, 2021
3.	30th June, 2021
4.	30th July, 2021
5.	31st August, 2021
6.	30th September, 2021
7.	29th October, 2021
8.	30th November, 2021
9.	31st December, 2021
10.	31st January, 2022
11.	28th February, 2022
12.	30th March, 2022

Sl. No.	Name	Category	Nature of Membership	Meeting Details	
				Held	Attended
1.	Mr. Gulshan Bijlani	Non Executive and Independent	Chairman	12	9
2.	Mr. Mahendra Doshi	Non Executive and Independent	Member	12	12
3.	*Mr. Harindra Pal Singh	Non Executive and Independent	Member	12	3
4.	**Mr. Harsh Kumar Varma	Non-Executive – Non Independent	Member	12	3

\* Mr. Harindra Pal Singh has resigned from the Board of the Company w.e.f. 14.12.2021

\*\* Mr. Harsh Kumar Varma was appointed on the Stakeholders Relationship Committee w.e.f. 27.10.2021

- (b) Mr. Gulshan Bijlani, Non Executive and Independent Director is the Chairman of the Committee

- (c) Name and Designation of Compliance Officer: Ms. Jalpa H. Salvi, Company Secretary & Compliance Officer, w. e. f. 19th April, 2021.

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(d) Details of shareholder's complaints received and redressed during the year 2021-22 are as follows:

Number of complaints pending as on 1st April, 2021	Number of complaints received	Complaint not resolved to the satisfaction of shareholders	Number of pending complaints (as on 31.03.2022)
—	—	—	—

### 6. Remuneration of Directors:

The Company's remuneration policy aims to attract and retain talent and is in accordance with the industry practices. The policy ensures equity, fairness and consistency in rewarding the employees on the basis of performance earmarked objectives.

#### NON-EXECUTIVE DIRECTORS

The Non-Executive/Independent Directors of the Company play a crucial role for ensuring the quality of corporate governance in a Company. They constitute a necessary component of a balanced Board structure where the in-depth knowledge of the executive directors is blended with the wider experience, unbiased opinions and knowledge of the Independent Directors. The Non-Executive Directors are paid sitting fees for attending the Meetings of the Board / Committees. The Company has not granted any Stock Options to any of its Directors.

Details of Remuneration paid to the Directors of the Company for the Financial Year ended 31st March, 2022 are as follows:

Figures in ₹

Name of the Director	Salary	Perquisites	Contribution to Provident Fund	Sitting Fees for Board/ Committee Meetings	Performance Linked Bonus	Bonus/Stock Options/ Pension/ Retirement Benefits etc	Commission	Total
*Mr. Ravi Ghai	—	—	—	—	—	—	—	—
Mr. Mahendra Doshi	—	—	—	2,50,000	—	—	—	2,50,000
Mr. Gulshan Bijlani	—	—	—	1,50,000	—	—	—	1,50,000
@Mr. Harindra Pal Singh	—	—	—	—	—	—	—	—
**Mrs. Tina Pardal	—	—	—	2,50,000	—	—	—	2,50,000
Mr. Romil Ratra	1,09,70,500	—	—	—	31,11,412	—	—	1,40,81,912
Mr. Harsh Kumar Varma	—	—	—	—	—	—	—	—

\* Appointed as Director w.e.f 01.01.2022

\*\* Redesignated as Non Executive and Independent Director of the Company w.e.f. 11th March, 2022

@ Resigned as a Director w.e.f 14.12.2021

# GRAVISS HOSPITALITY LIMITED

## **Criteria for making payments to non-executive directors:**

The Criteria for making payments to Non-Executive Directors of the Company is available at the below web link:

<https://www.gravishhospitality.com/investor-relations.html>

Remuneration of employees largely consists of basic remuneration, perquisites, allowances and variable pay, wherever applicable. The components of the total remuneration vary for different employee grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled by him/her, his/her individual performances, etc. The annual variable pay of senior managers is linked to the Company's performance in general and the individual performance for the relevant year is measured against specific major performance areas which are closely aligned to the Company's objectives.

## **CHAIRMAN**

The Shareholders of the Company vide postal ballot resolution dated March 22, 2022 have approved the appointment of Mr. Ravi Ghai (DIN: 00074612) as the Non- Executive Director and Chairman of the Company w.e.f January 01, 2022.

## **WHOLE TIME DIRECTOR**

Mr. Romil Ratra, the Chief Executive Officer of the Company has been appointed as a Whole Time Director w. e. f March 01, 2021 at the meeting of the Board of Directors held on March 09, 2021 on the same terms and conditions including the remuneration drawn by him as the Chief Executive Officer of the Company and as was recommended by the Nomination and remuneration Committee of the Company and approved by the Board of Directors at its meeting held on June 30, 2020. Hence, Mr. Romil Ratra is the Chief Executive Officer and Whole Time Director of the Company.

## **INDEPENDENT DIRECTORS**

The Independent Directors have submitted declaration(s) that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations.

The Board of Directors, based on the declaration(s) received from the Independent Directors, have verified the veracity of such disclosures and confirm that the Independent Directors fulfill the conditions of independence specified in the Listing Regulations and are independent of the management of the Company.

Based on intimations/ disclosures received from the Directors periodically, none of the Directors of the Company hold memberships/ Chairmanships more than the prescribed limits.

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## 7. General Body Meetings:

### (a) General Meetings:

#### (i) Location, time and venue for the last three Annual General Meetings (AGM) held:

Financial Year	Date	Time	Venue	Whether any special Resolution/s passed
2018-2019	Friday, 26th July, 2019	12:30 p.m.	Dairy Tops, J-177, M.I.D.C., Bhosari, Pune – 411 026.	<p>YES as mentioned below</p> <ul style="list-style-type: none"> <li>• Approve the borrowing limit under Section 180(1)(c) of the Companies Act, 2013.</li> <li>• Approve the limits under Section 180 (1) (a) of the Companies Act, 2013</li> <li>• Approval of remuneration of Mr. Ravi Ghai, Managing Director in terms of Regulation 17(6)(e) of SEBI Amended Listing Regulations for the remaining tenure of his appointment</li> <li>• Approval of remuneration of Mr. Gaurav Ghai, Joint Managing Director in terms of Regulation 17(6)(e) of SEBI Amended Listing Regulations for the remaining tenure of his appointment</li> <li>• To keep the Register and Index of Members at a place other than the Registered Office of the Company</li> </ul>
2019-2020	Tuesday, 18th August, 2020	12:00 p.m.	Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM')	No
2020-2021	Wednesday, September 22, 2021	12:00 p.m.	Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM')	<p>YES as mentioned below</p> <ul style="list-style-type: none"> <li>• To appoint Mr. Romil Ratra as a Whole Time Director in the Company for a period of 5 years.</li> </ul>

### (b) Extraordinary General Meeting:

No extraordinary general meeting of the Members was held during FY 2021-22.

## GRAVISS HOSPITALITY LIMITED

**(c) Special Resolutions:**

**(ii) Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise, details of the voting pattern and procedure of postal ballot:**

During the financial year 2021-22 the company conducted two postal ballots. The details of the same are as follows:

Sr. No.	Date of passing resolution	Details of resolution	Persons conducting the postal ballot exercise	Details of the voting pattern	Procedure of postal ballot
1.	22/03/2022	1. Appointment Of Mr. Ravi Ghai (DIN 00074612) As A Non-Executive Non Independent Director	Martinho Ferrao & Associates	1. Votes in favour of the resolution: 100% Votes against the resolution: 0%	E-voting
2.	17/04/2022	1. Re-Designation And Appointment Of Mrs. Tina Pardal (Din: 07148874) As Non Executive And Independent Director Of The Company W.E.F. 11th March, 2022  2. To Shift The Registered Office Of The Company From "Dairy Tops, Plot No. J-177, MIDC Bhosari, Pune – 26" To "Plot No. A4 & A5. Khandala Midc Phase II Kesurdi, Tal Khandala Satara 412 801 (Maharashtra)	Martinho Ferrao & Associates	1. Votes in favour of the resolution: 100% Votes against the resolution: 0%  2. Votes in favour of the resolution: 100% Votes against the resolution: 0%	E-voting

**(iii) Details of special resolution proposed to be conducted through postal ballot:**

None of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution through postal ballot.

**8. Means of Communication:**

**(i) Quarterly Results:**

The quarterly, half yearly and annual financial results and quarterly shareholding pattern are posted on Company's official website [www.gravishhospitality.com](http://www.gravishhospitality.com). As per the requirements of the provisions of SEBI (LODR) Regulations, 2015, the Company also provides information to the stock exchanges and updates its website on regular basis to include new developments in the Company, if any. Further, quarterly, half-yearly and annual financial results of the Company were published within the stipulated time period in leading English and local language of the place where Registered Office of the Company is located, newspapers viz. the Financial Express, Mumbai, Financial Express, Pune and Loksatta, Pune (Marathi). The Company has changed its registered office w.e.f April 17, 2022. Pursuant to the change the quarterly results of the Company would hereafter be published in the Financial Express Mumbai, Financial Express Pune, Sakal – Satara.

**(ii) Website:**

The Company maintains a separate dedicated section viz. "Investor Relation" for the information of shareholders and other stakeholders of the Company on the Company's website [www.gravishhospitality.com](http://www.gravishhospitality.com).

Email ID for Investor Grievances is [investors.relations@gravissgroup.com](mailto:investors.relations@gravissgroup.com).

Quarterly / half-yearly / annual financial results, Annual Reports, status of unclaimed dividend, if any, various applicable policies of the Company and other required details are available on the Company's website. Full version of the annual report including the notice of Annual General Meeting, Management's Discussion and Analysis Report, Corporate Governance Report, Financial Statements along with the notes thereon, Directors' Report and Auditors' Report are sent to the shareholders electronically within the stipulated time and are also uploaded on Company's official website at the following link : <https://www.gravishhospitality.com/investor-relations.html>.

**(iii) There were no Presentations made to institutional investors or to the analysts during the Financial Year 2021-22.**

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## 9. General Shareholder Information:

The Company is registered with the Registrar of Companies, Maharashtra, Pune. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L55101PN1959PLC012761.

- (i) Annual General Meeting for FY 2021-22-
- (ii) Date: 27th September, 2022
- (iii) Time: 12:30 p.m.
- (iv) Venue: The Company is conducting meeting through Video Conferencing and Other Audio Visual Means pursuant to the MCA Circulars dated May 5, 2020 read with Circulars dated April 8, 2020, April 13, 2020 and January 13, 2021, 08 December, 2021, May 05, 2022 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.

As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2, details of Director seeking re-appointment at this AGM are given in the Annexure to the Notice of this AGM.

- (v) Tentative Financial Calendar for FY 2021-22

Quarter ending 30th June, 2022	August 2022
Quarter ending 30th September, 2022	November 2022
Quarter ending 31st December, 2022	February 2023
Quarter ending 31st March, 2023	May 2023

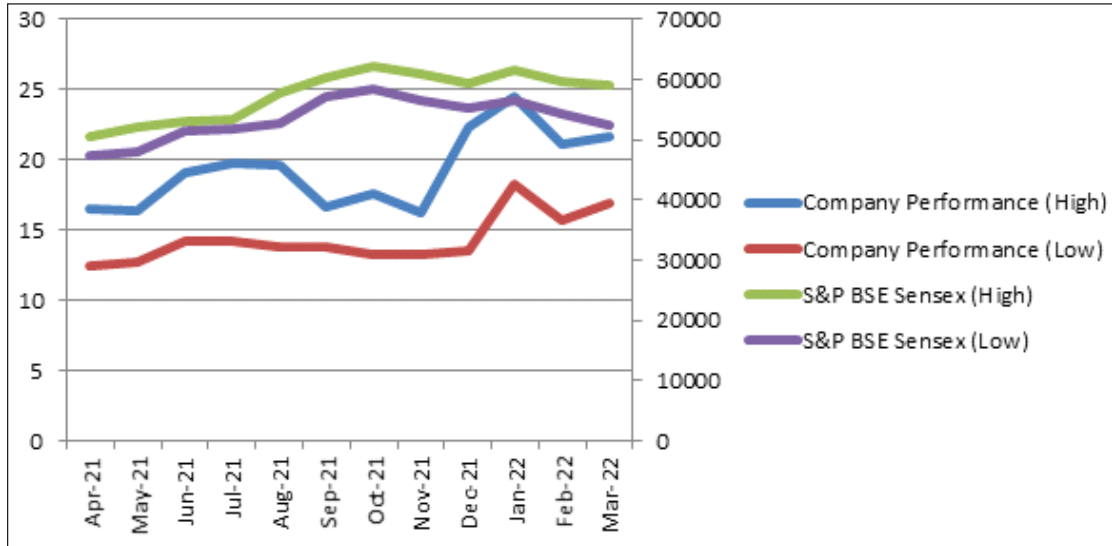
- (vi) Book Closure Dates: 21st September, 2022 to 27th September, 2022 (both days inclusive)
- (vii) Financial Year – April, 2021 to March, 2022
- (viii) Dividend Payment Date: The Directors of the Company do not recommend dividend for the Financial Year ended 31st March, 2022.
- (ix) The name and address of each Stock Exchange at which the Company's securities are listed and a confirmation about payment of annual listing fee to each such stock exchange:
- (x) The Company's shares are listed on BSE Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.
- (xi) The Company has paid the listing fees to BSE Ltd. for the year 2022-23.
- (xii) Stock Code on BSE Ltd.: 509546
- (xiii) ISIN: INE214F01026
- (xiv) Market Price Data – High/ low, Number and Value of shares traded during each month in the financial year 2021-22:

Month	High (in Rupees)	Low (in Rupees)	No. of Shares traded	No. of Trades	Total Turnover (in Rupees)
April, 2021	16.45	12.51	6207	77	89,103
May, 2021	16.42	12.71	24817	312	3,60,636
June, 2021	19.1	14.25	88343	508	14,02,553
July, 2021	19.69	14.21	8342169	1423	12,64,18,757
August, 2021	19.6	13.75	344124	470	55,80,495
September, 2021	16.69	13.81	127123	358	18,85,991
October, 2021	17.6	13.3	216039	777	32,86,330
November, 2021	16.25	13.3	141227	566	21,07,375
December, 2021	22.33	13.55	375878	1133	69,11,685
January, 2022	24.5	18.3	406034	1282	91,17,278
February, 2022	21.05	15.75	6499870	1524	10,73,10,473
March, 2022	21.6	16.85	151658	463	29,90,448

## GRAVISS HOSPITALITY LIMITED

Performance in comparison to broad-based indices.

The chart below shows the comparison of your Company's share price movement on BSE vis-à-vis the movement of the BSE Sensex for the year 2021-22 (based on month end closing).



The securities are not suspended from trading.

(xv) Registrar & Share Transfer Agent

Members may correspond with the Company's Registrars and Share Transfer Agent, Link Intime India Private Limited, quoting their folio numbers/ DP ID and Client ID at the following address:

**Link Intime India Private Limited**  
C-101, 247 Park, L. B. S. Marg,  
Vikhroli West, Mumbai – 400 083.  
Telephone Number: 022-49186270  
Fax Number: 022-49186060  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

(xvi) Share Transfer System:

Documents for transfer of shares in physical form can be lodged with Link Intime India Private Limited at its address given above. The transfers are normally processed within 10-12 days from the date of receipt, if the documents are complete in all respects.

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(xvii) Distribution of Shareholding

Range	Number of Shareholders	% of Total Shareholders	Total Shares for the Range	% of Issued Capital
1-1000	1462	71.8428	286459	0.4062
1001-2000	246	12.0885	227369	0.3224
2001-4000	107	5.258	187647	0.2661
4001-6000	46	2.2604	117411	0.1665
6001-8000	18	0.8845	69113	0.0980
8001-10000	62	3.0467	286381	0.4061
10001-20000	39	1.9165	287187	0.4072
Greater than 20000	55	2.7027	69057568	97.9274
<b>Total</b>	<b>2035</b>	<b>100.0000</b>	<b>70519135</b>	<b>100.0000</b>

(xviii) Shareholding Pattern as on March 31, 2022:

Sr. No.	Category of Shareholders	No of shares held	Percentage
1.	Promoter and Promoter Group	5,27,36,285	74.78
2.	Overseas Bodies Corporate	8,002,167	11.35
3.	Other Bodies Corporate	42,00,215	5.96
4.	Trusts	0	0.00
5.	Hindu Undivided Family	2,10,962	0.30
6.	Non-Resident Individuals	15,090	0.02
7.	Directors or Directors' Relatives	57,350	0.08
8.	Clearing Members	15,196	0.02
9.	LLP	31,058	0.04
10.	Individuals	52,50,812	7.45
	<b>Total</b>	<b>7,05,19,135</b>	<b>100.00</b>

(xix) Dematerialization of shares and Liquidity:

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories, viz. NSDL and CDSL.

(xx) Percentage of shares held in physical and dematerialized form as on 31st March, 2022:

Physical form	:	50,07,455 (7.10%)
Electronic form with NSDL	:	77,00,288 (10.92%)
Electronic form with CDSL	:	5,78,11,392 (81.98%)

(xxi) Outstanding GDRs / ADRs or warrants or any convertible Instruments, conversion date and likely impact on Equity

The Company does not have any outstanding ADRs/ GDRs/ Warrants or any convertible instruments.

(xxii) Commodity Price Risk or Foreign Exchange Risk and hedging activities

Not Applicable.



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(xxiii) Plant Locations:

The Company has one unit viz. Hotel Inter Continental, 135, Netaji Subhash Road, Marine Drive, Mumbai – 400 020.

(xxiv) Investor Correspondence Address:

Shareholders may correspond at the addresses as given below, quoting respective Folio number/Client ID and DP ID:

Company's Corporate Office & Secretarial Department	Company's Registrar and Transfer Agent
Strand Cinema Building, 1st Floor, C. S. No. 506, Arthur Bunder Road, Colaba, Mumbai – 400 005. Telephone Number: 022-62513131 Email: <a href="mailto:investor.relations@gravissgroup.com">investor.relations@gravissgroup.com</a>	C-101, 247 Park, L. B. S. Marg, Vikhroli West, Mumbai – 400 083. Telephone Number: 022-49186270 Fax Number: 022-49186060 Email: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a>

**Scores:** A centralised web based complaints redress system 'Scores' which serves as a centralised database of all complaints received, enables uploading of Action Taken Reports by the concerned companies and online viewing by the investors of actions taken on complaint and its current status.

### 10. Other Disclosures:

**(i) Related Party Transactions**

All transactions entered into by the Company with related parties, during the financial year 2021-22, were in the ordinary course of business and on arm's length basis. The details of the Related Party Transactions are set out in the Notes to Financial Statements forming part of this Annual Report.

Also, the Related Party Transactions undertaken by the Company were in compliance with the provisions set out in the Companies Act, 2013 read with the Rules issued thereunder and relevant provisions of Listing Regulations.

The Audit Committee, during the financial year 2021-22, has approved Related Party Transactions along with granting omnibus approval in line with the Policy of materiality of Related Party Transactions and the applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder and the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

The related party transactions entered into by the Company pursuant to the omnibus approval granted by the Audit Committee is reviewed at least on a quarterly basis by the said Committee.

The Policy for Related Party Transactions has been duly posted on the Company's website on the following link: <https://www.gravishhospitality.com/investor-relations.html>.

There are no materially significant Related Party Transactions of the Company which have potential conflict with the interests of the Company at large.

**(ii) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:**

N.A.

**(iii) Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee:**

The Company has adopted a Vigil Mechanism Policy, to provide a formal vigil mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairperson of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

The Vigil Mechanism Policy is displayed on the Company's website at the following weblink:

<https://www.gravishhospitality.com/investor-relations.html>

**(iv) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;**

The Company has complied with all mandatory requirements of the Listing Regulations relating to Corporate Governance and also complied with Clauses (b) to (i) of Regulation 46(2) relating to dissemination of information on the website of the Company.

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Adoption of Discretionary requirements under Part E of Schedule II to the SEBI Listing Regulations – the Internal Auditor reports directly to the Audit Committee.

**(v) Web link where policy for determining ‘material’ subsidiaries is disclosed;**

<https://www.gravishshospitality.com/investor-relations.html>

**(vi) Web link where policy on dealing with related party transactions;**

<https://www.gravishshospitality.com/investor-relations.html>

**(vii) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A). – N.A.**

**(viii) Certificate from Practicing Company Secretary**

Certificate as required under Part C of Schedule V of Listing Regulations has been received from Mr. Matinho Ferrao (CP No. 5676), Proprietor of M/s. Matinho Ferrao & Co., Practicing Company Secretaries, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

**(ix) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof: N.A.**

**(x) Total fees paid to Statutory Auditors of the Company**

Total fees of Rs. 11,14,000/- (Rupees Eleven Lac Fourteen Thousand only) for financial year 2021-22, for all services, was paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

**(xi) Disclosure relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace.

The details relating to the number of complaints received and disposed of during the financial year 2021-22 are as under:

- a. Number of complaints filed during the financial year: 0
- b. Number of complaints disposed of during the financial year: 0
- c. Number of complaints pending as on end of the financial year: 0

**(xii) Disclosures with respect to demat suspense account/ unclaimed suspense account**

- a. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: 0
- b. Number of shareholders who approached listed entity for transfer of shares from suspense account during the year: 0
- c. Number of shareholders to whom shares were transferred from suspense account during the year: 0
- d. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: 0
- e. That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

# GRAVISS HOSPITALITY LIMITED

## Annexure to Report on Corporate Governance for the Financial Year ended 31st March, 2022

To,  
The Members of Graviss Hospitality Limited

### Declaration by the Chief Executive Officer under Para D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Romil Ratra, Chief Executive Officer of Graviss Hospitality Limited, hereby confirm that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct, as applicable to them, for the year ended 31st March, 2022.

Place: Mumbai  
Dated: May 30, 2022

Sd/-  
**ROMIL RATRA**  
Chief Executive Officer

## Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

### The Board of Directors Graviss Hospitality Limited

We hereby certify that on the basis of the review of the financial statements and the cash flow statement for the financial year ended 31st March, 2022 and that to the best of our knowledge and belief:

- (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- (c) no transactions entered into during the year by the Company are fraudulent, illegal or violative of the Company's Code of Conduct;
- (d) we accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (e) there have been no significant changes in internal control during this year;
- (f) there have been no significant changes in accounting policies during this year; and
- (g) there have been no instances of significant fraud, of which we have become aware, involving management or an employee having a significant role in the Company's internal control systems.

Place: Mumbai  
Dated: May 30, 2022

Sd/-  
**ROMIL RATRA**  
Chief Executive Officer

Sd/-  
**FARANGILAL GOYAL**  
Chief Financial Officer

## Certificate on Corporate Governance

To,  
The Members of  
**GRAVISS HOSPITALITY LIMITED**,  
Plot No. A4 & A5, Khandala MIDC Phase II Kesurdi,  
Tal. Khandala, Satara, Maharashtra, 412 801.

We have examined the compliance of the conditions of Corporate Governance of **GRAVISS HOSPITALITY LIMITED** ('the Company') for the year ended on 31st March, 2022 as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the year ended 31st March, 2022.

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

Place: Mumbai  
Dated: June 29, 2022

For and on behalf of  
**Ferrao MSR & Associates**  
Company Secretaries  
Sd/-  
**Martinho Ferrao**  
Partner  
Membership No. 6221  
UDIN: F006221D000543472

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## Certificate of Non-Disqualification of Directors

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

To,  
The Members of  
**GRAVISS HOSPITALITY LIMITED,**  
Plot No. A4 & A5, Khandala MIDC Phase II Kesurdi,  
Tal. Khandala, Satara, Maharashtra, 412 801.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Graviss Hospitality Limited having CIN L55101PN1959PLC012761 and having registered office at Plot No. A4 & A5, Khandala MIDC Phase II Kesurdi, Tal. Khandala, Satara, Maharashtra, 412801 (hereinafter referred to as 'the Company'), produced before us by the Company in electronic mode, for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Ravi Ghai	00074612	01/01/2022
2.	Mahendra Vasantrai Doshi	00123243	22/09/2006
3.	Gulshan Mohan Bijlani	01987683	27/04/2007
4.	Harsh Kumar Varma	03421941	09/03/2021
5.	Romil Ramesh Ratra	06948396	09/03/2021
6.	Tina Pardal	07148874	17/05/2018

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

For and on behalf of

**Ferrao MSR & Associates**  
Company Secretaries

Sd/-

**Martinho Ferrao**  
Partner

F.C.S. No. 6221

UDIN: F006221D000543450

Place: Mumbai  
Dated: June 29, 2022

# GRAVISS HOSPITALITY LIMITED

## SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31st March, 2022

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

To,  
The Members,  
**Graviss Hotels & Resorts Limited**  
Strand Cinema Bldg., 1st Floor, C.S. No. 506,  
Arthur Bunder Road,  
Colaba, Mumbai – 400 005.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Graviss Hotels & Resorts Limited** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Due to the work from home situation, we have examined the papers, minute books, forms, returns filed and other records maintained by the Company provided to us through electronic mode for the financial year ended on 31st March, 2022. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; – **Not Applicable**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): – **Not Applicable to the Company**
  - (a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (e) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; – and
  - (h) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. – **Not Applicable except for Regulation 23 and 24A**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except that *in terms of the provisions of Sections 149(4) & 149(5) of the Companies Act, 2013 read with rule 4 of the Companies (Appointment And Qualification Of Directors) Rules, 2014 the Company was required to appoint two Independent Directors on the Board of the Company, the Company could not comply with the same. Secondly, in terms of the provisions of Sections 177(1) & 178(1) read with rule 6 of the Companies (Meetings of Board and Its Powers) Rules, 2014, the Company was required to constitute an*

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*Audit Committee and Nomination & Remuneration Committee of the Board, the Company could not comply with the same. The Company became a wholly owned subsidiary w.e.f. March 11, 2022 and thereafter was not required to comply with the aforesaid provisions thereafter.*

### **We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Directors except independent directors as mentioned above. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and the Articles of Association of the Company and were as follows:

1. Mr. Gulshan Mohan Bijlani (DIN: 01987683) was appointed as an Additional Director in the category of Non-Executive Professional Director w.e.f. 7th June 2021 and was regularized at the 25th Annual General Meeting of the Company held on 28th October 2021.
2. Mr. Gaurav Ravi Ghai (DIN: 00074857) was appointed as an Additional Director in the category of Non-Executive Promoted Director w.e.f. 17th January, 2022.
3. Mr. Farangilal Baburam Goyal (DIN: 03400918) ceased to be a Director w.e.f. 1st March, 2022 on account of his resignation.

Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda are in most cases sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Consent of the Board of Directors is obtained in cases where Meetings are scheduled by giving notice or agenda papers less than seven days.

All decisions were carried through with requisite majority. There were no dissenting views from the members during the period under review.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period the company has become a wholly owned subsidiary of Graviss Hospitality Limited w.e.f. 11th March 2022.

For **Ferrao MSR & Associates**  
*Company Secretaries*

Sd/-  
**Shobha Ambure**  
*Partner*  
**FCS No. 10828**  
**C.P. No. 15264**  
**UDIN: F010828D000478801**

Place: Mumbai  
Dated: June 09, 2022

This report is to be read with our letter which is annexed as **Annexure A** and forms an integral part of this report.

# GRAVISS HOSPITALITY LIMITED

'Annexure A'

To,  
The Members,  
**Graviss Hotels & Resorts Limited**  
Strand Cinema Bldg., 1st Floor, C.S. No. 506,  
Arthur Bunder Road,  
Colaba, Mumbai – 400 005.

Our report is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. The minutes, documents, records and other information checked for the purpose of audit were received from the Company in soft copy and through electronic mail due to work from home situation. We have accepted unsigned documents during the course of the audit considering the current situation.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **Ferrao MSR & Associates**  
*Company Secretaries*

Sd/-  
**Shobha Ambure**  
*Partner*  
**FCS No. 10828**  
**C.P. No. 15264**  
**UDIN: F010828D000478801**

Place: Mumbai  
Dated: June 09, 2022

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## Independent Auditors' Report

To,  
The Members of Graviss Hospitality Limited

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

#### Opinion

We have audited the accompanying standalone financial statements of **Graviss Hospitality Limited** ("the Company"), which comprise the balance Sheet as at 31st March 2022, the statement of Profit and Loss (including Other Comprehensive Income), the statement of Changes in Equity and the statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 ("ICAI") 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Response to Key Audit Matter
<p><b>Sale of Investment in wholly owned subsidiary</b></p> <p>During the year, the Company has disposed off its entire holding in one of its wholly owned subsidiary i.e. Hotel Kanakeshwar Private Limited for cash. Accordingly, Hotel Kanakeshwar Private Limited is no longer the subsidiary of the Company from 18.02.2022. Gain on sale of investment of Rs. 28.45 lacs is recognized in statement of Profit &amp; Loss Account.</p> <p>We considered the sale of investment in subsidiary as a key audit matter for our audit.</p>	<p>With reference to this key audit matter, we have obtained and read the agreement for sale of shares and board resolution in respect of the said transaction. We have also obtained the working of valuation of shares and calculation of the gain on sale of shares. We have also assessed the accounting treatment and reviewed the disclosure made by the Company in the financial statements in this regard.</p> <p>Based on the audit procedure performed, we found the accounting for the sale of subsidiary is appropriate.</p>



## GRAVISS HOSPITALITY LIMITED

Key Audit Matter	Response to Key Audit Matter
<p><b>Impact of COVID-19 pandemic on Going Concern</b></p> <p>During the year, the business of the Company was impacted due to COVID-19. During the first three months of the year, the Company witnessed softer revenues due to the second wave of COVID-19 and consequent lockdown. Also, there was a third wave in the month of January 2022, resulting in restrictions in the state which also adversely impacted the revenues. However, with increased vaccinations and consequent reduction in number of cases and easing of all restrictions, the Company has witnessed recovery in business. The Company has assessed the impact of COVID-19 on the future cash flow projections.</p> <p>In view of the above, we identified impact of COVID-19 on going concern as a key audit matter.</p>	<p>With reference to this key audit matter, we have obtained an understanding of the key controls and assumptions relating to the Company's forecasting process, compared and assessed the forecasted statement of profit and loss and cash flows with the Company's business plan. We have also assessed Government's efforts to counter the impact of resurgence in COVID-19 cases and the impact of the same on future projections. Disclosure with respect to above have been made in the standalone financial statements at Note No. 57.</p> <p>Accordingly, we considered the assessment of the management to be appropriate.</p>
<p><b>Investments in Subsidiaries</b></p> <p>The Company has investment in equity shares of two of its subsidiary and has also granted interest free loans to these two subsidiaries. Investments in subsidiaries are valued at cost adjusted for impairment losses. In line with "Ind AS 36 Impairment of assets", in case there is an indication of possible impairment, the Company carries out an impairment test by comparing the recoverable amount of the investments - determined according to the value in use method - and their carrying amount.</p> <p>We considered the impairment test of investments in subsidiaries as a key audit matter for our audit.</p>	<p>With reference to this key audit matter, we examined the assessment of the management that having regard to long term interest of the Company one of the subsidiaries will be able to get regular orders of decoration and earn sufficient margin to meet the fixed costs and that in the case of another subsidiary, the market value of the lands acquired would be more than the original cost and hence there is no diminution in the value of investment and recoverability of loan.</p> <p>Accordingly, we considered the assessment of the management to be appropriate.</p>

### Emphasis of Matter

Without qualifying our opinion, attention of the members is drawn to Note 49 & 50 to the standalone financial statement, in view of the matter stated therein relating to the accumulated losses of two subsidiaries as at 31st March, 2022, keeping in mind the factors stated in the Note, there is no diminution in the value of investments in the subsidiaries and the loans given to the subsidiaries are considered good of recovery.

We also draw attention to Note 57 to the standalone financial statement, which describe the possible effect of uncertainties relating to COVID-19 pandemic on the Company's financial performance as assessed by the Management.

Our opinion is not modified in respect of the above matters.

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

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

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

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

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

### **Management's Responsibilities for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit / loss, total 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) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 statement 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company 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.

## GRAVISS HOSPITALITY LIMITED

- 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (B) With respect to other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act as amended:

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

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- (C) 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:
- (a) The Company has disclosed the impact of pending litigation on its financial position as at 31st March, 2022 in its standalone financial statements – Refer Note No.35A to the standalone financial statements.
  - (b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - (d)
    - (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
      - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or
      - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
    - (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
      - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or
      - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
    - (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d)(i) and (d)(ii) contain any material misstatement.
  - (e) No dividend has been declared or paid during the year by the company.

For **A.T. JAIN & CO.**  
*Chartered Accountants*  
Firm Registration No. 103886W

Sd/-  
**SUSHIL JAIN**  
*Partner*  
Membership No.: 033809  
UDIN: 22033809AJWRLC8983

Place: Mumbai  
Dated: May 30, 2022

## Annexure A to Auditor's Report

### Annexure "A" to the Independent Auditor's Report of even date on the Financial Statements of GRAVISS HOSPITALITY LIMITED for the year ended 31st March, 2022

(Referred to in paragraph 1 under the section "Report on Other Legal and Regulatory Requirements" section of our report of even date).

With reference to the annexure referred to in the Independent Auditors' Report to the members of company on the standalone Financial Statements for the year ended March 31, 2022, we report the following,

- i. (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
(B) The company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company as at the balance sheet date.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) According to information and explanations given to us and on the basis of our examination of the records of the Company, the company has obtained Overdraft facility from bank against security of current assets. However, as per the terms of the sanction of facility, no quarterly return or statement of current assets is required to be filed by the company with banks.
- iii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties. Accordingly, the reporting under clause 3(iii)(a) of the Order is not applicable to the company. during the year.
- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the investments made are, prima facie, not prejudicial to the interest of the Company. Further, the the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given in earlier years, the repayment of principal and payment of interest has been stipulated; however, these were not due during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

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- iv. The company has not granted any loans, guarantees or security and has not made investments to which the provisions of section 185 and 186 of the Companies Act, 2013 apply.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- vi. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the Company. Accordingly, clause 3(vi) of the Order is not applicable.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records maintained by the company, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, goods and service tax, custom duty, excise duty, cess and other statutory dues where applicable.

According to the information and explanations given to us, no undisputed amounts in respect of the aforesaid statutory dues were in arrears, as at 31st March, 2022, for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of Statue	Nature of Dues	Amount (Rs. In Lakhs)	Period to which it relates	Forum where dispute is pending
DVAT Act	VAT	48.69	2010-11	High Court
MVAT Act	VAT	24.65	2016-17	Deputy Commissioner, Sales Tax Appeals
MVAT Act	VAT	36.48	2015-16	Deputy Commissioner, Sales Tax Appeals

- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.
- ix. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds are raised on short-term basis. Accordingly, the reporting under 3(ix)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- x. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and the records of the company examined by us, the company has not made any private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and therefore, provision of clause 3(x)(b) of the Order are not applicable to the company.
- xi. (a) Based on examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company noticed or reported during the year, nor have we been informed of any such case by the management.

## GRAVISS HOSPITALITY LIMITED

- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) Based on information and explanations provided to us and in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act, are not applicable to the Company.
- xvi. (a) 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, clause 3(xvi)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the company has not conducted any Non-Banking Financial or Housing Finance activities. Therefore, the provisions of Clause 3(xvi)(b) of the Order are not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) Based on the information and explanations provided by the management of the company, the Group does not have any CIC which are part of the Group. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash loss in the current financial year and has incurred cash loss of Rs. 866.67 lakhs in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by Company as and when they fall due.
- xx. In our opinion and according to the information and explanation provided by the management, the company do not fall under the prescribed classes of the Companies mentioned under the section 135 of the Companies Act, 2013. Accordingly, reporting under Clause 3(xx) of the Order are not applicable to the Company.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **A.T. JAIN & CO.**  
*Chartered Accountants*  
Firm Registration No. 103886W

Sd/-  
**SUSHIL JAIN**  
*Partner*

Membership No.: 033809  
UDIN: 22033809AJWRLC8983

Place: Mumbai  
Dated: May 30, 2022

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## Annexure B

**Annexure “B” to the Independent Auditor’s Report of even date on the Financial Statements of GRAVISS HOSPITALITY LIMITED for the year ended 31st March, 2022**

**Report on the Internal Financial Controls with reference to the aforesaid Standalone Financial Statement under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Graviss Hospitality Limited as of March 31st, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

### **Auditors’ Responsibility**

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

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



# GRAVISS HOSPITALITY LIMITED

## Inherent Limitations of Internal Financial Controls over Financial Reporting

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

## Opinion

In our opinion, to the best of our information and according to the explanation given to us, the company as, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31,2022, based on the internal financial controls over financial reporting criteria established by the company considering the essential components of internal control stated in the guidance note of audit of internal financials controls over financing report issued by the Institute of Chartered Accountants of India ("The Guidance Note").

For **A.T. JAIN & CO.**  
*Chartered Accountants*  
Firm Registration No. 103886W

Sd/-  
**SUSHIL JAIN**  
*Partner*

Place: Mumbai  
Dated: May 30, 2022

Membership No.: 033809  
UDIN: 22033809AJWRLC8983

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## Balance Sheet as at 31st March, 2022

Particulars	Note No.	As at 31/03/2022 (Rs. in lacs)	As at 31/03/2021 (Rs. in lacs)
<b>ASSETS</b>			
<b>Non-current assets:</b>			
Property, plant and equipment	5	17,785.09	5,181.79
Right of Use Asset	5.1	—	10,092.47
<b>Financial Assets</b>			
Investments	6	20.14	190.33
Trade receivables	11	53.78	53.78
Loans	7	2,978.80	6,416.05
Others	8	12.90	65.76
Income Tax assets (Net)		23.91	8.34
Other Non-current assets	9	—	14.78
<b>Total Non-current assets</b>		<b>20,874.62</b>	<b>22,023.30</b>
<b>Current assets</b>			
Inventories	10	96.62	110.07
<b>Financial Assets</b>			
Investments	11	125.69	—
Trade receivables	12	59.08	10.48
Cash and cash equivalents	13	71.99	430.97
Other Balances with Banks	14	7.53	7.11
Loans	15	3.86	3.72
Income Tax assets (Net)		3.14	3.14
Other current assets	16	102.00	76.03
<b>Total current assets</b>		<b>469.91</b>	<b>641.52</b>
<b>Total Assets</b>		<b>21,344.53</b>	<b>22,664.82</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	17	1,410.39	1,410.39
Other Equity	18	17,530.56	17,725.53
<b>Total Equity</b>		<b>18,940.95</b>	<b>19,135.92</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	19	103.04	94.57
Deferred tax liabilities (Net)	20	1,401.90	1,407.06
<b>Total Non-current liabilities</b>		<b>1,504.94</b>	<b>1,501.63</b>
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	21	21.29	1,163.69
<b>Trade payables</b>			
Total outstanding dues of Micro and Small Enterprises	22	—	—
Total outstanding dues of creditors other than Micro and Small Enterprises		300.92	333.59
Other Financial Liabilities	23	505.88	512.62
Other Current liabilities	24	66.87	12.41
Provisions	25	3.68	4.96
<b>Total current liabilities</b>		<b>898.64</b>	<b>2,027.27</b>
<b>Total Liabilities</b>		<b>2,403.58</b>	<b>3,528.90</b>
<b>Total Equity and Liabilities</b>		<b>21,344.53</b>	<b>22,664.82</b>

Summary of Significant Accounting Policies and  
Other Notes to the financial statements

1 to 62

As per our separate report of even date

For **A.T. Jain & Co.**  
Chartered Accountants  
Firm Registration No. 103886W

Sd/-  
**SUSHIL JAIN**  
Partner (Membership No. 033809)

Place: Mumbai  
Dated: May 30, 2022

For and on behalf of the Board of Directors of  
Graviss Hospitality Limited

Sd/-  
**ROMIL RATRA**  
Whole Time Director  
(DIN:06948396)

Sd/-  
**M.V. DOSHI**  
Director  
(DIN:00123243)

Sd/-  
**F.L. GOYAL**  
Chief Financial Officer

Sd/-  
**JALPA H. SALVI**  
Company Secretary

# GRAVISS HOSPITALITY LIMITED

## Statement of Profit and Loss Account for the year ended 31st March, 2022

Particulars	Note No.	For the year ended 31/03/2022 (Rs. in lacs)	For the year ended 31/03/2021 (Rs. in lacs)
<b>INCOME</b>			
Revenue from operations	26	2,877.18	889.78
Other Income	27	176.97	132.78
<b>Total Income</b>		<b>3,054.15</b>	<b>1,022.56</b>
<b>EXPENSES</b>			
Food and Beverages consumed	28	416.38	160.56
Employee benefits expense	29	779.62	528.45
Finance costs	30	61.32	118.30
Depreciation and amortisation expenses	31	448.35	550.79
Other expenses	32	1,552.89	1,466.44
<b>Total Expenses</b>		<b>3,258.56</b>	<b>2,824.54</b>
<b>PROFIT/(LOSS) BEFORE TAX</b>		<b>(204.41)</b>	<b>(1,801.98)</b>
<b>Tax expense:</b>			
Deferred Tax (Net) (Refer Note "20")		6.24	385.05
Short Provision for Tax of earlier years		—	(0.73)
<b>Total Tax Expenses</b>		<b>6.24</b>	<b>384.32</b>
<b>PROFIT/(LOSS) AFTER TAX</b>		<b>(198.17)</b>	<b>(1,417.66)</b>
<b>Other comprehensive income:</b>			
(i) Items that will not be reclassified to profit or loss	33	4.27	40.48
(ii) Income tax relating to items that will not be reclassified to profit or loss		(1.07)	(10.19)
(iii) Items that will be reclassified to profit or loss		—	—
(iv) Income tax relating to items that will be reclassified to profit or loss		—	—
<b>Other comprehensive income for the year</b>		<b>3.20</b>	<b>30.29</b>
<b>Total comprehensive income for the year</b>		<b>(194.97)</b>	<b>(1,387.37)</b>
<b>Earning per equity share – Rs.</b>			
(a) Basic		(0.28)	(1.97)
(b) Diluted		(0.28)	(1.97)

Summary of Significant Accounting Policies and  
Other Notes to the Financial Statements

1 to 62

As per our separate report of even date

For and on behalf of the Board of Directors of  
Graviss Hospitality Limited

For **A.T. Jain & Co.**  
Chartered Accountants  
Firm Registration No. 103886W

Sd/-  
**SUSHIL JAIN**  
Partner (Membership No. 033809)

Sd/-  
**ROMIL RATRA**  
Whole Time Director  
(DIN:06948396)

Sd/-  
**M.V. DOSHI**  
Director  
(DIN:00123243)

Place: Mumbai  
Dated: May 30, 2022

Sd/-  
**F.L. GOYAL**  
Chief Financial Officer

Sd/-  
**JALPA H. SALVI**  
Company Secretary

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## Cash Flow Statement for the Year Ended 31st March, 2022

Particulars	As at 31/03/2022 (Rs. in lacs)	As at 31/03/2021 (Rs. in lacs)	
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net profit before taxation, and extraordinary item	(204.41)	(1,801.98)	
Less: Remeasurement of Employees Benefits Adjusted in OCI	4.27	40.48	
Net profit before Tax After Adjustment in OCI	(200.14)	(1,761.50)	
Adjustments for:			
<b>Non Cash Items</b>			
Depreciation and Amortisation Expenses	448.35	550.79	
Fixed Assets written off			
Finance Cost	61.32	118.30	
Interest Income	(5.18)	(3.31)	
Dividend Income	(0.06)	—	
(Profit) / loss on sale of fixed assets	0.06	0.42	
Mark to Market gain / (loss) on equity shares	(0.51)	—	
(Profit) / loss on sale of investments	(28.45)	—	
	<b>475.53</b>	<b>666.19</b>	
<b>Operating profit before working capital changes</b>	<b>275.39</b>	<b>(1,095.31)</b>	
<b>Adjustments for:</b>			
Trade and other receivables	(48.60)	410.09	
Inventories	13.46	48.57	
Loans	3,437.25	1,800.65	
Other current assets	41.09	287.10	
Other Financial Liabilities	(6.74)	(211.60)	
Other Current Liabilities	53.19	(56.60)	
Trade and other payables	(32.67)	(521.81)	
	<b>3,456.98</b>	<b>1,756.42</b>	
<b>Cash generations from operations</b>	<b>3,732.37</b>	<b>661.11</b>	
Direct taxes paid	(15.53)	72.15	
<b>Net cash flow from Operating Activities</b>	<b>3,716.84</b>	<b>733.26</b>	
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of fixed assets, including intangible assets, CWIP and capital advances	(2,980.07)	(144.40)	
Sale of Fixed Assets	20.83	4.50	
(Purchase)/Sales of Investments	73.45	(0.97)	
Interest Income	5.18	3.31	
Dividend Income	0.06	—	
<b>Net cash used in Investing Activities</b>	<b>(2,880.55)</b>	<b>(137.56)</b>	
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from Long-term borrowings	173.57	20.88	
Repayment of Long-term borrowings	(165.10)	(165.10)	
Short Term borrowings (Net)	(1,142.40)	(12.28)	
Finance Cost	(61.32)	(118.30)	
<b>Net cash used in financing activities (C)</b>	<b>(1,195.25)</b>	<b>(274.80)</b>	
<b>Net Increase / (Decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(358.96)</b>	<b>320.90</b>	
Opening Cash and Cash Equivalents	<b>430.97</b>	<b>110.06</b>	
Closing Cash and Cash Equivalents	<b>71.99</b>	<b>430.97</b>	
	<b>358.96</b>	<b>(320.90)</b>	
Breakup of Opening Cash and Cash Equivalents			
<b>Balances with Banks</b>			
In Current Accounts	<b>416.15</b>	<b>78.87</b>	
Cash on Hand	<b>14.82</b>	<b>31.19</b>	
Cash and Cash Equivalents	<b>430.97</b>	<b>110.06</b>	
Breakup of Closing Cash and Cash Equivalents			
<b>Balances with Banks</b>			
In Current Accounts	<b>67.15</b>	<b>416.15</b>	
Cash on Hand	<b>4.84</b>	<b>14.82</b>	
Cash and Cash Equivalents	<b>71.99</b>	<b>430.97</b>	
<b>Disclosure as per Ind AS -7 as below:</b>			
<b>Particulars</b>	<b>01-04-2021</b>	<b>Cash Flows</b>	<b>31-03-2022</b>
Long Term Borrowings	94.57	8.47	<b>103.04</b>
Short Term Borrowings	1,163.69	(1,142.40)	<b>21.29</b>
Total Liabilities from financing activities	<b>1,258.25</b>	<b>(1,133.93)</b>	<b>124.33</b>

As per our separate report of even date

For **A.T. Jain & Co.**  
Chartered Accountants  
Firm Registration No. 103886W

Sd/-  
**SUSHIL JAIN**  
Partner (Membership No. 033809)

Place: Mumbai  
Dated: May 30, 2022

For and on behalf of the Board of Directors of  
**Graviss Hospitality Limited**

Sd/-  
**ROMIL RATRA**  
Whole Time Director  
(DIN:06948396)

Sd/-  
**M.V. DOSHI**  
Director  
(DIN:00123243)

Sd/-  
**F.L. GOYAL**  
Chief Financial Officer

Sd/-  
**JALPA H. SALVI**  
Company Secretary

# GRAVISS HOSPITALITY LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2022

	Opening balance (Rs in lacs)	Changes during the year (Rs in lacs)	Closing balance (Rs in lacs)
<b>A. Equity Share Capital</b>			
As at 31st March 2022	1,410.39	—	1,410.39
As at 31st March 2021	1410.39	—	1,410.39

### Reserves and Surplus

	Retained Earnings	General Reserve	Warrants Forfeited	Securities Premium Reserve	Capital Reserve	Capital Redemp- tion Reserve	Other Compre- hensive Income	Total
<b>B. Other Equity</b>								
Balance as at 01st April 2021	(3,988.11)	11,320.29	850.01	9,183.07	7.78	318.52	33.97	17,725.53
Additions during the year	—	—	—	—	—	—	—	—
Surplus in the Statement of profit and loss	(198.17)	—	—	—	—	—	3.20	(194.97)
<b>Balance as at 31 March 2022</b>	<b>(4,186.28)</b>	<b>11,320.29</b>	<b>850.01</b>	<b>9,183.07</b>	<b>7.78</b>	<b>318.52</b>	<b>37.17</b>	<b>17,530.57</b>

### C. Nature of reserves

Securities Premium collected on issue of securities are accumulated as part of securities premium.

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## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

### NOTE NO 1

#### Company Overview

GRAVISS HOSPITALITY LIMITED was incorporated in 1959. The Registered Office of the Company is located at Satara. Its shares are listed in Bombay Stock Exchange (BSE). It is engaged in the hospitality business having one hotel in the name of Inter-Continental at Marine Drive Mumbai.

### NOTE NO. 2

#### Basis for preparation:

The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (Act) read with Rule 4A of Companies (Accounts) Second Amendment Rules, 2015, Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder. The Financial Statements have been prepared under historical cost convention basis except for derivative financial instruments, certain financial assets and financial liabilities which have been measured at fair value.

The Company's presentation and functional currency is Indian Rupees and all values are rounded off to the nearest lacs (INR 00,000), except when otherwise indicated.

The Financial Statements were authorized for issue in accordance with a resolution of the directors on 30-05-2022.

### NOTE NO. 3

#### Use of Judgement, Assumptions and Estimates

The preparation of the Company's financial statements requires management to make informed judgements, reasonable assumptions and estimates that affect the amounts reported in the financial statements and notes thereto. Uncertainty about these could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in the future periods. These assumptions and estimates are reviewed periodically based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit & Loss in the period in which the estimates are revised and in any future periods affected.

In the assessment of the Company, the most significant effects of use of judgments and/or estimates on the amounts recognized in the financial statements relate to the following areas:

- a) Financial instruments
- b) Useful lives of property, plant & equipment
- c) Valuation of inventories
- d) Measurement of recoverable amounts of assets / cash-generating units
- e) Assets and obligations relating to employee benefits
- f) Evaluation of recoverability of deferred tax assets; and
- g) Provisions and Contingencies.

### NOTE NO. 4

#### SIGNIFICANT ACCOUNTING POLICIES

##### A. Property, plant & equipment

- a) The cost of an item of property, plant and equipment is recognized as an asset only if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.
- b) Property, plant and equipment are stated at cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment loss, if any.
- c) The initial cost of an asset comprises its purchase price or construction cost (including import duties and non-refundable taxes), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation (if any) and the applicable borrowing cost till the asset is ready for its intended use.
- d) Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.
- e) An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds if any and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.
- f) Direct expenses incurred during construction period on capital projects are capitalised.

##### B Right of use asset

The company had leasehold land which is a finance lease. The carrying amount representing the fair value (revalued before the date of transition to Ind AS) of the leased land, is recognized under Right-of-Use asset and is treated as deemed cost on adoption of Ind AS. The Right-of-Use assets are stated at cost, less accumulated depreciation and accumulated impairment loss, if any.

# GRAVISS HOSPITALITY LIMITED

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

### C Depreciation

- a) Depreciation on property, plant and equipment is provided on the straight line basis, over the useful lives of assets (after retaining the residual value of up to 5%). The useful lives determined are in line with the useful lives as prescribed in the Schedule II of the Act except in case of following assets which are depreciated over their useful life as determined by a Chartered Engineer and Valuer

<b>Asset Description</b>	<b>Useful Life (Years)</b>
Building	30
Air-conditioning plant, cooking machinery, security and fire fighting equipments	15
Furniture & Fixtures including interior design	8

- b) Residual value of building and vehicles is estimated at 5% of the original cost and at nil value for all other assets.
- c) Items of property, plant and equipment costing not more than Rs.5,000 each are depreciated at 100 percent in the year in which they are capitalised.
- d) Expenditure on major repairs and overhauls which qualify for recognition in the item of Property, Plant and Equipment and which result in additional useful life, is depreciated over the extended useful life of the asset as determined by technical evaluation.
- e) Depreciation is charged on additions / deletions on pro-rata monthly basis including the month of addition / deletion.
- f) Leasehold Land is amortised over the lease term.
- g) Freehold Land is not depreciated.

### D Accounting for Leases

#### The Company as a Lessee

On Inception of a Contract, the Company (as a lessee) assesses whether a contract contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. 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 not reasonably certain that it will exercise the option. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives received. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying assets useful life. The Company applies Ind AS – 36 to determine whether a Right-of-Use asset is impaired and accounts for any identified impairment loss.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates that the Company would have to pay to borrow funds. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease liabilities and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

#### The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

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## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

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### E Inventories

Inventories are stated at cost or net realizable value, whichever is lower. Cost of inventories comprises of expenditure incurred in the normal course of business in bringing inventories to their present location, including appropriate overheads apportioned on a reasonable and consistent basis and is determined on the following basis:

- a Food and Beverages on weighted average basis.
- b Stores and other operating supplies on weighted average basis.

Obsolete, slow moving, surplus and defective stocks are identified and where necessary, provision is made for such stocks.

### F Revenue Recognition

Sale of goods: Revenue from the sale of goods is recognised when the performance obligation is satisfied by transferring the related goods to the customer. The performance obligation is considered to be satisfied when the customer obtains control of the goods.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable (after including fair value allocations related to arrangements involving more than one performance obligation), net of returns, taxes or duties collected on behalf of the Government and applicable trade discounts or rebates.

Interest income is recognised using Effective Interest Rate (EIR) method.

Dividend income is recognized when the right to receive payment is established.

### G Employee Benefits

Short term employee benefits are recognized as an expense at an undiscounted amount in the Statement of Profit & Loss for the year/period in which the related services are rendered.

The Company's post-employment benefit consists of provident fund and gratuity. The Company also provides for leave encashment which is in the nature of long term benefit.

Company's contributions to provident fund which is a defined benefit plan, are recognised as an expense in the Statement of Profit & Loss for the year/period in which the services are rendered. The Company's contribution to the Provident Fund is remitted to government provident fund authority based on a fixed percentage of the eligible employee's salary and charged to Statement of Profit and Loss.

The Company operates defined benefit plan for Gratuity. The cost of providing such defined benefit is determined using the projected unit credit method of actuarial valuation made at the end of the year. The Company has created an Employees Group Gratuity Fund which has taken a Group Gratuity Assurance Scheme with the Met Life Insurance company.

Actuarial gains and losses are recognised in other comprehensive income for gratuity and leave encashment.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- a The date of the plan amendment or curtailment, and
- b The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- a Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- b Net interest expense or income

### H Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets till the month in which the asset is ready for use. All other borrowing costs are charged to the Statement of Profit & Loss.

### I Foreign Currency Transactions

#### Monetary items:

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit & Loss.



# GRAVISS HOSPITALITY LIMITED

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

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### **Non – Monetary items:**

Non-monetary items that are measured in terms of historical cost are recorded at the exchange rates at the dates of the initial transactions.

### **J Provisions, Contingent Liabilities and Contingent assets**

- a) Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expenses relating to a provision are recognised in the Statement of Profit & Loss net of any reimbursement.
- b) If the effect of time value of money is material, provisions are shown at present value of expenditure expected to be required to settle the obligation, by discounting using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.
- c) Contingent liabilities are possible obligations arising from past events and whose existence will only be confirmed by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.
- d) Contingent Assets are not recognised but reviewed at each balance sheet date and disclosure is made in the Notes in respect of possible effects that arise from past events and whose existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company and where inflow of economic benefit is probable.

### **K Fair Value measurement**

- a) The Company measures financial instruments at fair value at each balance sheet date.
- b) Fair value is the price that would be received on selling 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.
- c) While measuring the fair value of an asset or liability, the Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure the fair value using observable market data as far as possible and minimising the use of unobservable inputs. Fair values are categorised into 3 levels as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices that are observable for the assets or liability, either directly (i.e. as prices for similar item) or indirectly (i.e. derived from prices)

Level 3: inputs that are not based on observable market data (unobservable inputs)

### **L Financial Instruments**

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

#### **Financial assets**

##### **Initial recognition and measurement**

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

##### **Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in the following categories

Financial Assets at amortised cost

Financial assets at fair value through profit or loss (FVTPL)

##### **Financial Assets at amortised cost**

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Financial assets which are considered as receivable on demand at any time, are not discounted on initial recognition and on subsequent measurement.

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## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

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### Financial assets at FVTPL

Any financial asset, which does not meet the criteria for categorization as at amortized cost is classified as at FVTPL.

### Equity investments in subsidiaries

Investment in subsidiaries are accounted for at cost in standalone financial statements.

### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the balance sheet) when:

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

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

### Financial liabilities

#### Initial recognition and measurement.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings.

#### Subsequent measurement

Financial liabilities are measured subsequently at fair value through profit or loss.

#### Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

Financial liabilities which are considered as repayable on demand at any time, are not discounted on initial recognition and on subsequent measurement.

#### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

### M Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current if they are expected to be realised / settled within twelve months after the reporting period. All other assets and liabilities are considered as non-current.

# GRAVISS HOSPITALITY LIMITED

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

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### **N Impairment**

#### **Financial Assets**

Loss allowance for expected credit losses is recognised for financial assets. The Company recognises life time expected credit losses for all trade receivables that do not constitute a financing transaction. For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

#### **Non-financial Assets**

At each Balance Sheet date, an assessment is made of whether there is any indication of impairment. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of the asset's or Cash-Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

### **O Taxes on Income**

#### **Current Tax**

Income-tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the end of reporting period.

#### **Deferred tax**

Deferred tax (both assets and liabilities) is calculated using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The amount of deferred tax assets is reviewed at each reporting date.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current tax and Deferred Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit & Loss, other comprehensive income or directly in equity.

### **P Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period, adjusted for the effect of all dilutive potential equity shares.

### **Q Cash and Cash equivalents**

Cash and cash equivalents include cash at bank, cash, cheques and draft on hand. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

### **R Cash Flows**

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

### **S Government Grants**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is treated as deferred income and released to the statement of profit and loss over the expected useful lives of the assets concerned.

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## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

### NOTE '5' – PROPERTY, PLANT AND EQUIPMENT:

(Rs. in lacs)

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	At fair value as on 01/04/2021	Additions and other transfers	Sales and other deductions	At fair value as on 31/03/2022	Opening Depreciation as on 01/04/2021	For the year	Dep on sold assets	As at 31/03/2022	As at 31/03/2022	As at 31/03/2021
Land*	—	12,910.07	—	12,910.07	—	—	—	—	12,910.07	—
Building	5,013.03	—	—	5,013.03	952.29	203.98	—	1,156.27	3,856.76	4,060.75
Premises	43.93	—	—	43.93	43.93	—	—	43.93	—	—
Plant and Machinery	422.86	1.20	—	424.06	194.27	16.50	—	210.77	213.29	228.58
Furniture & Fixtures	1,444.20	1.90	—	1,446.09	845.47	173.64	—	1,019.11	426.98	598.73
Office Equipments	460.64	7.50	—	468.14	285.18	15.89	—	301.07	167.07	175.46
Vehicles	148.55	148.78	57.00	240.33	41.02	28.32	36.11	33.23	207.10	107.52
Computers	75.64	3.09	—	78.74	64.90	10.02	—	74.92	3.82	10.75
<b>Total</b>	7,608.85	13,072.54	57.00	20,624.39	2,427.06	448.35	36.11	2,839.31	17,785.09	5,181.79
Previous year	7,562.81	144.40	98.36	7,608.85	2,056.71	463.79	93.44	2,427.06	5,181.79	5,506.09

### NOTE '5.1' – RIGHT OF USE ASSET:

(Rs. in lacs)

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	At fair value as on 01/04/2021	Additions and other transfers	Sales and other deductions	At fair value as on 31/03/2022	Opening Depreciation as on 01/04/2021	For the year	Dep on sold assets	As at 31/03/2022	As at 31/03/2022	As at 31/03/2021
Land	10,266.48	—	10,266.48	—	174.01	—	174.01	—	—	10,092.47
<b>Total</b>	10,266.48	—	10,266.48	—	174.01	—	174.01	—	—	10,092.47
Previous year	10,266.48	—	—	10,266.48	87.00	87.00	—	174.01	10,092.47	10,179.48

\* During the year under review, the Company has converted its leasehold land at Marine Drive, Mumbai to Occupancy Class – I land (Freehold Land) by making payment of conversion premium of Rs.28.17 crores.

# GRAVISS HOSPITALITY LIMITED

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

	As at 31/03/2022 (Rs. in lacs)	As at 31/03/2021 (Rs. in lacs)
<b>NOTE '6' – NON CURRENT INVESTMENTS:</b>		
<b>TRADE INVESTMENTS (VALUED AT COST UNLESS STATED OTHERWISE):</b>		
<b>Unquoted equity instruments:</b>		
Investment in subsidiaries		
50,010 of Graviss Hotels and Resorts Limited of Rs. 10 each (P.Y. 50,000)	5.00	5.00
76,422 (out of which 50 jointly held with third parties) of Graviss Catering Private Limited of Rs. 10 each (P.Y. 76,422)	12.89	12.89
— of Hotel Kankeshwar Private Limited of Rs. 10 each (P.Y. 2,45,000)	—	170.00
<b>NON-TRADE INVESTMENTS:</b>		
<b>INVESTMENTS AT COST</b>		
Unquoted:		
20 Shares of Hotel and Restaurant Co-operative Services Society Ltd of Rs. 50 each (P.Y. 20)	0.01	0.01
<b>INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		
Quoted:		
3,820 Equity Shares of Edelweiss Capital Limited of Rs.1 each (P.Y. 3,820)	2.24	2.43
	<u>20.14</u>	<u>190.33</u>
Aggregate value of unquoted investments	17.90	187.90
Aggregate value of quoted investments	2.24	2.43
Market value of quoted investments	2.24	2.43
<b>NOTE '7' – LONG-TERM LOANS AND ADVANCES:</b>		
Security Deposits	37.82	37.52
<b>Loans to Related Parties:</b>		
i Secured, Considered Good	—	—
ii Unsecured, Considered Good	2,940.98	6,378.53
iii Which have significant increase in Credit Risk	—	—
iv Credit Impaired	—	—
	<u>2,978.80</u>	<u>6,416.05</u>
<b>NOTE '8' – OTHER NON-CURRENT FINANCIAL ASSETS:</b>		
Margin Money Deposit with Bank	12.90	65.76
	<u>12.90</u>	<u>65.76</u>
<b>NOTE '9' – OTHER NON-CURRENT ASSETS:</b>		
Capital advance	—	14.78
<b>NOTE '10' – INVENTORIES (Valued at lower of cost and net realisable value):</b>		
Food and Beverages	86.52	95.86
Stores and Other Operating Supplies	10.08	14.21
	<u>96.62</u>	<u>110.07</u>
<b>NOTE '11' – CURRENT INVESTMENTS</b>		
<b>Investments at fair value through profit or loss</b>		
39,882 units in ICICI Prudential Liquid Fund- Direct Plan (P.Y. 0)	125.69	—
	<u>125.69</u>	<u>—</u>

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## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

	As at 31/03/2022 (Rs. in lacs)	As at 31/03/2021 (Rs. in lacs)
<b>NOTE '12' – TRADE RECEIVABLES:</b>		
<b>Non Current:</b>		
(a) Trade receivable from others		
i Secured, Considered Good	—	—
ii Unsecured, Considered Good	53.78	53.78
iii Which have significant increase in Credit Risk	—	—
iv Unsecured, Considered Doubtful	—	—
	<u>53.78</u>	<u>53.78</u>
<b>Current:</b>		
(a) Trade receivable from others		
i Secured, Considered Good	—	—
ii Unsecured, Considered Good	56.25	10.03
iii Which have significant increase in Credit Risk	—	—
iv Unsecured, Considered Doubtful	—	—
	<u>56.25</u>	<u>10.03</u>
(b) Trade receivable from related parties		
i Secured, Considered Good	—	—
ii Unsecured, Considered Good	2.83	0.45
iii Which have significant increase in Credit Risk	—	—
iv Unsecured, Considered Doubtful	—	—
	<u>2.83</u>	<u>0.45</u>
	<u>112.86</u>	<u>64.26</u>
<b>NOTE '13' – CASH AND CASH EQUIVALENTS:</b>		
Current accounts	67.15	416.15
Cash on hand	4.84	14.82
	<u>71.99</u>	<u>430.97</u>
<b>NOTE '14' – OTHER BALANCES WITH BANKS:</b>		
Fixed Deposit with banks maturing within one year	7.53	7.11
	<u>7.53</u>	<u>7.11</u>
<b>NOTE '15' – SHORT-TERM LOANS AND ADVANCES:</b>		
<b>Advances to others:</b>		
<b>Loans to employees:</b>		
i Secured, Considered Good	—	—
ii Unsecured, Considered Good	3.86	3.72
iii Which have significant increase in Credit Risk	—	—
iv Credit Impaired	—	—
	<u>3.86</u>	<u>3.72</u>

# GRAVISS HOSPITALITY LIMITED

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

	As at 31/03/2022 (Rs. in lacs)	As at 31/03/2021 (Rs. in lacs)
<b>NOTE '16' – OTHER CURRENT ASSETS:</b>		
Advance to suppliers	19.39	12.16
Prepaid expenses	82.61	57.08
Balances with statutory/government authorities	—	6.79
	<b>102.00</b>	<b>76.03</b>
 <b>NOTE '17' – SHARE CAPITAL:</b>		
<b>a Authorised :</b>		
230,000 Preference shares of Rs. 100 each to be issued on such terms and conditions including rate of dividend and redemption of the shares as the Company shall from time to time decide as per Clause 4 (ii) of the amended Articles of Association of the Company	230.00	230.00
113,500,000 Equity shares of Rs. 2 each	2,270.00	2,270.00
	<b>2,500.00</b>	<b>2,500.00</b>
 <b>b Issued, Subscribed and fully paid-up :</b>		
70,519,135 Equity shares of Rs. 2 each for cash	1,410.39	1,410.39
	<b>1,410.39</b>	<b>1,410.39</b>
(70,519,135)		
 <b>c Reconciliation of the number of equity shares at the beginning and end of the year</b>		
Opening	70,519,135	70,519,135
Issued during the year	—	—
Closing	<b>70,519,135</b>	<b>70,519,135</b>
 <b>d Shares held by each shareholder holding more than 5% shares</b>		
<b>Equity shares of Rs. 2 each fully paid</b>		
Graviss Holdings Private Limited – 30.93% (30.93%)	21,813,970	21,813,970
Satinetta Trading LLP (earlier Satinetta Finlease & Investments Private Limited)- 32.57% (32.57%)	22,967,844	22,967,844
Dunearn Investments (Mauritius) Pte Limited- 0.00% (9.96%)	—	7,025,708
Inter Continental Hotels Corporation, USA- 6.22% (6.22%)	4,385,235	4,385,235
Gaurav Ravi Ghai- 5.59% (3.27%)	3,937,286	2,308,716
Tresad Limited- 5.13% (5.13%)	3,616,932	3,616,932
 <b>e Disclosure of shareholding of promoters and promoter group</b>		
<b>Equity shares of Rs. 2 each fully paid</b>		
<b>Promoter</b>		
Gaurav Ravi Ghai- 5.59% (3.27%)	3,937,286	2,308,716
Ravi Ghai- 3.29% (4.71%)	2,316,345	3,324,791
Geeta Ghai- 0.00% (0.88%)	—	620,124
 <b>Promoter group</b>		
Graviss Holdings Private Limited- 30.93% (30.93%)	21,813,970	21,813,970
Satinetta Trading LLP (earlier Satinetta Finlease & Investments Private Limited)- 32.57% (32.57%)	22,967,844	22,967,844
Amphitrite Trading LLP-2.14% (2.14%)	1,509,840	1,509,840
Oregon Realtys LLP- 0.27% (0.27%)	191,000	191,000

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## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

	As at 31/03/2022 (Rs. in lacs)	As at 31/03/2021 (Rs. in lacs)
<b>NOTE '18' – OTHER EQUITY:</b>		
<b>A Reserves and Surplus</b>		
i Capital Reserves:		
Subsidy from the Central Government under 15% Central Subsidy Scheme 1971 for Aurangabad – As per last account	7.78	7.78
ii Warrants Forfeited Account:		
As per last account	850.01	850.01
iii Securities Premium Account:		
As per last account	9,183.07	9,183.07
iv Capital Redemption Reserve Account:		
As per last account	318.52	318.52
v General Reserve:		
As per last account	11,320.29	11,320.29
vi Retained Earnings:		
Opening balance	(3,988.11)	(2,570.45)
Add : Opening balance adjustment due to Ind AS		
Add : Net profit after tax transferred from Statement of Profit and Loss	(198.17)	(1,417.66)
Balance in Profit and Loss account	(4,186.28)	(3,988.11)
	<b>17,493.39</b>	<b>17,691.56</b>
<b>B Other Comprehensive Income</b>		
As per last account	33.97	3.68
Addition during the year	3.20	30.29
Closing balance	37.17	33.97
	<b>17,530.56</b>	<b>17,725.53</b>



# GRAVISS HOSPITALITY LIMITED

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

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### Non-current Liabilities:

#### NOTE '19' – BORROWINGS:

##### a) Term loans from Bank : (Refer Note "23")

###### Axis Bank

— Term Loan (Secured) – III	—	3.36
-----------------------------	---	------

###### Note:

Term loan from bank carries interest @ 12% p.a. The loan is repayable in 60 monthly installments of Rs. 1.67 lacs each along with interest, from March 2017. The loan is secured by exclusive first charge of entire movable fixed assets and extension of first charge by way of hypothecation over entire current assets of the company.

— Term Loan (Secured) – IV	—	91.21
----------------------------	---	-------

###### Note:

Term loan from bank carries interest @ 11.15% p.a. The loan is repayable in 60 monthly installments of Rs. 3.33 lacs each along with interest, from April 2019. The loan is secured by exclusive first charge of entire movable fixed assets and extension of first charge by way of hypothecation over entire current assets of the company.

##### b) Deferred payment liabilities:

(carry interest rates ranging from 7% to 8%, repayable in various EMIs and secured by hypothecation of vehicles. Last EMI maturing on March 2028)

103.04	—
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103.04	94.57
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## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

### NOTE '20' – DEFERRED TAX LIABILITIES (NET):

(Rs. in lacs)

In compliance of Ind AS 12 on "Income Taxes", the item wise details of Deferred Tax Liabilities (Net) are as under:

Particulars	Opening Balance	Recognised in P&L	Recognised in OCI	Closing Balance
<b>For The Year Ended 31st March 2022</b>				
<b>Deferred Tax Liabilities</b>				
Difference between accounting and tax	177.50	14.57	—	192.07
On revaluation of leasehold land	2,351.14	—	—	2,351.14
<b>Total Deferred Tax Liabilities</b>	<b>2,528.64</b>	<b>14.57</b>	<b>—</b>	<b>2,543.21</b>
<b>Deferred Tax Assets</b>				
Expenses Allowed on Payment Basis	133.97	(47.64)	(1.07)	85.25
Unabsorbed Depreciation	987.61	68.45	—	1,056.06
<b>Total Deferred Tax Assets</b>	<b>1,121.58</b>	<b>20.81</b>	<b>(1.07)</b>	<b>1,141.31</b>
<b>Deferred Tax Liabilities (Net)</b>	<b>1,407.06</b>	<b>(6.24)</b>	<b>1.07</b>	<b>1,401.90</b>
<b>For The Year Ended 31st March 2021</b>				
<b>Deferred Tax Liabilities</b>				
Difference between accounting and tax	157.11	20.39	—	177.50
On revaluation of leasehold land	2,371.41	(20.27)	—	2,351.14
<b>Total Deferred Tax Liabilities</b>	<b>2,528.52</b>	<b>0.12</b>	<b>—</b>	<b>2,528.64</b>
<b>Deferred Tax Assets</b>				
Expenses Allowed on Payment Basis	129.35	14.81	(10.19)	133.97
Unabsorbed Depreciation	617.24	370.37	—	987.61
<b>Total Deferred Tax Assets</b>	<b>746.59</b>	<b>385.17</b>	<b>(10.19)</b>	<b>1,121.58</b>
<b>Deferred Tax Liabilities (Net)</b>	<b>1,781.93</b>	<b>(385.05)</b>	<b>10.19</b>	<b>1,407.06</b>

Deferred Tax Asset on unabsorbed depreciation, unabsorbed business losses and other temporary differences available as per the Income Tax Act, 1961 has been recognized, since it is probable that taxable profit will be available to adjust them in the future years. Unabsorbed depreciation which forms major portion of the Deferred Tax Asset can be carried forward and set off against the profits for unlimited number of years under the Indian Income Tax Act, 1961 and profitability projections based on current margins show sufficient profits for set-off in future.

Reconciliation of effective tax rate as a numerical reconciliation between tax expense and the product of account profit multiplied by the applicable tax rate.

Particulars	2021-22	2020-21
Profit Before Tax	(204.41)	(1,801.98)
Applicable Tax Rate	25.17%	25.17%
Tax Using the Applicable Tax Rate	(51.44)	(453.52)
Tax Effect of:		
Add: Non-Deductible Tax Expenses	—	—
Add: Recognition of Tax Effect of Previously Unrecognized Tax Gains / (Losses)	45.21	68.47
Less: Rate Difference	—	—
Less: Investment Allowance Deduction	—	—
<b>Tax Expense Recognized in the Statement of Profit &amp; Loss</b>	<b>(6.24)</b>	<b>(385.05)</b>
<b>Weighted Average Tax Rate</b>	<b>3.05%</b>	<b>21.37%</b>

The tax rate of 25.168% is applicable to the next financial year as well.

# GRAVISS HOSPITALITY LIMITED

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

	For the Year ended 31/03/2022 (Rs. in lacs)	For the Year ended 31/03/2021 (Rs. in lacs)
Tax Expenses recognized in the Statement of Profit & Loss / Other Comprehensive Income (OCI) are as below:		
<b>Particulars</b>	<b>2021-22</b>	<b>2020-21</b>
A. Current Tax Expense	—	—
B. Deferred Tax Expense / (Asset) relating to		
— Origination and reversal of temporary differences	(6.24)	(385.05)
— Change in tax rates	—	—
— Recognition of previously unrecognized tax losses / (gains)	—	—
<b>Total</b>	<b>(6.24)</b>	<b>(385.05)</b>
Tax Expenses recognized in the Statement of Profit & Loss	(6.24)	(385.05)
Deferred Tax Liability / (Asset) relating to re-measurement of the defined benefit plan (gratuity) recognized in OCI	1.07	10.19
	<b>As at 31/03/2022 (Rs. in lacs)</b>	<b>As at 31/03/2021 (Rs. in lacs)</b>
<b>Current Liabilities:</b>		
<b>NOTE '21' – SHORT-TERM BORROWINGS:</b>		
<b>Loans repayable on demand from Bank (secured):</b>		
Axis Bank	—	988.29
<b>Note:</b>		
Overdraft from bank carries interest @ Repo Rate + 5.65% i.e. 9.65% p.a. The loan is repayable on demand. The loan is secured by exclusive first charge by way of hypothecation over entire current assets and first charge on entire movable fixed assets of the company.		
<b>Current maturities of long term debt: (Refer Note "19"):</b>		
— Indian Rupee Loan	—	91.61
— Deferred Payment Liability	21.29	83.78
	<b>21.29</b>	<b>1,163.69</b>
<b>NOTE '22' – TRADE PAYABLES:</b>		
Total outstanding dues of Micro and Small Enterprises	—	—
Total outstanding dues of creditors other than Micro and Small Enterprises	300.92	333.59
	<b>300.92</b>	<b>333.59</b>
<b>NOTE '23' – OTHER CURRENT FINANCIAL LIABILITIES:</b>		
Interest Accrued but not due	0.52	—
Expenses payable	364.41	357.75
Interest free security deposits	1.87	7.87
Advance from customers	86.92	100.88
Gratuity obligation	44.19	39.90
Others (Provident Fund, ESIC etc)	7.97	6.23
	<b>505.88</b>	<b>512.62</b>
<b>NOTE '24' – OTHER CURRENT LIABILITIES:</b>		
Statutory dues payable*	66.87	12.41
	<b>66.87</b>	<b>12.41</b>

\*Statutory dues primarily include payables in respect of VAT, GST, tax deducted at source

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## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

	As at 31/03/2022 (Rs. in lacs)	As at 31/03/2021 (Rs. in lacs)
<b>NOTE '25' – SHORT-TERM PROVISIONS:</b>		
Provision for leave benefits	3.68	4.96
	<u>3.68</u>	<u>4.96</u>
	<b>For the Year ended 31/03/2022 (Rs. in lacs)</b>	<b>For the Year ended 31/03/2021 (Rs. in lacs)</b>
<b>NOTE '26' – REVENUE FROM OPERATIONS:</b>		
Sales-Rooms	1,090.53	148.12
Sales-Food and Beverages	1,737.27	730.31
Sale of services	49.38	11.35
	<u>2,877.18</u>	<u>889.78</u>
<b>NOTE '27' – OTHER INCOME:</b>		
Interest on deposits with banks	5.18	3.31
Interest on income tax refund	—	8.29
Dividend income	0.06	—
Gain/(Loss) on sale of investments	28.45	—
Mark to Market gain /(loss) on equity shares	0.51	0.97
Unclaimed Credit balances written back	26.70	72.02
Foreign Exchange Commission	0.19	—
Miscellaneous receipts	115.88	48.19
	<u>176.97</u>	<u>132.78</u>
<b>NOTE '28' – FOOD AND BEVERAGES CONSUMED:</b>		
Opening stock	95.86	121.10
Add: Purchases	407.04	135.32
	<u>502.90</u>	<u>256.42</u>
Less: Closing stock	86.52	95.86
	<u>416.38</u>	<u>160.56</u>
<b>NOTE '29' – EMPLOYEE BENEFITS EXPENSE:</b>		
(refer Note "37")		
Salaries and wages (including bonus and gratuity)	727.91	490.86
Contributions to :		
Provident, Family Pension and other Funds	32.21	21.99
Staff welfare expenses	19.50	15.60
	<u>779.62</u>	<u>528.45</u>
<b>NOTE '30' – FINANCE COSTS:</b>		
Interest expense	60.02	118.30
Other Charges	1.30	—
	<u>61.32</u>	<u>118.30</u>
<b>NOTE '31' – DEPRECIATION AND AMORTISATION EXPENSES:</b>		
Depreciation of tangible assets	448.35	463.79
Depreciation of right of use assets	—	87.00
	<u>448.35</u>	<u>550.79</u>

# GRAVISS HOSPITALITY LIMITED

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

	For the Year ended 31/03/2022 (Rs. in lacs)	For the Year ended 31/03/2021 (Rs. in lacs)
<b>NOTE '32' – OTHER EXPENSES:</b>		
<b>Operating Expenses:</b>		
Power, Fuel and Water	238.51	165.05
Repairs and Maintenance:		
Building	44.79	129.50
Machinery	12.37	13.98
Others	218.29	180.09
Stores and Supplies including Linen and Uniforms	77.88	45.01
Washing and Laundry expenses	44.32	34.18
Business Operating expenses	137.40	105.59
Music and other Operating expenses	12.80	4.51
<b>General Expenses:</b>		
Rent	8.92	7.28
Rates and Taxes	144.17	107.01
Insurance	32.04	34.44
Hire charges	3.68	0.21
Advertisement and Sales Promotion	92.70	29.21
Credit Card charges	73.77	16.70
Travelling and Conveyance	106.90	100.73
Printing and Stationery	7.08	5.08
Postage and Telephones	20.00	17.88
Other expenses	82.58	54.15
Payments to Auditors (Note "38")	9.75	10.50
Legal and Professional charges	110.52	84.46
Franchise and Corporate Service fees	67.36	8.86
Directors Sitting fees	7.00	6.53
Loss on sale of Assets	0.06	0.42
Service / Sales Tax Paid	—	0.15
Advance written off	—	304.93
	<b>1,552.89</b>	<b>1,466.44</b>
<b>NOTE '33' – OTHER COMPREHENSIVE INCOME:</b>		
<b>Items that will not be reclassified to profit or loss</b>		
Remeasurement of Defined Benefit Plans	4.27	40.48
<b>Income tax relating to items that will not be reclassified to profit or loss</b>		
Remeasurement of Defined Benefit Plans	(1.07)	(10.19)
<b>NOTE '34' – EARNINGS PER EQUITY SHARE (BASIC AND DILUTED):</b>		
Net profit after Taxation (in Rs.)	(194.97)	(1,387.37)
Weighted average number of equity shares	70,519,135	70,519,135
Earnings per equity shares (in Rs.)	(0.28)	(1.97)
Nominal value per share (Rs.)	2.00	2.00
<b>NOTE '35' – A. CONTINGENT LIABILITIES:</b>		
i Bank Guarantees given to the extent of Rs. 7 lacs (previous year Rs. 3.65 lacs).		
ii In the matter of VAT demand, interest and penalty aggregating to Rs. 109.81 lacs for the year 2010-11, 2015-16 & 2016-17, the Company is hopeful of getting the orders in its favour and hence has not made provision for the same in the financial statements.		
<b>B. Capital and Other Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account- Rs. NIL -(Previous year-Rs. NIL lacs)		
Note: Commitments which are material and which will result in a penalty disproportionate to the benefits involved, based on the judgment of the management are only disclosed.		

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### NOTE '36' – RETIREMENT BENEFIT:

#### Disclosure pursuant to Indian Accounting Standard -19 “Employee Benefits”:

The Company has classified the various benefits provided to employees as under:

#### a Defined Contribution Plans:

The company has recognized contribution to Provident & other funds of Rs 32.21 lacs in the Profit & Loss Account for F.Y. 2021-22 (Rs. 21.99 lacs for F.Y. 2020-21)

#### b Defined Benefit Plans:

	<b>Gratuity Funded</b>	
	<b>2021-22</b>	<b>2020-21</b>
	<b>(Rs. in lacs)</b>	<b>(Rs. in lacs)</b>
<b>Changes in the Present Value of Obligation</b>		
Present Value of Obligation at beginning of period	39.90	221.33
Interest Cost	1.77	2.97
Current Service Cost	9.57	16.35
Benefits Paid	(2.78)	(160.03)
Actuarial (Gain)/Loss on obligation	(4.27)	(40.72)
Present Value of Obligation at end of period	44.19	39.90
<b>Amount Recognized in the Balance Sheet and statement of profit and loss account</b>		
Present Value of Obligation at end of period	44.19	39.90
Fair Value of Plan Assets at end of period	—	—
Funded Status	—	—
Net Asset/ (Liability) recognized in the balance sheet	44.19	(39.90)
<b>Expenses Recognized in the statement of Profit and Loss Account</b>		
Current Service Cost	9.57	16.35
Net Interest	1.77	2.97
<b>Expenses Recognized in the statement of Profit and Loss Account</b>	11.34	19.32
<b>Other Comprehensive Income (OCI)</b>		
Actuarial (Gain)/Loss recognized for the period	(4.27)	(40.72)
Return on Plan Assets excluding net interest	—	0.24
<b>Total Actuarial (Gain)/Loss recognized in (OCI)</b>	(4.27)	(40.48)
<b>Assumptions as at</b>		
Mortality		IALM(2012-14) Ult
Interest / Discount Rate		6%
Rate of increase in compensation		10%
Employee Attrition Rate (Past Service(PS))		PS:0 to 40:20%
<b>Sensitivity Analysis on PVO</b>		
Delta effect of 1% increase in rate of discounting	(1.79)	(1.51)
Delta effect of 1% decrease in rate of discounting	1.96	1.65
Delta effect of 1% increase in rate of rate of salary escalation	1.71	1.43
Delta effect of 1% decrease in rate of rate of salary escalation	(1.59)	(1.33)
<b>Projected benefits payable in future years from the date of reporting</b>		
1st following year	10.97	11.69
Sum of years 2 to 5	19.73	17.10
Sum of years 6 to 10	17.40	14.32

# GRAVISS HOSPITALITY LIMITED

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

### NOTE '37' – EMPLOYEES' REMUNERATION AND BENEFITS INCLUDES REMUNERATION PAID TO THE MANAGING DIRECTOR, JOINT MANAGING DIRECTOR AND WHOLE TIME DIRECTOR & CEO

	2021-22 (Rs. in lacs)	2020-21 (Rs. in lacs)
Salary	140.82	83.44
Contribution to provident fund	—	0.81
Other Perquisites	—	1.76
	<u>140.82</u>	<u>86.01</u>

### NOTE '38' – PAYMENTS TO AUDITORS

	2021-22 (Rs. in lacs)	2020-21 (Rs. in lacs)
Audit Fee	6.50	6.50
Certification fee	1.25	1.25
Other service	2.00	2.75
	<u>9.75</u>	<u>10.50</u>

### NOTE '39'

- (a) Particulars of Trade Receivables and Loans and Advances for debts due from companies under the same management are as follows (related parties):

	2021-22 (Rs. in lacs)	2020-21 (Rs. in lacs)
<b>Trade Receivables (Current)</b>		
Graviss Holdings Private Limited	0.93	0.45
Graviss Foods Private Limited	—	—
Ice Hospitality Pvt. Ltd.	—	—
	<u>0.93</u>	<u>0.45</u>
<b>Loans and Advances:</b>		
<b>Security Deposits: (Non Current)</b>		
Graviss Holdings Private Limited	—	—
Cross Word Beverages Private Limited	—	—
Graviss Brands Pvt. Ltd.	—	—
	<u>—</u>	<u>—</u>

- (b) Confirmations of balances from some of sundry debtors and creditors have not been received.

### NOTE '40'

Information relating to Related Party Disclosures as per Accounting Standard issued by the Institute of Chartered Accountants of India, is given below:

#### A. List of Related Parties (relied on the details provided by the management):

##### i. Subsidiaries of the Company

Graviss Hotels and Resorts Limited  
 Graviss Catering Private Limited  
 Hotel Kankeshwar Private Limited (upto 18.02.2022)

##### ii Directors

Mr Ravi Ghai (from 01-01-2022)	Non Executive Director
Mr. Harindra Singh (upto 14-12-2021)	Independent
Ms Tina Pardal (w.e.f 11-03-2022)	Independent
Mr. Gulshan Bijlani	Independent
Mr. Mahendra V. Doshi	Independent
Mr. Romil Ratra	Whole Time Director & CEO
Mr. Harsh Varma	Director

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### iii Other Related parties:

Graviss Holdings Pvt Ltd, Cross Word Beverages Pvt Ltd, Graviss Food Solutions Private Limited, Graviss Foods Private Limited  
Famed Properties Pvt Ltd

\*Graviss Brands Pvt Ltd, Ice Hospitality Pvt Ltd, Graviss Fast Foods Pvt Ltd

\*Satinetta Trading LLP, Amphitrite Trading LLP,

\*Oregon Realty LLP, Perfect Livestock LLP, Kwaliti Fantasy Limited, Kwaliti Real Estate Pvt Ltd, West Hills Realty Pvt Ltd

\*QSR Concepts Pvt Ltd, ICE Holdings Pvt Ltd

(\* no transactions during the year)

### iv Key Managerial Personnel

Mr Ravi Ghai	Non Executive Director
Mr. F.L. Goyal	Chief Financial Officer
Ms. Jalpa Salvi (wef 19-04-2021)	Company Secretary
Mr. Romil Ratra	Whole Time Director & CEO

## B. Transactions with Related Parties:

	2021-22 (Rs. in lacs)	2020-21 (Rs. in lacs)
<b>i Sales</b>		
Graviss Holding Private Limited	15.28	0.45
Graviss Foods Pvt Ltd	0.63	—
Crossword Beverages Pvt Ltd	17.64	—
Graviss Foods Solutions Pvt Ltd	24.80	—
Famed Property Pvt Ltd	1.90	—
<b>ii Expenditure and other services fees paid</b>		
<b>Directors (Non-Executives) Sitting Fee</b>		
Mr. Harindra Singh Independent	—	0.50
Ms Tina Pardal Independent	2.50	2
Mr. Gulshan Bijlani Independent	1.50	2
Mr. Mahendra V. Doshi Independent	3	2
Other related parties where the common control exists	46.77	46.84
<b>iii Managerial Remuneration</b>		
Managing Director, Joint Managing Director and Whole Time Director & CEO	140.82	86.01
Chief Financial Officer	22.35	10.44
Company Secretary	15.39	9.30
<b>iv Consideration for sale of shares</b>		
Graviss Holding Pvt Ltd	198.45	—
<b>v Loans /Advances/ Deposits given</b>		
Other related parties where the common control exists	2,940.98	6,378.53
<b>vi Debtors</b>		
Other related parties where the common control exists	2.83	0.45
<b>vii Advance from Debtors</b>		
Other related parties where the common control exists	1.48	—
<b>viii Outstanding payables</b>		
Other related parties where the common control exists	—	—



# GRAVISS HOSPITALITY LIMITED

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

### NOTE '41' – VALUE OF RAW MATERIALS AND STORES CONSUMED:

	2021-22		2020-21	
	Percentage of total consumption	Amount (Rs. in lacs)	Percentage of total consumption	Amount (Rs. in lacs)
<b>Raw Materials:</b>				
Imported	—	—	—	—
Indigenous	100	416.38	100	160.56
<b>Stores:</b>				
Imported	—	—	—	—
Indigenous	100	35.66	100	25.93

### NOTE '42' – EARNINGS IN FOREIGN EXCHANGE:

	2021-22	2020-21
a) Sale of Rooms and Food and Beverages Income	209.87	9.23
b) Encashment of Foreign Exchange	—	—

### NOTE '43' – EXPENDITURE IN FOREIGN CURRENCIES:

	2021-22	2020-21
a) Travelling – Directors	1.75	—
b) Agency Commission	0.54	9.47
c) Franchise Fees	—	53.94
d) Others	2.25	0.10

44. Amounts if any due to Micro, Small and Medium Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 could not be disclosed as such parties could not be identified from the records of the Company.
45. The Company does not have any asset whose useful life is different from the significant part of that asset.
46. (i) Due to losses, no provision for current tax has been made.  
(ii) Excess provision for tax of earlier years has been reversed based on the assessment / appellate orders received.
47. Current and non-current classification of assets and liabilities in the balance sheet has been made based on the professional judgment of the management.
48. Hospitality business is the Company's only business segment and hence disclosure of segment-wise information is not applicable under Ind AS 108 Operating Segments.
49. The Company has an investment in the equity shares of Graviss Catering Private Limited, a subsidiary, with a share capital of Rs. 7.65 lacs and has also granted interest free loans to the said subsidiary of Rs. 343.91 lacs. The accumulated losses of the said subsidiary exceed its net worth. In the opinion of the management, having regard to the long term interest of the Company in the said subsidiary and considering that the subsidiary is able to get regular orders of decoration and earn sufficient margin to meet the fixed costs, there is no diminution in the value of investments and the Company is also hopeful of recovering the loan.
50. The Company has an investment in the equity shares of Graviss Hotels and Resorts Limited, a subsidiary, with a share capital of Rs. 5.00 lacs and also has granted interest free loan to the said subsidiary of Rs. 2,597.07 lacs. The accumulated losses of the said subsidiary exceed its net worth. The said subsidiary had purchased lands at various places for developing hotels. Due to change in the business plans, the subsidiary is exploring to sell these lands alongwith the buildings constructed so far. In the assessment of the management, the market value of the lands acquired would be more than the original cost and hence there is no diminution in the value of investment and company is also hopeful of recovering the loan.
51. In the opinion of the management there are no indications that the assets of the company may be impaired as on the balance sheet date.

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## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

### NOTE '52' – TRADE RECEIVABLE AGEING SCHEDULE:

**As at 31st March, 2022** (Rs in lacs)

Particulars	Outstanding for following periods from due date of payment					Total
	Up to 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) Undisputed – considered good	60.65	—	—	—	52.21	112.86
(ii) Undisputed – which have significant increase in credit risk	—	—	—	—	—	—
(iii) Undisputed – credit impaired	—	—	—	—	—	—
(iv) Disputed – considered good	—	—	—	—	—	—
(v) Disputed – which have significant increase in credit risk	—	—	—	—	—	—
(vi) Disputed – credit impaired	—	—	—	—	—	—

**As at 31st March, 2021**

(Rs in lacs)

Particulars	Outstanding for following periods from due date of payment					Total
	Up to 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) Undisputed – considered good	10.49	—	—	1.57	52.20	64.26
(ii) Undisputed – which have significant increase in credit risk	—	—	—	—	—	—
(iii) Undisputed – credit impaired	—	—	—	—	—	—
(iv) Disputed – considered good	—	—	—	—	—	—
(v) Disputed – which have significant increase in credit risk	—	—	—	—	—	—
(vi) Disputed – credit impaired	—	—	—	—	—	—

### NOTE '53' – TRADE PAYABLE AGEING SCHEDULE:

**As at 31st March, 2022**

(Rs in lacs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) MSME	—	—	—	—	—
(ii) Others	175.87	10.32	84.30	30.44	300.92
(iii) Disputed dues – MSME	—	—	—	—	—
(iv) Disputed dues – Others	—	—	—	—	—

**As at 31st March, 2021**

(Rs in lacs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) MSME	—	—	—	—	—
(ii) Others	164.63	119.65	7.79	41.52	333.59
(iii) Disputed dues – MSME	—	—	—	—	—
(iv) Disputed dues – Others	—	—	—	—	—

# GRAVISS HOSPITALITY LIMITED

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

### NOTE '54' – FAIR VALUE MEASUREMENTS:

The following disclosures are made as required by Ind AS-113 pertaining to Fair value measurement:

#### (a) Accounting classification and fair values

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in current transaction between willing parties, other than in a forced or liquidation sale.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

(Rs in lacs)

Particulars	As at 31st March, 2022				As at 31st March, 2021			
	Carrying value	Level 1	Level 2	Level 3	Carrying value	Level 1	Level 2	Level 3
<b>Financial Assets</b>								
<b>Non current</b>								
Investments	20.14	2.24	—	17.90	190.33	2.43	—	187.90
Trade Receivables	53.78	—	—	53.78	53.78	—	—	53.78
Loans	2,978.80	—	—	2,978.80	6,416.05	—	—	6,416.05
Others	12.90	—	—	12.90	65.76	—	—	65.76
<b>Current</b>								
Investments	125.69	125.69	—	—	—	—	—	—
Trade Receivables	59.08	—	—	59.08	10.48	—	—	10.48
Loans	3.86	—	—	3.86	3.72	—	—	3.72
<b>Total</b>	<b>3,254.27</b>	<b>127.94</b>	<b>—</b>	<b>3,126.33</b>	<b>6,740.12</b>	<b>2.43</b>	<b>—</b>	<b>6,737.70</b>
<b>Financial Liabilities</b>								
<b>Non current</b>								
Borrowings	103.04	—	—	103.04	94.57	—	—	94.57
<b>Current</b>								
Borrowings	21.29	—	—	21.29	1,163.69	—	—	1,163.69
Trade Payables	300.92	—	—	300.92	333.59	—	—	333.59
Other Financial Liabilities	505.88	—	—	505.88	512.62	—	—	512.62
<b>Total</b>	<b>931.14</b>	<b>—</b>	<b>—</b>	<b>931.14</b>	<b>2,104.48</b>	<b>—</b>	<b>—</b>	<b>2,104.48</b>

#### (b) Measurement of fair values:

The following tables shows the valuation techniques used in measuring Level 2 fair values.

Type	Valuation technique
Fixed Rate Borrowings	Discounted cash flows: The valuation model considers the present value of expected payment discounted using appropriate discounting rates.

#### Financial risk management

The Company has exposure to the Credit risk, Liquidity risk and Market risk arising from financial instruments.

Risk Management Framework: The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established the Risk Management Committee (RMC), which is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits to control / monitor risks and adherence to limit. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

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The Audit Committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risks faced by the Company. The Audit Committee is assisted by internal audit. Internal audit undertakes reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is approved by the Board of Directors.

### Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables.

Trade receivables: The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The following table provides information about the exposure to credit risk and measurement of loss allowance using Life time expected credit loss for trade receivables:

	(Rs. in lacs)					
	Up to 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
<b>As on 31 March 2022</b>						
Gross Carrying Amount	60.65	—	—	—	52.21	112.86
Specific Provision	—	—	—	—	—	—
Carrying Amount	60.65	—	—	—	52.21	112.86
<b>As on 31 March 2021</b>						
Gross Carrying Amount	10.49	—	—	1.57	52.20	64.26
Specific Provision	—	—	—	—	—	—
Carrying Amount	10.49	—	—	1.57	52.20	64.26

### Cash and cash equivalents:

The Company held cash and cash equivalents of Rs 71.99 lacs as at 31 March 2022 ( 31 March 2021-Rs. 430.97 lacs). The cash and cash equivalents are held with reputed banks.

### Liquidity Risk:

The Audit Committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risks faced by the Company. The Audit Committee is assisted by internal audit. Internal audit undertakes reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

	(Rs in lacs)				
	Contractual cash flows				
	Carrying amount	Up to 1 year	1-5 years	More than 5 years	Total
<b>As on 31 March 2022</b>					
Non-derivative financial liabilities					
Borrowings	124.34	21.29	96.08	6.97	124.34
Interest	—	—	—	—	—
Trade payables	300.92	300.92	—	—	300.92
<b>As on 31 March 2021</b>					
Non-derivative financial liabilities					
Borrowings	1,258.26	1,163.69	94.57	—	1,258.26
Interest	—	—	—	—	—
Trade payables	333.59	333.59	—	—	333.59

### Market Risk:

Market risk is the risk that changes in market price such as foreign exchange rates, interest rates and commodity prices, will affect the Company's income or value of its financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables, long term debt and commodity prices. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and commodity price risk.

# GRAVISS HOSPITALITY LIMITED

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### Interest rate risk:

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through the Statement of profit and loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

### Exposure to Interest rate risk:

Company's interest rate risk arises from variable rate borrowings. The interest rate profile of the Company's interest-bearing long term financial instruments is follows:

Particulars	31st March 2022 (Rs. in lacs)	31st March 2021 (Rs. in lacs)
<b>Fixed-rate instruments</b>		
Financial liabilities – measured at amortised cost	124.34	269.97
<b>Variable-rate instruments</b>		
Financial liabilities – measured at amortised cost	—	988.29
<b>Total</b>	<b>124.34</b>	<b>1,258.26</b>

Cash flow sensitivity analysis for variable-rate instruments: A reasonably possible decrease by 100 basis points in interest rates at the reporting date would have positive impact (before tax) by Rs Nil and Rs. 9.88 lacs for the outstanding balances as on 31st March 2022 and 31st March 2021. Similarly a reasonable possible increase by 100 basis points in interest would have negative impact (before tax) by same amounts.

### Currency risk:

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee.

To the extent the exposures on purchases and borrowings are not economically headed by the foreign currency denominated receivables, the Company uses derivative instruments, like, foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange and principal only swap rates. Company does not use derivative financial instruments for trading or speculative purposes.

The Company evaluates exchanges rate exposure arising from foreign currency transactions and the Company follows established risk management policies including the use of derivatives like foreign exchange forward contracts to hedge exposure.

### Exposure to currency risk:

The currency profile of financial assets and financial liabilities as on 31st March 2022 and 31st March 2021 are as below:

	(Rs. in lacs)		
	Total	INR	USD
<b>As on 31 March 2022</b>			
<b>Financial assets</b>			
Trade and other receivables	112.86	112.86	—
Loans	2,982.67	2,982.67	—
Other Non-current assets	12.90	12.90	—
Cash and Cash equivalents	71.99	71.99	—
Other Balances with Banks	7.53	7.53	—
Other current Financial Assets	—	—	—
<b>Exposure for assets (A)</b>	<b>3,187.95</b>	<b>3,187.95</b>	<b>—</b>
<b>Financial liabilities</b>			
Long term borrowings	103.04	103.04	—
Short term borrowings	21.29	21.29	—
Trade and other payables	300.92	300.92	—
Other Current financial liabilities	505.88	505.88	—
<b>Exposure for liabilities (B)</b>	<b>931.14</b>	<b>931.14</b>	<b>—</b>
<b>Net exposure (B-A)</b>	<b>(2,256.82)</b>	<b>(2,256.82)</b>	<b>—</b>

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	(Rs. in lacs)		
	Total	INR	USD
<b>As on 31 March 2021</b>			
<b>Financial assets</b>			
Trade and other receivables	64.26	64.26	—
Loans	6,419.78	6,419.78	—
Other Non-current assets	65.76	65.76	—
Cash and Cash equivalents	430.97	430.97	—
Other Balances with Banks	7.11	7.11	—
Other Financial Assets	—	—	—
<b>Exposure for assets (A)</b>	<b>6,987.87</b>	<b>6,987.87</b>	<b>—</b>
<b>Financial liabilities</b>			
Long term borrowings	94.57	94.57	—
Short term borrowings	988.29	988.29	—
Trade and other payables	333.59	333.59	—
Other Current financial liabilities	688.02	688.02	—
<b>Exposure for liabilities (B)</b>	<b>2,104.48</b>	<b>2,104.48</b>	<b>—</b>
<b>Net exposure (B-A)</b>	<b>(4,883.40)</b>	<b>(4,883.40)</b>	<b>—</b>

### Sensitivity analysis:

A reasonably possible strengthening of the Indian Rupees against USD at March, 31 by Rs. NIL would have positive impact (before tax) by Rs. NIL and Rs. NIL for the net outstanding balance as on 31-03-2022 and 31-03-2021 respectively. Similarly a reasonably possible weakening of the Indian Rupee against USD would have a negative impact (before tax) by same amounts.

### Capital Management

For the purpose of the Company's capital management, capital includes issued capital, convertible instruments and reserves. The primary objective of the Company's Capital Management is to maximise shareholder value. The company manages its capital structure and makes adjustments, if any, required in the light of the current economic environment and other business requirements.

55. During the year under review, the Company has converted its leasehold land at Marine Drive, Mumbai to Occupancy Class – I land (Freehold Land) by making payment of conversion premium of Rs.28.17 crores.
56. During the year under review, the Company has disposed off its holding in one of its wholly owned subsidiary i.e. Hotel Kanakeshwar Private Limited for cash at fair value. Accordingly, Hotel Kanakeshwar Private Limited is no longer the subsidiary of the Company from 17.02.2022.
57. 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. The lockdowns and restrictions imposed on various activities due to COVID-19 pandemic have posed challenges to the businesses of company and its subsidiaries.

The Company's business has been impacted during the year on account of COVID-19. During the first three months of the year, the Company witnessed softer revenues due to the second wave of COVID-19 and consequent lockdown. Also there was a third wave in the month of January 2022, resulting in restrictions in the state which also adversely impacted the revenues. However, with increased vaccinations and consequent reduction in number of cases and easing of all restrictions, the Company has witnessed recovery in business.

The Company has assessed the potential impact of Covid-19 on its capital and financial resources, profitability, liquidity position, ability to service debt and other financial arrangements, supply chain and demand for its services. The Company has also assessed the potential impact of Covid-19 on the carrying value of property, plant & equipments, right of use assets, intangible assets, investments, trade receivables inventories and other current assets appearing in the financial statements of the Company. In developing the assumptions and estimates related to the future uncertainties in the economic conditions because of this pandemic, the Company has at the date of approval of these Financials results has used internal and external sources of information and based on current estimates, expects to recover the carrying amounts of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financials results and Company will continue to closely monitor any material changes to future economic conditions.

58. The date of implementation of the Code on Social Security, 2020 ('the Code') relating to employee benefits is yet to be notified by the Government and when implemented will impact the contributions by the Company towards benefits such as Provident Fund, Gratuity etc. The Company will assess the impact of the Code and give effect in the financial statements when the Code and Rules thereunder are notified.

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

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### 59. New Standards or other amendments Issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, Key amendments are as below:

#### Ind AS 16 – Property Plant and equipment:

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

#### Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets:

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that related directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

None of the amendments notified by MCA which are applicable from April 1, 2022 are expected to have any material impact on the financial statements of the Company.

### 60. Additional disclosure under the regulatory requirements:

(a) Title deeds of immovable properties not held in the name of the Company:

The title deeds, comprising all the immovable properties of land and buildings, are held in the name of the Company as at the balance sheet date.

(b) Reconciliation of quarterly returns / statements submitted to the banks with the books of accounts

The company has obtained Overdraft facility from bank against security of current assets. However, as per the terms of the sanction of facility, no quarterly return or statement of current assets is required to be filed by the company with banks.

(c) The Company has used funds borrowed for the specific purposes only for the purposes which it has been borrowed.

(d) With reference to Borrowings as per financial statements for the year ended March 31, 2022, we confirm that all material charges created/ satisfied during FY 2021-22 have been registered with the Ministry of Corporate Affairs.

(e) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(f) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(g) There is no proceeding which has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(h) The Company does not have any capital work-in-progress or in-tangible asset under development.

(i) The Company is not declared wilful defaulter by any bank or financial institution or other lender.

(j) The Company has not applied for any scheme of arrangement u/s 230 to 237 of Companies Act, 2013.

(k) The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.

(l) The Company is not covered under section 135 of Companies Act, 2013. Hence it is not required to make CSR expense.

(m) The Company have not traded or invested in Crypto currency or Virtual Currency during the year.

(n) The company has not granted any loans or advances in the nature of loan to promoter, director, KMP.

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## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

### 61. Financial Ratios

Sr. No.	Ratios	Numerator	Denominator	As at 31/03/2022	As at 31/03/2021	% of variance	Reason for variance in excess of 25%
1.	Current Ratio (in times)	Total Current Assets	Total Current Liabilities	0.52	0.32	65.25	Refer note (a) below
2.	Debt Equity Ratio (in times)	Total Debt	Total Equity	0.01	0.07	-90.02	Refer note (a) below
3.	Debt Service Coverage Ratio (in times)	Net profit after taxes + Non cash operating expenses + interest	Interest + principal repayments	3.69	(3.86)	-195.55	Refer note (b) below
4.	Return on Equity Ratio (in %)	Net Profit after taxes	Average Shareholder's Equity	(1.04)	(7.15)	-85.44	Refer note (b) below
5.	Inventory turnover ratio (in days)	Average Inventory	Revenue from operations per day	NA	NA	NA	Refer note (c) below
6.	Trade Receivables turnover ratio (in days)	Average Trade Receivables	Revenue from operations per day	11.23	110.47	-89.83	Refer note (b) below
7.	Trade Payables turnover ratio (in days)	Average Trade Payables	Total expense other than payroll cost, finance cost and depreciation per day	58.80	133.37	-55.91	Refer note (b) below
8.	Net Capital turnover ratio (in times)	Net Sales	Average Working Capital	(3.17)	(0.52)	505.89	Refer note (b) below
9.	Net Profit Ratio (in %)	Net Profit after tax	Total Income	(6.89)	(159.33)	-95.68	Refer note (b) below
10.	Return on capital employed (in %)	Earning before interest and taxes	Average Capital Employed	(0.68)	(7.40)	-90.85	Refer note (b) below
11.	Return on Investment (in %)	Income from invested funds	Average investment	15.92	1.62	882.98	Refer note (d) below

- (a) Improvement in ratio is mainly on account of repayment of borrowings.
- (b) During the previous year, on account of covid outbreak and various government restrictions, operations of the company were impacted significantly. During the year, the situation has improved and accordingly, cashflows and profitability has also improved as compared to previous year. Accordingly, all ratios related to cashflows, revenue and profitability of the company have improved as compared to previous year.
- (c) The company has not presented the Inventory turnover ratio since the Company holds inventory for consumption in the service of food and beverages and the proportion of such inventory is insignificant to Total Assets.
- (d) Increase due to profit on sale of subsidiary.



# GRAVISS HOSPITALITY LIMITED

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

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**62. Previous year figures:**

Previous year's figures have been reclassified / regrouped wherever necessary to conform to current year's classification / grouping. Figures in brackets are in respect of the previous year.

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### Signature to Notes 1 to 62

As per our separate report of even date

For **A.T. Jain & Co.**  
*Chartered Accountants*  
Firm Registration No. 103886W

Sd/-  
**SUSHIL JAIN**  
*Partner* (Membership No. 033809)

Place: Mumbai  
Dated: May 30, 2022

For and on behalf of the Board of Directors of  
Graviss Hospitality Limited

Sd/-  
**ROMIL RATRA**  
*Whole Time Director*  
(DIN:06948396)

Sd/-  
**F.L. GOYAL**  
*Chief Financial Officer*

Sd/-  
**M.V. DOSHI**  
*Director*  
(DIN:00123243)

Sd/-  
**JALPA H. SALVI**  
*Company Secretary*

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## Independent Auditors' Report

To,  
The Members of Graviss Hospitality Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of **Graviss Hospitality Limited** ("the Parent"), and its subsidiaries, (the parent and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, and their consolidated loss, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Response to Key Audit Matter
<p><b>Sale of Investment in wholly owned subsidiary</b></p> <p>During the year, the Holding Company has disposed off its entire holding in one of its wholly owned subsidiary i.e. Hotel Kanakeshwar Private Limited for cash. Accordingly, Hotel Kanakeshwar Private Limited is no longer the subsidiary of the Holding Company from 18.02.2022. Gain on sale of investment of Rs.26.33 lacs is recognized in statement of Profit &amp; Loss Account.</p> <p>We considered the sale of investment in subsidiary as a key audit matter for our audit.</p>	<p>With reference to this key audit matter, we have obtained and read the agreement for sale of shares and board resolution in respect of the said transaction. We have also obtained the working of valuation of shares and calculation of the gain on sale of shares. We have also assessed the accounting treatment and reviewed the disclosure made by the Holding Company in the financial statements in this regard.</p> <p>Based on the audit procedure performed, we found the accounting for the sale of subsidiary is appropriate.</p>

## GRAVISS HOSPITALITY LIMITED

Key Audit Matter	Response to Key Audit Matter
<p><b>Impact of COVID-19 pandemic on Going Concern</b></p> <p>During the year, the business of the Group was impacted due to COVID-19. During the first three months of the year, the Group witnessed softer revenues due to the second wave of COVID-19 and consequent lockdown. Also, there was a third wave in the month of January 2022, resulting in restrictions in the state which also adversely impacted the revenues. However, with increased vaccinations and consequent reduction in number of cases and easing of all restrictions, the Group has witnessed recovery in business. The Group has assessed the impact of COVID-19 on the future cash flow projections.</p> <p>In view of the above, we identified impact of COVID-19 on going concern as a key audit matter.</p>	<p>With reference to this key audit matter, we have obtained an understanding of the key controls and assumptions relating to the Group's forecasting process, compared and assessed the forecasted statement of profit and loss and cash flows with the Group's business plan. We have also assessed Government's efforts to counter the impact of resurgence in COVID-19 cases and the impact of the same on future projections. Disclosure with respect to above have been made in the consolidated financial statements at Note No. 62.</p> <p>Accordingly, we considered the assessment of the management to be appropriate.</p>

### Emphasis of Matter

We draw attention to Note 62 to the consolidated financial statement, which describe the possible effect of uncertainties relating to COVID-19 pandemic on the Group's financial performance as assessed by the Management. Our opinion is not modified in respect of the above matter.

### Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholders Information but does not include the consolidated financial statements and our auditor's report thereon.

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

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

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

### Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statement by the Directors of the Parent, as aforesaid.

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In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

### **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the group to express an opinion on consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statement of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

## GRAVISS HOSPITALITY LIMITED

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on our audit and on the consideration of report of the subsidiary companies incorporated in India, as required in paragraph 3(xxi) of the Order, we report that there are no qualifications or adverse remarks in the CARO reports of the companies included in the consolidated financial statements.
2. (A) As required by Section 143(3) of the Act, based on our audit, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
  - (e) On the basis of the written representations received from the directors of the Parent as on 31st March, 2022 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors reports of the Parent and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of those companies.
- (B) With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

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

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- (C) 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:
- (a) The consolidated financial statements disclose the impact of pending litigation on its financial position as at 31st March, 2022 in its consolidated financial statements – Refer Note No.37 to the consolidated financial statements.
- (b) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (d) (i) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or its subsidiaries to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the Company or its subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
  - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d)(i) and (d)(ii) above contain any material mis-statement.
- (e) No dividend has been declared or paid during the year by the company.

For **A.T. JAIN & CO.**  
*Chartered Accountants*  
Firm Registration No. 103886W

Sd/-  
**SUSHIL JAIN**  
*Partner*

Membership No.: 033809  
UDIN: 22033809AJWRXG7079

Place: Mumbai  
Dated: May 30, 2022

# GRAVISS HOSPITALITY LIMITED

## ANNEXURE “A”

### To the Independent Auditor’s Report of even date on the Consolidated Financial Statements of GRAVISS HOSPITALITY LIMITED for the year ended 31st March, 2022

#### Report on the Internal Financial Controls with reference to the aforesaid Consolidated Financial Statement under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of Graviss Hospitality Limited (hereinafter referred to as “Parent”) and its subsidiary companies, which are companies incorporated in India, as of that date.

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

The respective Board of Directors of the Parent, its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”. 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 respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditor’s Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary companies, which are incorporated in India.

#### Meaning of Internal Financial Controls over Financial Reporting

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

#### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

#### Opinion

In our opinion, to the best of our information and according to the explanation given to us, the Parent, its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on “the criteria for internal financial control over financial reporting established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

For **A.T. JAIN & CO.**  
*Chartered Accountants*  
Firm Registration No. 103886W

Sd/-  
**SUSHIL JAIN**  
*Partner*

Place: Mumbai  
Dated: May 30, 2022

Membership No.: 033809  
UDIN: 22033809AJWRXG7079

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## Consolidated Balance Sheet as at 31st March, 2022

Particulars	Note No.	As at 31/03/2022 (Rs. in lacs)	As at 31/03/2021 (Rs. in lacs)
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, plant and equipment	6	18,654.67	6,268.95
Capital Work-in-Progress	6	881.84	933.44
Right of Use Asset	6.1	—	10,092.47
<b>Financial Assets</b>			
Investments	7	2.25	2.44
Trade receivables	12	53.78	53.78
Loans	8	43.82	43.36
Others	9	12.90	77.04
Income Tax assets (Net)		69.53	30.50
Other Non-current assets	10	—	14.78
<b>Total Non-current assets</b>		<b>19,718.79</b>	<b>17,516.76</b>
<b>Current assets</b>			
Inventories	11	1,293.62	3,420.78
<b>Financial Assets</b>			
Investments	12	215.85	—
Trade receivables	13	136.24	432.74
Cash and cash equivalents	14	203.80	513.48
Other Balances with Banks	15	152.97	355.16
Loans	16	3.86	3.72
Income Tax assets (Net)		3.14	3.90
Other current assets	17	102.60	76.80
<b>Total current assets</b>		<b>2,112.08</b>	<b>4,806.58</b>
<b>Total Assets</b>		<b>21,830.87</b>	<b>22,323.34</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity:</b>			
Equity Share capital	18	1,410.39	1,410.39
Other Equity	19	15,994.53	16,534.10
<b>Total Equity</b>		<b>17,404.92</b>	<b>17,944.49</b>
<b>Liabilities:</b>			
<b>Non-current Liabilities:</b>			
<b>Financial Liabilities:</b>			
Borrowings	20	103.04	118.33
Other non-current liabilities	21	—	144.71
Deferred tax liabilities (Net)	22	1,401.90	1,407.06
<b>Total Non-current liabilities</b>		<b>1,504.94</b>	<b>1,670.10</b>
<b>Current Liabilities:</b>			
<b>Financial Liabilities:</b>			
Borrowings	23	1,667.84	1,363.69
<b>Trade payables</b>			
Total outstanding dues of Micro and Small Enterprises	24	—	—
Total outstanding dues of creditors other than Micro and Small Enterprises		351.49	409.76
Other Financial Liabilities	25	826.33	856.51
Other Current liabilities	26	71.67	73.85
Provisions	27	3.68	4.96
<b>Total current liabilities</b>		<b>2,921.01</b>	<b>2,708.75</b>
<b>Total Liabilities</b>		<b>4,425.95</b>	<b>4,378.85</b>
<b>Total Equity and Liabilities</b>		<b>21,830.87</b>	<b>22,323.34</b>

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND  
OTHER NOTES TO THE FINANCIAL STATEMENTS

1 TO 66

As per our separate report of even date

For **A.T. Jain & Co.**  
Chartered Accountants  
Firm Registration No. 103886W

Sd/-  
**SUSHIL JAIN**  
Partner (Membership No. 033809)

Place: Mumbai  
Dated: May 30, 2022

For and on behalf of the Board of Directors of  
**Graviss Hospitality Limited**

Sd/-  
**ROMIL RATRA**  
Whole Time Director  
(DIN:06948396)

Sd/-  
**M.V. DOSHI**  
Director  
(DIN:00123243)

Sd/-  
**F.L. GOYAL**  
Chief Financial Officer

Sd/-  
**JALPA H. SALVI**  
Company Secretary



# GRAVISS HOSPITALITY LIMITED

## Consolidated Statement of Profit and Loss Account for the year ended 31st March, 2022

Particulars	Note No.	For the Year ended 31/03/2022 (Rs. in lacs)	For the Year ended 31/03/2021 (Rs. in lacs)
<b>INCOME</b>			
Revenue from operations	28	4,833.43	2,286.78
Other Income	29	203.63	146.31
<b>TOTAL INCOME</b>		<b>5,037.06</b>	<b>2,433.09</b>
<b>EXPENSES</b>			
Cost of material consumed	30	2,530.06	1,531.62
Employee benefits expense	31	788.12	528.45
Finance costs	32	63.71	120.75
Depreciation and amortisation expenses	33	454.30	557.16
Other expenses	34	1,857.19	1,604.24
<b>TOTAL EXPENSES</b>		<b>5,693.38</b>	<b>4,342.22</b>
<b>PROFIT/(LOSS) BEFORE TAX</b>		<b>(656.32)</b>	<b>(1,909.13)</b>
<b>Tax expense:</b>			
Short provision of tax of earlier years		0.12	(0.77)
Deferred tax (Net) (Refer Note "22")		6.24	385.05
<b>Total tax expenses</b>		<b>6.36</b>	<b>384.28</b>
<b>PROFIT /(LOSS) AFTER TAX</b>		<b>(649.96)</b>	<b>(1,524.85)</b>
<b>Other comprehensive income:</b>			
	35		
(i) Items that will not be reclassified to profit or loss		4.27	40.48
(ii) Income tax relating to items that will not be reclassified to profit or loss		(1.07)	(10.19)
(iii) Items that will be reclassified to profit or loss		—	—
(iv) Income tax relating to items that will be reclassified to profit or loss		—	—
<b>Other comprehensive income for the year</b>		<b>3.20</b>	<b>30.29</b>
<b>Total comprehensive income for the year</b>		<b>(646.76)</b>	<b>(1,494.56)</b>
<b>Earning per equity share- Rs.</b>			
	36		
(a) Basic		(0.92)	(2.12)
(b) Diluted		(0.92)	(2.12)

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE FINANCIAL STATEMENTS

1 TO 66

As per our separate report of even date

For and on behalf of the Board of Directors of  
Graviss Hospitality Limited

For **A.T. Jain & Co.**  
Chartered Accountants  
Firm Registration No. 103886W

Sd/-  
**SUSHIL JAIN**  
Partner (Membership No. 033809)

Place: Mumbai  
Dated: May 30, 2022

Sd/-  
**ROMIL RATRA**  
Whole Time Director  
(DIN:06948396)

Sd/-  
**F.L. GOYAL**  
Chief Financial Officer

Sd/-  
**M.V. DOSHI**  
Director  
(DIN:00123243)

Sd/-  
**JALPA H. SALVI**  
Company Secretary

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## Consolidated Cash Flow Statement for the Year Ended 31st March, 2022

Particulars	As at 31/03/2022 (Rs. in lacs)	As at 31/03/2021 (Rs. in lacs)	
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net profit before taxation, and extraordinary item	(656.32)	(1,909.13)	
Less: Remeasurement of Employees Benefits Adjusted in OCI	4.27	40.48	
Net profit before Tax After Adjustment in OCI	(652.05)	(1,868.65)	
Adjustments for:			
<b>Non Cash Items</b>			
Depreciation and Amortisation Expenses	454.30	557.16	
Finance Cost	63.71	120.75	
Interest Income	(23.49)	(16.99)	
Dividend Income	(0.06)	—	
(Profit) / loss on sale of fixed assets	0.06	0.42	
Mark to market gain on equity shares	(0.67)	—	
(Profit) / loss on sale of investments	(29.42)	—	
	<b>464.42</b>	<b>661.34</b>	
<b>Operating profit before working capital changes</b>	<b>(187.63)</b>	<b>(1,207.32)</b>	
<b>Adjustments for:</b>			
Trade and other receivables	296.50	(6.45)	
Inventories	2,127.16	996.00	
Loans	(0.46)	1,057.72	
Other current assets	255.17	337.04	
Other Financial Liabilities	(30.17)	(415.36)	
Other Current Liabilities	(2.18)	26.27	
Other Non Current Liabilities	(144.71)	(26.19)	
Trade and other payables	(59.55)	(478.53)	
	<b>2,441.76</b>	<b>1,490.50</b>	
<b>Cash generations from operations</b>	<b>2,254.13</b>	<b>283.19</b>	
Direct taxes paid	(38.13)	68.85	
	<b>2,216.00</b>	<b>352.04</b>	
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of fixed assets, including intangible assets, CWIP and capital advances	(2,717.53)	(78.45)	
Sale of Fixed Assets	21.52	4.50	
(Purchase)/Sales of Investments	(78.38)	(0.97)	
Interest Income	23.49	16.99	
Dividend Income	0.06	—	
	<b>(2,750.84)</b>	<b>(57.94)</b>	
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from Long-term borrowings	(180.38)	(307.01)	
Repayment of Long-term borrowings	165.10	165.10	
Short Term borrowings (Net)	304.15	187.72	
Finance Cost	(63.71)	(120.75)	
	<b>225.16</b>	<b>(74.94)</b>	
<b>Net cash used in financing activities (C)</b>	<b>(309.68)</b>	<b>219.16</b>	
<b>Net Increase / (Decrease) in Cash and cash equivalents (A+B+C)</b>	<b>513.48</b>	<b>294.32</b>	
Opening Cash and Cash Equivalents	203.80	513.48	
Closing Cash and Cash Equivalents	<b>309.68</b>	<b>(219.16)</b>	
Breakup of Opening Cash and Cash Equivalents			
<b>Balances with Banks</b>			
In Current Accounts	449.58	231.72	
Cash on Hand	63.90	62.60	
Cash and Cash Equivalents	<b>513.48</b>	<b>294.32</b>	
Breakup of Closing Cash and Cash Equivalents			
<b>Balances with Banks</b>			
In Current Accounts	175.59	449.58	
Cash on Hand	28.21	63.90	
Cash and Cash Equivalents	<b>203.80</b>	<b>513.48</b>	
<b>Disclosure as per Ind AS -7 as below:</b>			
<b>Particulars</b>	01/04/2021	Cash Flows	<b>31/03/2022</b>
Long Term Borrowings	118.33	(15.29)	<b>103.05</b>
Short Term Borrowings	1,363.69	304.15	<b>1,667.84</b>
Total Liabilities from financing activities	<b>1,482.02</b>	<b>288.86</b>	<b>1,770.89</b>

As per our separate report of even date

For **A.T. Jain & Co.**  
Chartered Accountants  
Firm Registration No. 103886W

Sd/-  
**SUSHIL JAIN**  
Partner (Membership No. 033809)

Place: Mumbai  
Dated: May 30, 2022

For and on behalf of the Board of Directors of  
**Graviss Hospitality Limited**

Sd/-  
**ROMIL RATRA**  
Whole Time Director  
(DIN:06948396)

Sd/-  
**M.V. DOSHI**  
Director  
(DIN:00123243)

Sd/-  
**F.L. GOYAL**  
Chief Financial Officer

Sd/-  
**JALPA H. SALVI**  
Company Secretary

# GRAVISS HOSPITALITY LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2022

### A. Equity Share Capital

(Rs. in lacs)

	Opening balance	Changes during the year	Closing balance
As at 31st March 2022	1,410.39	—	1,410.39
As at 31st March 2021	1,410.39	—	1,410.39

### B. Other Equity

(Rs. in lacs)

	Reserves and Surplus						Goodwill on consolidation	Other Comprehensive Income	Total
	Retained Earnings	General Reserve	Warrants Forfeited	Securities Premium Reserve	Capital Reserve	Capital Redemption Reserve			
Balance as at 01st April 2021	(5,067.19)	11,320.29	850.01	9,183.07	7.78	318.52	(112.44)	33.97	16,534.06
Additions during the year	—	—	—	—	—	—	—	—	—
Surplus in the Statement of profit and loss	(649.96)	—	—	—	—	—	—	3.20	(646.76)
<b>Balance as at 31 March 2022</b>	<b>(5,717.15)</b>	<b>11,320.29</b>	<b>850.01</b>	<b>9,183.07</b>	<b>7.78</b>	<b>318.52</b>	<b>(112.44)</b>	<b>37.17</b>	<b>15,887.33</b>

### C. Nature of reserves

Securities Premium collected on issue of securities are accumulated as part of securities premium.

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## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

### 1. Group Overview:

The consolidated financial statements relate to Graviss Hospitality Limited and its subsidiary companies (referred collectively as the "Group") as at 31st March, 2022. Graviss Hospitality Limited was incorporated in 1959. The Registered Office of the Group is located at Satara. Its shares are listed in Bombay Stock Exchange (BSE). The Group and its subsidiaries are engaged in the hospitality business.

### 2. Basis for preparation, Principles of Consolidation:

The consolidated financial statements of Graviss Hospitality Limited and its subsidiary companies (referred collectively as the "Group") have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (Act) read with Rule 4A of Companies (Accounts) Second Amendment Rules, 2015, Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder. The consolidated financial statements have been prepared under historical cost convention basis except for certain financial assets and financial liabilities which have been measured at fair value.

The Financial Statements of the Group have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating the intra group balances and intra group transactions and unrealized profits or losses resulting from intra group transactions. The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible in the same manner as the Group's separate financial statements. The Financial Statements of the Subsidiary Companies used in the consolidation are drawn up to the same reporting date as that of the Group, i.e 31st March, 2022.

The Group's presentation and functional currency is Indian Rupees (?) and all values are rounded off to the nearest lacs (INR 00,000), except when otherwise indicated.

The consolidated financial statements were authorized for issue in accordance with a resolution of the directors on 30-05-2022.

### 3. Companies included in Consolidation:

<u>Subsidiaries</u>	<u>Country of incorporation</u>	<u>% Holding</u>
Graviss Catering Private Limited	India	100
Graviss Hotels & Resorts Limited	India	100
Hotel Kankeshwar Private Limited (upto 17-02-2022)	India	100

### 4. Use of Judgement, Assumptions and Estimates:

The preparation of the Group's financial statements requires management to make informed judgements, reasonable assumptions and estimates that affect the amounts reported in the financial statements and notes thereto. Uncertainty about these could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in the future periods. These assumptions and estimates are reviewed periodically based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit & Loss in the period in which the estimates are revised and in any future periods affected.

In the assessment of the Group, the most significant effects of use of judgments and/or estimates on the amounts recognized in the financial statements relate to the following areas:

- Financial instruments;
- Useful lives of property, plant & equipment
- Valuation of inventories
- Measurement of recoverable amounts of assets / cash-generating units;
- Assets and obligations relating to employee benefits
- Evaluation of recoverability of deferred tax assets; and
- Provisions and Contingencies.

# GRAVISS HOSPITALITY LIMITED

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

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### 5. SIGNIFICANT ACCOUNTING POLICIES

#### A. Property, plant & equipment

- a) The cost of an item of property, plant and equipment is recognized as an asset only if it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably.
- b) Property, plant and equipment are stated at cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment loss, if any.
- c) The initial cost of an asset comprises its purchase price or construction cost (including import duties and non-refundable taxes), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation (if any) and the applicable borrowing cost till the asset is ready for its intended use.
- d) Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.
- e) An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds if any and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.
- f) Direct expenses incurred during construction period on capital projects are capitalised.

#### B Right of Use Asset

The group has leasehold land which is a finance lease. The carrying amount representing the fair value (revalued before the date of transition to Ind AS) of the leased land, is recognized under Right-of-Use asset and is treated as deemed cost on adoption of Ind AS. The Right-of-Use assets are stated at cost, less accumulated depreciation and accumulated impairment loss, if any.

#### C Depreciation

- a) Depreciation on property, plant and equipment is provided on the straight line basis, over the useful lives of assets (after retaining the residual value of up to 5%). The useful lives determined are in line with the useful lives as prescribed in the Schedule II of the Act except in case of following assets which are depreciated over their useful life as determined by a Chartered Engineer and Valuer:

<u>Asset Description</u>	<u>Useful Life (Years)</u>
Building	30
Air-conditioning plant, cooking machinery, security and fire fighting equipments	15
Furniture & Fixtures including interior design	8

- b) Residual value of building and vehicles is estimated at 5% of the original cost and at nil value for all other assets.
- c) Items of property, plant and equipment costing not more than Rs.5,000 each are depreciated at 100 percent in the year in which they are capitalised.
- d) Expenditure on major repairs and overhauls which qualify for recognition in the item of Property, Plant and Equipment and which result in additional useful life, is depreciated over the extended useful life of the asset as determined by technical evaluation.
- e) Depreciation is charged on additions / deletions on pro-rata monthly basis including the month of addition / deletion.
- f) Leasehold Land is amortised over the lease term.
- g) Freehold Land is not depreciated.

#### D Accounting for Leases

##### The Group as a Lessee

On Inception of a Contract, the Group (as a lessee) assesses whether a contract contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

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## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

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At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. The lease term includes periods subject to extension options which the Group is reasonably certain to exercise and excludes the effect of early termination options where the Group is not reasonably certain that it will exercise the option. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives received. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying assets useful life. The Group applies Ind AS – 36 to determine whether a Right-of-Use asset is impaired and accounts for any identified impairment loss.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates that the Group would have to pay to borrow funds. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease liabilities and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### **The Group as a lessor**

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

## **E Inventories**

Inventories are stated at cost or net realizable value, whichever is lower. Cost of inventories comprises of expenditure incurred in the normal course of business in bringing inventories to their present location, including appropriate overheads apportioned on a reasonable and consistent basis and is determined on the following basis:

- a Food and Beverages on weighted average basis.
- b. Stores and other operating supplies on weighted average basis.

Obsolete, slow moving, surplus and defective stocks are identified and where necessary, provision is made for such stocks.

## **F Revenue Recognition**

Sale of goods: Revenue from the sale of goods is recognised when the performance obligation is satisfied by transferring the related goods to the customer. The performance obligation is considered to be satisfied when the customer obtains control of the goods.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable (after including fair value allocations related to arrangements involving more than one performance obligation), net of returns, taxes or duties collected on behalf of the Government and applicable trade discounts or rebates.

Interest income is recognised using Effective Interest Rate (EIR) method.

Dividend income is recognized when the right to receive payment is established.

# GRAVISS HOSPITALITY LIMITED

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

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### **G Employee Benefits**

Short term employee benefits are recognized as an expense at an undiscounted amount in the Statement of Profit & Loss for the year/period in which the related services are rendered.

The Group's post-employment benefit consists of provident fund and gratuity. The Group also provides for leave encashment which is in the nature of long term benefit.

Group's contributions to provident fund which is a defined benefit plan, are recognised as an expense in the Statement of Profit & Loss for the year/period in which the services are rendered. The Group's contribution to the Provident Fund is remitted to government provident fund authority based on a fixed percentage of the eligible employee's salary and charged to Statement of Profit and Loss.

The Group operates defined benefit plan for Gratuity. The cost of providing such defined benefit is determined using the projected unit credit method of actuarial valuation made at the end of the year. The Group has created an Employees Group Gratuity Fund which has taken a Group Gratuity Assurance Scheme with the Met Life Insurance Group.

Actuarial gains and losses are recognised in other comprehensive income for gratuity and leave encashment.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- a The date of the plan amendment or curtailment, and
- b The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- a Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- b Net interest expense or income

### **H Borrowing costs**

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets till the month in which the asset is ready for use. All other borrowing costs are charged to the Statement of Profit & Loss.

### **I Foreign Currency Transactions**

#### **Monetary items:**

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit & Loss.

#### **Non – Monetary items:**

Non-monetary items that are measured in terms of historical cost are recorded at the exchange rates at the dates of the initial transactions.

### **J Provisions, Contingent Liabilities and Contingent assets**

- a) Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of

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## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

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the amount of the obligation. The expenses relating to a provision are recognised in the Statement of Profit & Loss net of any reimbursement.

- b) If the effect of time value of money is material, provisions are shown at present value of expenditure expected to be required to settle the obligation, by discounting using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.
- c) Contingent liabilities are possible obligations arising from past events and whose existence will only be confirmed by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or present obligations where it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.
- d) Contingent Assets are not recognised but reviewed at each balance sheet date and disclosure is made in the Notes in respect of possible effects that arise from past events and whose existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group and where inflow of economic benefit is probable.

### **K Fair Value measurement**

- a) The Group measures financial instruments at fair value at each balance sheet date.
- b) Fair value is the price that would be received on selling 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 Group has access at that date.
- c) While measuring the fair value of an asset or liability, the Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure the fair value using observable market data as far as possible and minimising the use of unobservable inputs. Fair values are categorised into 3 levels as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices that are observable for the assets or liability, either directly (i.e. as prices for similar item) or indirectly (i.e. derived from prices)

Level 3: inputs that are not based on observable market data (unobservable inputs)

### **L Financial Instruments**

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

#### **Financial assets**

##### **Initial recognition and measurement**

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

##### **Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in the following categories.

Financial Assets at amortised cost

Financial assets at fair value through profit or loss (FVTPL)

##### **Financial Assets at amortised cost**

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

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



# GRAVISS HOSPITALITY LIMITED

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

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After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Financial assets which are considered as receivable on demand at any time, are not discounted on initial recognition and on subsequent measurement.

### **Financial assets at FVTPL**

Any financial asset, which does not meet the criteria for categorization as at amortized cost is classified as at FVTPL.

### **Equity investments in subsidiaries**

Investment in subsidiaries are accounted for at cost in standalone financial statements.

### **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the balance sheet) when:

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

When the group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the group continues to recognise the transferred asset to the extent of the group's continuing involvement. In that case, the group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.

### **Financial liabilities**

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

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings.

#### **Subsequent measurement**

Financial liabilities are measured subsequently at fair value through profit or loss.

#### **Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

Financial liabilities which are considered as repayable on demand at any time, are not discounted on initial recognition and on subsequent measurement.

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## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

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### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

### **M Classification of Assets and Liabilities as Current and Non-Current:**

All assets and liabilities are classified as current if they are expected to be realised / settled within twelve months after the reporting period. All other assets and liabilities are considered as non-current.

### **N Impairment**

#### **Financial Assets**

Loss allowance for expected credit losses is recognised for financial assets. The Group recognises life time expected credit losses for all trade receivables that do not constitute a financing transaction. For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

#### **Non-financial Assets**

At each Balance Sheet date, an assessment is made of whether there is any indication of impairment. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of the asset's or Cash-Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

### **O Taxes on Income**

#### **Current Tax**

Income-tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the end of reporting period.

#### **Deferred tax**

Deferred tax (both assets and liabilities) is calculated using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The amount of deferred tax assets is reviewed at each reporting date.

# GRAVISS HOSPITALITY LIMITED

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

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Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current tax and Deferred Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit & Loss, other comprehensive income or directly in equity.

### **P Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period, adjusted for the effect of all dilutive potential equity shares.

### **Q Cash and Cash equivalents**

Cash and cash equivalents include cash at bank, cash, cheques and draft on hand. The Group considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

### **R Cash Flows**

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

### **S Government Grants**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is treated as deferred income and released to the statement of profit and loss over the expected useful lives of the assets concerned.

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## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

### NOTE '6' – PROPERTY, PLANT AND EQUIPMENT:

(Rs. in lacs)

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	At fair value as on 01/04/2021	Additions and other transfers	Sales and other deductions	At fair value as on 31/03/2022	Opening Depreciation as on 01/04/2021	For the year	Dep on sold assets	As at 31/03/2022	As at 31/03/2022	As at 31/03/2021
Land*	953.13	12,910.07	86.73	<b>13,776.47</b>	—	—	—	—	<b>13,776.46</b>	953.13
Building	5,159.32	—	146.31	<b>5,013.01</b>	971.65	208.07	23.46	<b>1,156.26</b>	<b>3,856.75</b>	4,187.67
Premises	43.93	—	—	<b>43.93</b>	43.93	—	—	<b>43.93</b>	—	—
Plant and Machinery	422.86	1.20	—	<b>424.06</b>	194.27	16.50	—	<b>210.77</b>	<b>213.29</b>	228.59
Furniture & Fixtures	1,456.28	1.90	3.58	<b>1,454.60</b>	851.72	175.10	1.86	<b>1,024.95</b>	<b>429.64</b>	604.56
Office Equipments	461.83	7.50	1.16	<b>468.17</b>	285.94	16.10	0.94	<b>301.10</b>	<b>167.07</b>	175.89
Vehicles	149.40	148.78	57.69	<b>240.49</b>	41.02	28.33	36.11	<b>33.24</b>	<b>207.25</b>	108.38
Computers	76.97	3.67	—	<b>80.64</b>	66.24	10.20	—	<b>76.44</b>	<b>4.20</b>	10.73
<b>Total</b>	<b>8,723.72</b>	<b>13,073.12</b>	<b>295.47</b>	<b>21,501.37</b>	<b>2,454.77</b>	<b>454.30</b>	<b>62.37</b>	<b>2,846.69</b>	<b>18,654.67</b>	<b>6,268.95</b>
Previous year	8,677.68	144.40	98.36	<b>8,723.72</b>	2,078.05	470.16	93.44	<b>2,454.77</b>	<b>6,268.95</b>	6,599.63

Sales and other deductions include assets derecognized on loss of control of subsidiary.

### NOTE '6.1' – RIGHT OF USE ASSET:

(Rs. in lacs)

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	At fair value as on 01/04/2021	Additions and other transfers	Sales and other deductions	At fair value as on 31/03/2022	Opening Depreciation as on 01/04/2021	For the year	Dep on sold assets	As at 31/03/2022	As at 31/03/2022	As at 31/03/2021
Land	10,266.48	—	10,266.48	—	174.01	—	174.01	—	—	10,092.47
<b>Total</b>	<b>10,266.48</b>	<b>—</b>	<b>10,266.48</b>	<b>—</b>	<b>174.01</b>	<b>—</b>	<b>174.01</b>	<b>—</b>	<b>—</b>	<b>10,092.47</b>
Previous year	10,266.48	—	—	<b>10,266.48</b>	87.00	87.00	—	<b>174.01</b>	<b>10,092.47</b>	10,179.48

\* During the year under review, the Holding Company has converted its leasehold land at Marine Drive, Mumbai to Occupancy Class – I land (Freehold Land) by making payment of conversion premium of Rs.28.17 crores.

# GRAVISS HOSPITALITY LIMITED

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

	As at 31/03/2022 (Rs. in lacs)	As at 31/03/2021 (Rs. in lacs)
<b>NOTE '7' – NON CURRENT INVESTMENTS:</b>		
<b>NON-TRADE INVESTMENTS:</b>		
<b>INVESTMENTS AT COST:</b>		
<b>Unquoted:</b>		
20 Shares of Hotel and Restaurant Co-operative Services Society Ltd of Rs. 50 each (P.Y. 20)	0.01	0.01
<b>INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS:</b>		
<b>Quoted:</b>		
3,820 Equity Shares of Edelweiss Capital Limited of Rs. 1 each (P.Y. 3,820)	2.24	2.43
	2.25	2.44
Aggregate value of unquoted investments	0.01	0.01
Aggregate value of quoted investments	2.24	2.43
Market value of quoted investments	2.24	2.43
<b>NOTE '8' – LONG-TERM LOANS AND ADVANCES</b>		
Security Deposits	43.82	43.36
<b>Loans to Related Parties</b>		
i Secured, Considered Good	—	—
ii Unsecured, Considered Good	—	—
iii Which have significant increase in Credit Risk	—	—
iv Credit Impaired	—	—
	43.82	43.36
<b>NOTE '9' – OTHER NON-CURRENT FINANCIAL ASSETS:</b>		
Margin Money Deposit with Bank	12.90	77.04
	12.90	77.04
<b>NOTE '10' – OTHER NON-CURRENT ASSETS:</b>		
Capital advance	—	14.78
<b>NOTE '11' – INVENTORIES (Valued at lower of cost and net realisable value):</b>		
Food and Beverages	86.52	95.86
Stores and Other Operating Supplies	10.08	14.21
Stock in trade	1,197.02	3,310.71
	1,293.62	3,420.78
<b>NOTE '12' – CURRENT INVESTMENTS:</b>		
<b>Investments at fair value through profit or loss:</b>		
39,882 Units in ICICI Prudential Liquid Fund- Direct Plan (P.Y. 0)	125.69	—
3,836 Units in Axis Liquid Fund – Regular Growth (P.Y. 0)	90.16	—
	215.85	—

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## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

	As at 31/03/2022 (Rs. in lacs)	As at 31/03/2021 (Rs. in lacs)
<b>NOTE '13' – TRADE RECEIVABLES:</b>		
<b>Non Current:</b>		
<b>(a) Trade receivable from others</b>		
i Secured, Considered Good	—	—
ii Unsecured, Considered Good	53.78	53.78
iii Which have significant increase in Credit Risk	—	—
iv Unsecured, Considered Doubtful	—	—
	<u>53.78</u>	<u>53.78</u>
<b>Current:</b>		
<b>(b) Trade receivable from others</b>		
i Secured, Considered Good	—	—
ii Unsecured, Considered Good	133.40	432.29
iii Which have significant increase in Credit Risk	—	—
iv Unsecured, Considered Doubtful	—	—
	<u>133.40</u>	<u>432.29</u>
<b>(c) Trade receivable from related parties</b>		
i Secured, Considered Good	—	—
ii Unsecured, Considered Good	2.83	0.45
iii Which have significant increase in Credit Risk	—	—
iv Unsecured, Considered Doubtful	—	—
	<u>2.83</u>	<u>0.45</u>
	<u>190.01</u>	<u>486.52</u>
<b>NOTE '14' – CASH AND CASH EQUIVALENTS:</b>		
Current accounts	175.59	449.58
Cash on hand	28.21	63.90
	<u>203.80</u>	<u>513.48</u>
<b>NOTE '15' – OTHER BALANCES WITH BANKS:</b>		
Fixed Deposit with banks maturing within one year	152.97	355.16
	<u>152.97</u>	<u>355.16</u>
<b>NOTE '16' – SHORT-TERM LOANS AND ADVANCES:</b>		
<b>Loans to employees:</b>		
i Secured, Considered Good	—	—
ii Unsecured, Considered Good	3.86	3.72
iii Which have significant increase in Credit Risk	—	—
iv Credit Impaired	—	—
	<u>3.86</u>	<u>3.72</u>
<b>NOTE '17' – OTHER CURRENT ASSETS:</b>		
Advance to suppliers	19.39	12.16
Prepaid expenses	82.61	57.08
Balances with statutory/government authorities	0.60	7.56
	<u>102.60</u>	<u>76.80</u>

# GRAVISS HOSPITALITY LIMITED

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

	As at 31/03/2022 (Rs. in lacs)	As at 31/03/2021 (Rs. in lacs)
<b>NOTE '18' – SHARE CAPITAL:</b>		
<b>a Authorised :</b>		
230,000 Preference shares of Rs. 100 each to be issued on such terms and conditions including rate of dividend and redemption of the shares as the Company shall from time to time decide as per Clause 4 (ii) of the amended Articles of Association of the Company	230.00	230.00
113,500,000 Equity shares of Rs. 2 each	2,270.00	2,270.00
	<u>2,500.00</u>	<u>2,500.00</u>
<b>b Issued, Subscribed and fully paid-up :</b>		
70,519,135 Equity shares of Rs. 2 each for cash	1,410.39	1,410.39
	<u>1,410.39</u>	<u>1,410.39</u>
(70,519,135)		
<b>c Reconciliation of the number of equity shares at the beginning and end of the year:</b>		
Opening	70,519,135	70,519,135
Closing	<u>70,519,135</u>	<u>70,519,135</u>
<b>d Shares held by each shareholder holding more than 5% shares:</b>		
<b>Equity shares of Rs. 2 each fully paid</b>		
Graviss Holdings Private Limited – 30.93% (30.93%)	21,813,970	21,813,970
Satinetta Trading LLP (earlier Satinetta Finlease & Investments Private Limited) – 32.57% (32.57%)	22,967,844	22,967,844
Dunearn Investments (Mauritius) Pte Limited – 0.00% (9.96%)	—	7,025,708
Inter Continental Hotels Corporation, USA – 6.22% (6.22%)	4,385,235	4,385,235
Gaurav Ravi Ghai – 5.59% (3.27%)	3,937,286	2,308,716
Tresad Limited – 5.13% (5.13%)	3,616,932	3,616,932
<b>e Disclosure of shareholding of promoters and promoter group:</b>		
<b>Equity shares of Rs. 2 each fully paid</b>		
<b>Promoter</b>		
Gaurav Ravi Ghai – 5.59% (3.27%)	3,937,286	2,308,716
Ravi Ghai – 3.29% (4.71%)	2,316,345	3,324,791
Geeta Ghai – 0.00% (0.88%)	—	620,124
<b>Promoter group</b>		
Graviss Holdings Private Limited – 30.93% (30.93%)	21,813,970	21,813,970
Satinetta Trading LLP (earlier Satinetta Finlease & Investments Private Limited) – 32.57% (32.57%)	22,967,844	22,967,844
Amphitrite Trading LLP – 2.14% (2.14%)	1,509,840	1,509,840
Oregon Realties LLP – 0.27% (0.27%)	191,000	191,000

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## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

	As at 31/03/2022 (Rs. in lacs)	As at 31/03/2021 (Rs. in lacs)
<b>NOTE '19' – OTHER EQUITY:</b>		
<b>A Reserves and Surplus</b>		
i Capital Reserves:		
Subsidy from the Central Government under 15% Central Subsidy Scheme 1971 for Aurangabad – As per last account	7.78	7.78
ii Warrants Forfeited Account:		
As per last account	850.01	850.01
iii Securities Premium Account:		
As per last account	9,183.07	9,183.07
	<u>9,183.07</u>	<u>9,183.07</u>
iv Capital Redemption Reserve Account:		
As per last account	318.52	318.52
	<u>318.52</u>	<u>318.52</u>
v General Reserve:		
As per last account	11,320.29	11,320.29
	<u>11,320.29</u>	<u>11,320.29</u>
vi Retained Earnings:		
Opening balance	(5,067.11)	(3,542.30)
Add : Opening balance adjustment due to Ind AS	—	—
Add : Net profit after tax transferred from Statement of Profit and Loss	(649.96)	(1,524.81)
Balance in Profit and Loss account	(5,717.07)	(5,067.11)
Goodwill on consolidation	(5.24)	(112.44)
	<u>15,957.36</u>	<u>16,500.13</u>
<b>B Other Comprehensive Income</b>		
As per last account	33.97	3.68
Addition during the year	3.20	30.29
Closing balance	37.17	33.97
	<u>15,994.53</u>	<u>16,534.10</u>



# GRAVISS HOSPITALITY LIMITED

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

	As at 31/03/2022 (Rs. in lacs)	As at 31/03/2021 (Rs. in lacs)
<b>Non-current Liabilities:</b>		
<b>NOTE '20' – BORROWINGS:</b>		
<b>a) Term loans from Bank : (Refer Note "25")</b>		
<b>Axis Bank</b>		
— Term Loan (Secured) – III	—	3.36
<b>Note:</b>		
Term loan from bank carries interest @ 12% p.a. The loan is repayable in 60 monthly installments of Rs. 1.67 lacs each along with interest, from March 2017. The loan is secured by exclusive first charge of entire movable fixed assets and extension of first charge by way of hypothecation over entire current assets of the company.		
— Term Loan (Secured) – IV	—	91.21
<b>Note:</b>		
Term loan from bank carries interest @ 11.15% p.a. The loan is repayable in 60 monthly installments of Rs. 3.33 lacs each along with interest, from April 2019. The loan is secured by exclusive first charge of entire movable fixed assets and extension of first charge by way of hypothecation over entire current assets of the company.		
<b>b) Deferred payment liabilities:</b>	<b>103.04</b>	—
(carry interest rates ranging from 7% to 8%, repayable in various EMIs and secured by hypothecation of vehicles. Last EMI maturing on March 2028)		
<b>c) Other non-current liabilities:</b>		
<b>Unsecured – At Amortized cost</b>		
<b>18,35,000 (prev year – 18,35,000) Zero coupons unsecured optionally convertible debenture of Rs. 10 each</b>	—	23.76
<b>Note:</b> 18,35,000 (prev year – 18,35,000) Zero coupons unsecured optionally convertible debenture of Rs. 10 each issued on 14-01-2020. Debentures are redeemable / optionally convertible in equity shares at fair value on conversion within a period of 20 years from the date of issue.		
	<b>103.04</b>	118.31
<b>NOTE '21' – OTHER NON-CURRENT LIABILITIES:</b>		
Deferred liability / income on account of Zero coupon unsecured optionally convertible debentures	—	144.71
Deferred Income	—	144.71

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## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

### NOTE '22' – DEFERRED TAX LIABILITIES (NET):

(Rs. in lacs)

In compliance of Ind AS 12 on "Income Taxes", the item wise details of Deferred Tax Liabilities (Net) are as under:

Particulars	Opening Balance	Recognised in P&L	Recognised in OCI	Closing Balance
<b>For The Year Ended 31st March 2022</b>				
<b>Deferred Tax Liabilities</b>				
Difference between accounting and tax	177.50	14.57	—	192.07
On revaluation of leasehold land	2,351.14	—	—	2,351.14
<b>Total Deferred Tax Liabilities</b>	<b>2,528.64</b>	<b>14.57</b>	<b>—</b>	<b>2,543.21</b>
<b>Deferred Tax Assets</b>				
Expenses Allowed on Payment Basis	133.97	(47.64)	(1.07)	85.25
Unabsorbed Depreciation	987.61	68.45	—	1,056.06
<b>Total Deferred Tax Assets</b>	<b>1,121.58</b>	<b>20.81</b>	<b>(1.07)</b>	<b>1,141.31</b>
<b>Deferred Tax Liabilities (Net)</b>	<b>1,407.06</b>	<b>(6.24)</b>	<b>1.07</b>	<b>1,401.90</b>
<b>For The Year Ended 31st March 2021</b>				
<b>Deferred Tax Liabilities</b>				
Difference between accounting and tax	157.11	20.39	—	177.50
On revaluation of leasehold land	2,371.41	(20.27)	—	2,351.14
<b>Total Deferred Tax Liabilities</b>	<b>2,528.52</b>	<b>0.12</b>	<b>—</b>	<b>2,528.64</b>
<b>Deferred Tax Assets</b>				
Expenses Allowed on Payment Basis	129.35	14.81	(10.19)	133.97
Unabsorbed Depreciation	617.24	370.37	—	987.61
<b>Total Deferred Tax Assets</b>	<b>746.59</b>	<b>385.17</b>	<b>(10.19)</b>	<b>1,121.58</b>
<b>Deferred Tax Liabilities (Net)</b>	<b>1,781.93</b>	<b>(385.05)</b>	<b>10.19</b>	<b>1,407.06</b>

Deferred Tax Asset on unabsorbed depreciation, unabsorbed business losses and other temporary differences available as per the Income Tax Act, 1961 has been recognized, since it is probable that taxable profit will be available to adjust them in the future years. Unabsorbed depreciation which forms major portion of the Deferred Tax Asset can be carried forward and set off against the profits for unlimited number of years under the Indian Income Tax Act, 1961 and profitability projections based on current margins show sufficient profits for set-off in future.

Reconciliation of effective tax rate as a numerical reconciliation between tax expense and the product of account profit multiplied by the applicable tax rate

Particulars	2021-22	2020-21
Profit Before Tax	(656.32)	(1,909.13)
Applicable Tax Rate	25.17%	25.17%
Tax Using the Applicable Tax Rate	(165.18)	(480.49)
Add: Recognition of Tax Effect of Previously Unrecognized Tax Gains / (Losses)	158.55	95.44
<b>Tax Expense Recognized in the Statement of Profit &amp; Loss</b>	<b>(6.63)</b>	<b>(385.05)</b>
<b>Weighted Average Tax Rate</b>	<b>1.01%</b>	<b>20.17%</b>

The tax rate of 25.168% is applicable to the next financial year as well.

# GRAVISS HOSPITALITY LIMITED

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Tax Expenses recognized in the Statement of Profit & Loss / Other Comprehensive Income (OCI) are as below:

Particulars	2021-22	2020-21
A. Current Tax Expense	—	—
B. Deferred Tax Expense / (Asset) relating to		
— Origination and reversal of temporary differences	(6.24)	(385.05)
<b>Total</b>	<b>(6.24)</b>	<b>(385.05)</b>
Tax Expenses recognized in the Statement of Profit & Loss	(6.24)	(385.05)
Deferred Tax Liability / (Asset) relating to re-measurement of the defined benefit plan (gratuity) recognized in OCI	1.07	10.19
	<b>As at 31/03/2022 (Rs. in lacs)</b>	<b>As at 31/03/2021 (Rs. in lacs)</b>

### Current Liabilities:

#### NOTE '23' – SHORT-TERM BORROWINGS:

##### Loans repayable on demand from Bank (secured):

<b>Axis Bank</b>	<b>988.29</b>	1,000.57
------------------	---------------	----------

##### Note:

Overdraft from bank carries interest @ 11.65% p.a. The loan is repayable on demand.  
The loan is secured by exclusive first charge by way of hypothecation over entire current assets and first charge on entire movable fixed assets of the company.

##### Current maturities of long term debt: (Refer Note "20" )

Term Loans repayable in 12 months

— Indian Rupee Loan	—	91.61
— Deferred Payment Liability	21.29	83.78

##### From Others (Unsecured):

Ice Holding Pvt Ltd	1,646.55	—
Gaurika Chandok	—	200.00
	<b>1,667.84</b>	<b>1,363.69</b>

#### NOTE '24' – TRADE PAYABLES

Total outstanding dues of Micro and Small Enterprises	—	—
Total outstanding dues of creditors other than Micro and Small Enterprises	351.49	409.76
	<b>351.49</b>	<b>409.76</b>

#### NOTE '25' – OTHER CURRENT FINANCIAL LIABILITIES:

Interest Accrued but not due	0.52	—
Expenses payable	364.86	358.27
Other payables	—	—
Interest free security deposits	6.87	12.87
Advance from customers	394.16	431.06
Gratuity obligation	44.19	39.90
Others (Provident Fund, ESIC etc)	7.97	6.23
Liability for capital expenditure	7.76	8.18
	<b>826.33</b>	<b>856.51</b>

#### NOTE '26' – OTHER CURRENT LIABILITIES:

Deferred liability / income on account of Zero coupon unsecured optionally convertible debentures	—	8.13
Statutory dues payable*	71.67	65.71
	<b>71.67</b>	<b>73.85</b>

\*Statutory dues primarily include payables in respect of service tax, VAT, SGST, CGST, tax deducted at source)

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## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

	<b>For the year ended 31/03/2022 (Rs. in lacs)</b>	For the year ended 31/03/2021 (Rs. in lacs)
<b>NOTE '27' – SHORT-TERM PROVISIONS:</b>		
Provision for leave benefits	3.68	4.96
	<u>3.68</u>	<u>4.96</u>
<b>NOTE '28' – REVENUE FROM OPERATIONS:</b>		
Sales-Rooms	1,090.53	148.12
Sales-Food and Beverages	1,737.27	730.31
Sale of services	49.38	11.35
Sale of Apartments	1,956.25	1,397.00
	<u>4,833.43</u>	<u>2,286.78</u>
<b>NOTE '29' – OTHER INCOME:</b>		
Interest on deposits with banks	23.49	8.71
Interest on income tax refund	—	8.29
Dividend income	0.06	—
Gain/(Loss) on sale of investments	29.42	—
Mark to Market gain on equity shares	0.67	0.97
Unclaimed Credit balances written back	26.70	72.02
Other financial liabilities carried at amortized costs	7.40	8.12
Miscellaneous receipts	115.89	48.19
	<u>203.63</u>	<u>146.31</u>
<b>NOTE '30' – COST OF MATERIAL CONSUMED:</b>		
<b>(A) Food and Beverages consumed</b>		
Opening stock	95.86	121.10
Add: Purchases	407.04	135.32
	<u>502.90</u>	<u>256.42</u>
Less: Closing stock	86.52	95.86
	<u>416.38</u>	<u>160.56</u>
<b>(B) Cost of Apartments Sold</b>		
	<u>2,113.68</u>	<u>1,371.06</u>
	<u>2,530.06</u>	<u>1,531.62</u>
<b>NOTE '31' – EMPLOYEE BENEFITS EXPENSE:</b>		
(refer Note "39")		
Salaries and wages (including bonus and gratuity)	734.48	490.86
Contributions to :		
Provident, Family Pension and other Funds	32.21	21.99
Staff welfare expenses	21.43	15.60
	<u>788.12</u>	<u>528.45</u>
<b>NOTE '32' – FINANCE COSTS:</b>		
Interest expense	60.02	118.30
Interest expenses on liabilities carried at amortized costs	2.39	2.45
Other charges	1.30	—
	<u>63.71</u>	<u>120.75</u>

# GRAVISS HOSPITALITY LIMITED

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

	<b>For the year ended 31/03/2022 (Rs. in lacs)</b>	For the year ended 31/03/2021 (Rs. in lacs)
<b>NOTE '33' – DEPRECIATION AND AMORTISATION EXPENSES:</b>		
Depreciation of tangible assets	454.30	470.16
Depreciation of right of use assets	—	87.00
	<u>454.30</u>	<u>557.16</u>
<b>NOTE '34' – OTHER EXPENSES:</b>		
<b>Operating Expenses:</b>		
Power, Fuel and Water	238.51	165.05
Repairs and Maintenance:		
Building	44.79	129.50
Machinery	12.37	13.98
Others	226.49	180.18
Stores and Supplies including Linen and Uniforms	77.88	45.01
Washing and Laundry expenses	44.32	34.18
Business Operating expenses	138.73	107.82
Music and other Operating expenses	12.80	4.51
<b>General Expenses:</b>		
Rent	8.92	7.28
Rates and Taxes	144.25	107.01
Insurance	32.57	34.44
Hire charges	3.68	0.21
Advertisement and Sales Promotion	92.70	29.21
Credit Card charges	227.23	131.09
Travelling and Conveyance	121.76	103.97
Printing and Stationery	7.48	5.27
Postage and Telephones	20.96	17.88
Other expenses	107.34	66.71
Payments to Auditors (Note "40")	11.14	12.36
Legal and Professional charges	208.85	87.48
Franchise and Corporate Service fees	67.36	8.86
Directors Sitting fees	7.00	6.75
Loss on sale of Assets	0.06	0.42
Service / Sales Tax Paid	—	0.15
Advance written off	—	304.93
	<u>1,857.19</u>	<u>1,604.24</u>
<b>NOTE '35' – OTHER COMPREHENSIVE INCOME:</b>		
<b>Items that will not be reclassified to profit or loss</b>		
Remeasurement of Defined Benefit Plans	4.27	40.48
<b>Income tax relating to items that will not be reclassified to profit or loss</b>		
Remeasurement of Defined Benefit Plans	(1.07)	(10.19)
	<u>3.19</u>	<u>30.29</u>
<b>NOTE '36' – EARNINGS PER EQUITY SHARE (BASIC AND DILUTED):</b>		
Net profit after Taxation (in Rs.)	(646.76)	(1,494.56)
Weighted average number of equity shares	70,519,135	70,519,135
Earnings per equity shares (in Rs.)	(0.92)	(2.12)
Nominal value per share (Rs.)	2.00	2.00

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### NOTE '37' – CONTINGENT LIABILITIES:

- i. Bank Guarantees given to the extent of Rs. 7 lacs (previous year Rs. 3.65 lacs).
- ii. In the matter of VAT demand, interest and penalty aggregating to Rs. 109.81 lacs for the year 2010-11, 2015-16 & 2016-17, the Company is hopeful of getting the orders in its favour and hence has not made provision for the same in the financial statements.

**Note:** Commitments which are material and which will result in a penalty disproportionate to the benefits involved, based on the judgement of the management are only disclosed.

### NOTE '38' – RETIREMENT BENEFIT:

#### Disclosure pursuant to Indian Accounting Standard – 19 (Revised) Employee Benefits:

The Company has classified the various benefits provided to employees as under:

#### (a) Defined Contribution Plans:

The company has recognized contribution to Provident & other funds of Rs 32.21 lacs in the Profit & Loss Account for F.Y. 2021-22 (Rs. 21.99 lacs for F.Y. 2020-21)

#### (b) Defined Benefit Plans:

	<b>Gratuity Funded</b>	
	<b>2021-22</b>	<b>2020-21</b>
	<b>(Rs. in lacs)</b>	<b>(Rs. in lacs)</b>
<b>Changes in the Present Value of Obligation</b>		
Present Value of Obligation at beginning of period	39.90	221.33
Interest Cost	1.77	2.97
Current Service Cost	9.57	16.35
Benefits Paid	(2.78)	(160.03)
Actuarial (Gain)/Loss on obligation	(4.27)	(40.72)
Present Value of Obligation at end of period	44.19	39.90
<b>Amount Recognized in the Balance Sheet and statement of profit and loss account</b>		
Present Value of Obligation at end of period	44.19	39.90
Fair Value of Plan Assets at end of period	—	—
Funded Status	—	—
Net Asset/ (Liability) recognized in the balance sheet	44.19	(39.90)
<b>Expenses Recognized in the statement of Profit and Loss Account</b>		
Current Service Cost	9.57	16.35
Net Interest	1.77	2.97
<b>Expenses Recognized in the statement of Profit and Loss Account</b>	11.34	19.32
<b>Other Comprehensive Income (OCI)</b>		
Actuarial (Gain)/Loss recognized for the period	(4.27)	(40.72)
Return on Plan Assets excluding net interest	—	0.24
<b>Total Actuarial (Gain)/Loss recognized in (OCI)</b>	(4.27)	(40.48)
<b>Assumptions as at</b>		
Mortality		IALM(2012-14) Ult
Interest / Discount Rate		6%
Rate of increase in compensation		10%
Employee Attrition Rate (Past Service(PS))		PS:0 to 40:20%
<b>Sensitivity Analysis on PVO</b>		
Delta effect of 1% increase in rate of discounting	(1.79)	(1.51)
Delta effect of 1% decrease in rate of discounting	1.96	1.65
Delta effect of 1% increase in rate of rate of salary escalation	1.71	1.43
Delta effect of 1% decrease in rate of rate of salary escalation	(1.59)	(1.33)
<b>Projected benefits payable in future years from the date of reporting</b>		
1st following year	10.97	11.69
Sum of years 2 to 5	19.73	17.10
Sum of years 6 to 10	17.40	14.32

# GRAVISS HOSPITALITY LIMITED

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### NOTE '39' – EMPLOYEES' REMUNERATION AND BENEFITS INCLUDES REMUNERATION PAID TO THE MANAGING DIRECTOR, JOINT MANAGING DIRECTOR AND WHOLE TIME DIRECTOR & CEO:

	2021-22 (Rs. in lacs)	2020-21 (Rs. in lacs)
Salary	140.82	83.44
Contribution to provident fund	—	0.81
Other Perquisites	—	1.76
	<u>140.82</u>	<u>86.01</u>

### NOTE '40' – PAYMENTS TO AUDITORS

	2021-22 (Rs. in lacs)	2020-21 (Rs. in lacs)
Audit Fee	7.59	7.56
Certification charges and fee	1.25	1.25
Other service	2.30	3.55
	<u>11.14</u>	<u>12.36</u>

### NOTE '41'

- (i) Particulars of Trade Receivables and Loans and Advances for debts due from companies under the same management are as follows (related parties):

	2021-22 (Rs. in lacs)	2020-21 (Rs. in lacs)
<b>Trade Receivables (Current)</b>		
Graviss Holdings Private Limited	0.93	0.45
	<u>0.93</u>	<u>0.45</u>

- (ii) Confirmations of balances from some of sundry debtors and creditors have not been received.

### NOTE '42'

Information relating to Related Party Disclosures as per Accounting Standard issued by the Institute of Chartered Accountants of India, is given below:

#### A. List of Related Parties (relied on the details provided by the management):

##### i. Holding Company

Graviss Hospitality Limited

##### ii. Directors

Mr Ravi Ghai (from 01-01-2022)	Non Executive Chairman
Mr. Harindra Singh (upto 14-12-2021)	Independent
Ms Tina Pardal (w.e.f 11-03-2022)	Independent
Mr. Gulshan Bijlani	Independent
Mr. Mahendra V. Doshi	Independent
Mr. Romil Ratra	Whole Time Director & CEO
Mr. Harsh Varma	Director

##### iii. Other Related parties:

Graviss Holdings Pvt Ltd, Cross Word Beverages Pvt Ltd, Graviss Food Solutions Private Limited, Graviss Foods Private Limited  
Famed Properties Pvt Ltd

\*Graviss Brands Pvt Ltd, Ice Hospitality Pvt Ltd, Graviss Fast Foods Pvt Ltd

\*Satinetta Trading LLP, Amphitrite Trading LLP,

\*Oregon Realty LLP, Perfect Livestock LLP, Kwality Fantasy Limited, Kwality Real Estate Pvt Ltd, West Hills Realty Pvt Ltd

\*QSR Concepts Pvt Ltd, ICE Holdings Pvt Ltd

(\* no transactions during the year)

##### iv. Key Managerial Personnel

Mr Ravi Ghai	Non Executive Director
Mr. F.L. Goyal	Chief Financial Officer
Ms. Jalpa Salvi (wef 19-04-2021)	Company Secretary
Mr. Romil Ratra	Whole Time Director & CEO

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### B. Transactions with Related Parties:

	2021-22 (Rs. in lacs)	2020-21 (Rs. in lacs)
<b>i Sales</b>		
Graviss Holdings Private Limited	15.28	0.45
Graviss Foods Pvt Ltd	0.63	—
Crossword Beverages Pvt Ltd	17.64	—
Graviss Foods Solutions Pvt Ltd	24.80	—
Famed Property Pvt Ltd	1.90	—
<b>ii Expenditure and other services fees paid</b>		
Directors (Non-Executives) Sitting Fee		
Mr. Harindra Singh Independent	—	0.50
Ms Tina Pardal Independent	2.50	2.00
Mr. Gulshan Bijlani Independent	1.50	2.00
Mr. Mahendra V. Doshi Independent	3.00	2.00
Professional Fees		
Mr. Harsh Varma	69.09	27.67
Other related parties where the common control exists	3.11	31.00
<b>iii Managerial Remuneration</b>		
Managing Director, Joint Managing Director and Whole Time Director & CEO	140.82	86.01
Chief Financial Officer	22.35	10.44
Company Secretary	15.39	9.30
<b>iv Consideration for sale of shares</b>		
Graviss Holding Pvt Ltd	198.45	—
<b>v Acceptance of unsecured loan</b>		
Gaurika Chandok	—	200.00
ICE Holdings Pvt Ltd	2,970.00	3,000.00
<b>vi Repayment of unsecured loan</b>		
Gaurika Chandok	200.00	—
ICE Holdings Pvt Ltd	1,323.45	3,000.00
<b>vii Outstanding of Unsecured Loans taken</b>		
ICE Holdings Pvt Ltd	1,646.55	—
Gaurika Chandok	—	200.00
<b>viii Debtors</b>		
Other related parties where the common control exists	2.83	0.45
<b>ix Advance from Debtors</b>		
Other related parties where the common control exists	1.48	—

### NOTE '43' – VALUE OF RAW MATERIALS AND STORES CONSUMED:

	2021-22		2020-21	
	Percentage of total consumption	Amount (Rs. in lacs)	Percentage of total consumption	Amount (Rs. in lacs)
<b>Raw Materials:</b>				
Indigenous	100	416.38	100	160.56
<b>Stores:</b>				
Indigenous	100	35.66	100	25.93



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### NOTE '44' – EARNINGS IN FOREIGN EXCHANGE:

	2021-22	2020-21
a) Sale of Rooms and Food and Beverages Income	209.87	9.23
b) Encashment of Foreign Exchange	—	—

### NOTE '45' – EXPENDITURE IN FOREIGN CURRENCIES:

a) Travelling – Directors	1.75	—
b) Agency Commission	0.54	9.47
c) Franchise Fees	—	53.94
d) Others	2.25	0.10

46. (i) Provision for current tax during the year has been made on regular basis.  
(ii) Excess provision for tax of earlier years has been reversed based on the assessment / appellate orders received during the year.
47. Amounts if any due to Micro, Small and Medium Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 could not be disclosed as such parties could not be identified from the records of the Company.
48. The Company does not have any asset whose useful life is different from the significant part of that asset.
49. Current and non-current classification of assets and liabilities in the balance sheet has been made based on the professional judgement of the management.
50. Disclosure as required by Indian Accounting Standard (Ind AS) 108 – Operating Segments

#### Operating segments of the Company:

- (a) Hospitality  
(b) Real Estate

#### Identification of segments:

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements. Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

#### Segment Revenue and Results:

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure & income.

#### Segment Assets and Liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipments, trade receivables, Inventory and other operating assets. Segment liabilities primarily includes trade payable and other liabilities. Common assets and liabilities which cannot be allocated to any of the business segment are shown as unallocable assets / liabilities.

Summary of the Segmental Information as at and for the year ended 31st March, 2022 is as follows:

Particulars	(Rs. in lacs)			
	Hospitality	Real Estate	Unallocated	Total
<b>Net Revenue</b>	2,877.18	1,956.25	—	4,833.43
Segment Results before Interest and Taxes	(370.19)	(489.74)	—	(859.94)
Add: Other income	—	—	203.61	203.61
<b>Profit before tax</b>	(370.19)	(489.74)	203.61	(656.32)
<b>Other information</b>				
Segment Assets	20,280.49	1,550.39	—	21,830.87
Segment Liabilities	2,420.25	2,005.71	—	4,425.95
Capital expenditure during the year	2,980.65	—	—	2,980.65
Depreciation and amortization	454.30	—	—	454.30

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Summary of the Segmental Information as at and for the year ended 31st March, 2021 is as follows:

Particulars	(Rs. in lacs)			
	Hospitality	Real Estate	Unallocated	Total
<b>Net Revenue</b>	889.78	1,397.00	—	2,286.78
Segment Results before Interest and Taxes	(1,944.98)	(110.47)	—	(2,055.45)
Add: Other income	—	—	146.31	146.31
<b>Profit before tax</b>	(1,944.98)	(110.47)	146.31	(1,909.13)
<b>Other information</b>				
Segment Assets	18,205.93	4,117.41	—	22,323.34
Segment Liabilities	3,924.63	454.22	—	4,378.85
Capital expenditure during the year	144.40	—	—	144.40
Depreciation and amortization	557.16	—	—	557.16

51. The accumulated losses of Graviss Catering Private Limited, a subsidiary, are more than the net worth. In the opinion of the management, having regard to the long term interest of the holding Company in the Company and considering that the Company gets regular orders of decoration and earns sufficient margin to meet the fixed costs which will enable the Company to recoup the losses incurred, the going concern assumptions are not affected.
52. The accumulated losses of Graviss Hotels and Resorts Limited, another subsidiary, are more than the net worth. The subsidiary had purchased lands at various places viz. Shirdi and Alibaug for construction of hotels. Due to change in business plans, the subsidiary is exploring to sell these lands. In assessment of the management, the market value of the lands alongwith buildings constructed so far is more than the book values and therefore the preparation of financial statements of the subsidiary (included in the preparation of the consolidated financial statements) on going concern basis is not affected.
53. In the opinion of the management there are no indications that the assets of the company may be impaired as on the balance sheet date.
54. "Advances on Capital Account against Purchase of Land" includes an amount of Rs.217.70 lacs (previous year Rs. 217.70 lacs) being the advance paid to three parties for purchase of lands against a total consideration of Rs. 2,832 lacs. Since the lands were not capable of being developed, the company issued a notice of termination of agreements entered into with the parties and invoked Arbitration. The arbitrator has been appointed and the arbitration proceedings are pending. The company is hopeful of getting decision in its favour and hence considers the advance good of recovery.
55. The Conveyance of the Agricultural lands at Alibaug and Shirdi which were purchased in 2007 for the beneficial interest of the Company in terms of the resolutions of the Board of Directors of the Company, are in the name of Mr Gaurav Ghai the Joint Managing Director of Graviss Hospitality Limited, the holding company and Mr Ravi Ghai, the Chairman and Managing Director of Graviss Hospitality Limited, the holding company respectively.

### NOTE '56' – TRADE RECEIVABLE AGEING SCHEDULE:

As at 31st March, 2022

(Rs. in lacs)

Sr. No.	Particulars	Outstanding for following periods from due date of payment					Total
		Up to 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i)	Undisputed – considered good	60.65	—	—	—	129.37	190.02
(ii)	Undisputed – which have significant increase in credit risk	—	—	—	—	—	—
(iii)	Undisputed – credit impaired	—	—	—	—	—	—
(iv)	Disputed – considered good	—	—	—	—	—	—
(v)	Disputed – which have significant increase in credit risk	—	—	—	—	—	—
(vi)	Disputed – credit impaired	—	—	—	—	—	—

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## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

As at 31st March, 2021

(Rs. in lacs)

Sr. No.	Particulars	Outstanding for following periods from due date of payment					Total
		Up to 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i)	Undisputed – considered good	355.59	—	—	1.57	129.35	486.52
(ii)	Undisputed – which have significant increase in credit risk	—	—	—	—	—	—
(iii)	Undisputed – credit impaired	—	—	—	—	—	—
(iv)	Disputed – considered good	—	—	—	—	—	—
(v)	Disputed – which have significant increase in credit risk	—	—	—	—	—	—
(vi)	Disputed – credit impaired	—	—	—	—	—	—

**NOTE '57' – TRADE PAYABLE AGEING SCHEDULE:**

As at 31st March, 2022

(Rs. in lacs)

Sr. No.	Particulars	Outstanding for following periods from due date of payment				
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
(i)	MSME	—	—	—	—	—
(ii)	Others	223.97	10.70	84.30	32.52	351.49
(iii)	Disputed dues – MSME	—	—	—	—	—
(iv)	Disputed dues – Others	—	—	—	—	—

As at 31st March, 2021

(Rs. in lacs)

Sr. No.	Particulars	Outstanding for following periods from due date of payment				
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
(i)	MSME	—	—	—	—	—
(ii)	Others	238.30	119.65	7.79	44.03	409.76
(iii)	Disputed dues – MSME	—	—	—	—	—
(iv)	Disputed dues – Others	—	—	—	—	—

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### NOTE '58' – DISCLOSURE OF NET ASSETS AND SHARE IN PROFIT OR LOSS:

Sr. No.	Name of the Entity	Net Assets Total Assets minus Total Liabilities		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of consoli- dated net assets	Amount (Rs. in lacs)	As % of consoli- dated profit or (loss)	Amount (Rs. in lacs)	As % of consoli- dated profit or (loss)	Amount (Rs. in lacs)	As % of consoli- dated profit or (loss)	Amount (Rs. in lacs)
1.	Graviss Hospitality Limited – Parent	91.83%	15,982.07	24.09%	(156.60)	100.00%	3.20	23.72%	(153.40)
2.	Graviss Catering Private Limited – Subsidiary	0.06%	10.54	1.30%	(8.42)	0.00%	—	1.30%	(8.42)
3.	Graviss Hotels & Resorts Limited – Subsidiary	8.11%	1,412.31	72.16%	(469.01)	0.00%	—	72.52%	(469.01)
4.	Hotel Kankeshwar Private Limited – Subsidiary (upto 17-02-2022)	0.00%	—	2.45%	(15.92)	0.00%	—	2.46%	(15.92)
		<b>100.00%</b>	<b>17,404.92</b>	<b>100.00%</b>	<b>(649.96)</b>	<b>100.00%</b>	<b>3.20</b>	<b>100.00%</b>	<b>(646.76)</b>

### NOTE '59' – FAIR VALUE MEASUREMENTS:

The following disclosures are made as required by Ind AS-113 pertaining to Fair value measurement:

#### (a) Accounting classification and fair values

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in current transaction between willing parties, other than in a forced or liquidation sale.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

(Rs. in lacs)

Particulars	As at 31st March, 2022				As at 31st March, 2021			
	Carrying value	Level 1	Level 2	Level 3	Carrying value	Level 1	Level 2	Level 3
<b>Financial Assets</b>								
<b>Non current</b>								
Investments	2.25	2.24	—	0.01	2.44	2.43	—	0.01
Trade Receivables	53.78	—	—	53.78	53.78	—	—	53.78
Loans	43.82	—	—	43.82	43.36	—	—	43.36
Others	12.90	—	—	12.90	77.04	—	—	77.04
<b>Current</b>								
Investments	215.85	215.85	—	—	—	—	—	—
Trade Receivables	136.24	—	—	136.24	432.74	—	—	432.74
Loans	3.86	—	—	3.86	3.72	—	—	3.72
<b>Total</b>	<b>468.71</b>	<b>218.09</b>	<b>—</b>	<b>250.61</b>	<b>613.08</b>	<b>2.43</b>	<b>—</b>	<b>610.66</b>

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(Rs. in lacs)

Particulars	As at 31st March, 2022				As at 31st March, 2021			
	Carrying value	Level 1	Level 2	Level 3	Carrying value	Level 1	Level 2	Level 3
<b>Financial Liabilities</b>								
<b>Non current</b>								
Borrowings	103.04	—	—	103.04	118.33	—	—	118.33
<b>Current</b>								
Borrowings	1,667.84	—	—	1,667.84	1,363.69	—	—	1,363.69
Trade Payables	351.49	—	—	351.49	409.76	—	—	409.76
Other Financial Liabilities	826.33	—	—	826.33	856.51	—	—	856.51
<b>Total</b>	<b>2,948.71</b>	—	—	<b>2,948.71</b>	<b>2,748.28</b>	—	—	<b>2,748.28</b>

(b) **Measurement of fair values:**

The following tables shows the valuation techniques used in measuring Level 2 fair values.

Type	Valuation technique
Fixed Rate Borrowings	Discounted cash flows: The valuation model considers the present value of expected payment discounted using appropriate discounting rates.

**Financial risk management**

The Company has exposure to the Credit risk, Liquidity risk and Market risk arising from financial instruments.

Risk Management Framework: The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established the Risk Management Committee (RMC), which is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits to control / monitor risks and adherence to limit. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Audit Committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risks faced by the Company. The Audit Committee is assisted by internal audit. Internal audit undertakes reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is approved by the Board of Directors.

**Credit Risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables.

Trade receivables: The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

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The following table provides information about the exposure to credit risk and measurement of loss allowance using Life time expected credit loss for trade receivables:

						(Rs. in lacs)
	Up to 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
<b>As on 31 March 2022</b>						
Gross Carrying Amount	60.65	—	—	—	129.37	190.02
Specific Provision	—	—	—	—	—	—
Carrying Amount	60.65	—	—	—	129.37	190.02
<b>As on 31 March 2021</b>						
Gross Carrying Amount	355.59	—	—	1.57	129.35	486.52
Specific Provision	—	—	—	—	—	—
Carrying Amount	355.59	—	—	1.57	129.35	486.52

### Cash and cash equivalents:

The Company held cash and cash equivalents of Rs 203.80 lacs as at 31 March 2022 ( 31 March 2021-Rs. 513.48). The cash and cash equivalents are held with reputed banks.

### Liquidity Risk:

The Audit Committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risks faced by the Company. The Audit Committee is assisted by internal audit. Internal audit undertakes reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

	Contractual cash flows					(Rs. in lacs)
	Carrying amount	Up to 1 year	1-5 years	More than 5 years	Total	
<b>As on 31 March 2022</b>						
Non-derivative financial liabilities	—	—	—	—	—	—
Borrowings	1,770.89	21.29	96.08	1,653.52	1,770.89	
Interest	—	—	—	—	—	—
Trade payables	351.49	351.49	—	—	351.49	
<b>As on 31 March 2021</b>						
Non-derivative financial liabilities	—	—	—	—	—	—
Borrowings	1,482.02	1,163.69	118.33	200.00	1,482.02	
Interest	—	—	—	—	—	—
Trade payables	409.76	409.76	—	—	409.76	

### Market Risk:

Market risk is the risk that changes in market price such as foreign exchange rates, interest rates and commodity prices, will affect the Company's income or value of its financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables, long term debt and commodity prices. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and commodity price risk.

### Interest rate risk:

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through the Statement of profit and loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

# GRAVISS HOSPITALITY LIMITED

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

### Exposure to Interest rate risk:

Company's interest rate risk arises from borrowings. The interest rate profile of the Company's interest-bearing long term financial instruments is follows:

Particulars	31st March 2022 (Rs. in lacs)	31st March 2021 (Rs. in lacs)
<b>Fixed-rate instruments</b>		
Financial liabilities – measured at amortised cost	124.34	269.97
<b>Variable-rate instruments</b>		
Financial liabilities – measured at amortised cost	—	988.29
<b>Total</b>	<b>124.34</b>	<b>1,258.26</b>

Cash flow sensitivity analysis for variable-rate instruments: A reasonably possible decrease by 100 basis points in interest rates at the reporting date would have positive impact (before tax) by Rs Nil and Rs. 9.88 lacs for the outstanding balances as on 31st March 2022 and 31st March 2021. Similarly a reasonable possible increase by 100 basis points in interest would have negative impact (before tax) by same amounts.

### Currency risk:

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee.

To the extent the exposures on purchases and borrowings are not economically headed by the foreign currency denominated receivables, the Company uses derivative instruments, like, foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange and principal only swap rates. Company does not use derivative financial instruments for trading or speculative purposes.

The Company evaluates exchanges rate exposure arising from foreign currency transactions and the Company follows established risk management policies including the use of derivatives like foreign exchange forward contracts to hedge exposure.

### Exposure to currency risk:

The currency profile of financial assets and financial liabilities as on 31st March 2022 and 31st March 2021 are as below:

	Total	(Rs. in lacs)	
		INR	USD
<b>As on 31 March 2022</b>			
<b>Financial assets</b>			
Trade receivables	190.02	190.02	—
Cash and Cash Equivalents	203.80	203.80	—
Other Balances with Banks	152.97	152.97	—
Loans	47.68	47.68	—
Other Current / Non Current Assets	12.90	12.90	—
<b>Exposure for assets (A)</b>	<b>607.37</b>	<b>607.37</b>	<b>—</b>
<b>Financial liabilities</b>			
Long term borrowings	103.04	103.04	—
Short term borrowings	1,667.84	1,667.84	—
Trade and other payables	351.49	351.49	—
Other Current financial liabilities	826.33	826.33	—
<b>Exposure for liabilities (B)</b>	<b>2,948.71</b>	<b>2,948.71</b>	<b>—</b>
<b>Net exposure (B-A)</b>	<b>2,341.33</b>	<b>2,341.33</b>	<b>—</b>

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## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

	(Rs. in lacs)		
	Total	INR	USD
<b>As on 31 March 2021</b>			
<b>Financial assets</b>			
Trade receivables	486.52	486.52	—
Cash and Cash Equivalents	513.48	513.48	—
Other Balances with Banks	355.16	355.16	—
Loans	47.08	47.08	—
Other Current / Non Current Assets	77.04	77.04	—
<b>Exposure for assets (A)</b>	<b>1,479.29</b>	<b>1,479.29</b>	<b>—</b>
<b>Financial liabilities</b>			
Long term borrowings	118.33	118.33	—
Short term borrowings	1,363.69	1,363.69	—
Trade and other payables	409.76	409.76	—
Other Current financial liabilities	856.51	856.51	—
<b>Exposure for liabilities (B)</b>	<b>2,748.28</b>	<b>2,748.28</b>	<b>—</b>
<b>Net exposure (B-A)</b>	<b>1,268.99</b>	<b>1,268.99</b>	<b>—</b>

### Sensitivity analysis:

A reasonably possible strengthening of the Indian Rupees against USD at March, 31 by Rs. NIL would have positive impact (before tax) by Rs NIL and Rs NIL for the net outstanding balance as on 31-03-2022 and 31-03-2021 respectively. Similarly a reasonably possible weakening of the Indian Rupee against USD would have a negative impact (before tax) by same amounts.

### Capital Management

For the purpose of the Company's capital management, capital includes issued capital, convertible instruments and reserves. The primary objective of the Company's Capital Management is to maximise shareholder value. The company manages its capital structure and makes adjustments, if any, required in the light of the current economic environment and other business requirements.

60. During the year under review, the Holding Company has converted its leasehold land at Marine Drive, Mumbai to Occupancy Class – I land (Freehold Land) by making payment of conversion premium of Rs.28.17 crores.
61. During the year under review, the Holding Company has disposed off its entire equity stake in one of its wholly owned subsidiary i.e. Hotel Kanakeshwar Private Limited for cash at fair value. Accordingly, Hotel Kanakeshwar Private Limited is no longer the subsidiary of the Holding Company i.e. Graviss Hospitality Limited from 17.02.2022.
62. 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. The lockdowns and restrictions imposed on various activities due to COVID-19 pandemic have posed challenges to the businesses of group.

The Group's business has been impacted during the year on account of COVID-19. During the first three months of the year, the Group witnessed softer revenues due to the second wave of COVID-19 and consequent lockdown. Also there was a third wave in the month of January 2022, resulting in restrictions in the state which also adversely impacted the revenues. However, with increased vaccinations and consequent reduction in number of cases and easing of all restrictions, the Group has witnessed recovery in business.

The Group has assessed the potential impact of Covid-19 on its capital and financial resources, profitability, liquidity position, ability to service debt and other financial arrangements, supply chain and demand for its services. The Group has also assessed the potential impact of Covid-19 on the carrying value of property, plant & equipments, right of use assets, intangible assets, investments, trade receivables inventories and other current assets appearing in the financial statements of the Group. In developing the assumptions and estimates related to the future uncertainties in the economic conditions because of this pandemic, the Group has at the date of approval of these Financials results has used internal and external sources of information and based on current estimates, expects to recover the carrying amounts of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financials results and Group will continue to closely monitor any material changes to future economic conditions.



## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

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63. The date of implementation of the Code on Social Security, 2020 ('the Code') relating to employee benefits is yet to be notified by the Government and when implemented will impact the contributions by the group towards benefits such as Provident Fund, Gratuity etc. The group will assess the impact of the Code and give effect in the financial statements when the Code and Rules thereunder are notified.

64. **New Standards or othr amendments Issued but not yet effective**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, Key amendments are as below:

**Ind AS 16 – Property Plant and equipment:**

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

**Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets:**

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that related directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

None of the amendments notified by MCA which are applicable from April 1, 2022 are expected to have any material impact on the financial statements of the group.

65. **Additional disclosure under the regulatory requirements:**

(a) **Reconciliation of quarterly returns / statements submitted to the banks with the books of accounts**

The holding company has obtained Overdraft facility from bank against security of current assets. However, as per the terms of the sanction of facility, no quarterly return or statement of current assets is required to be filed by the holding company with banks.

(b) The Group has used funds borrowed for the specific purposes only for the purposes which it has been borrowed.

(c) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(d) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(e) There is no proceeding which has been initiated or pending against the group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(f) The group is not declared wilful defaulter by any bank or financial institution or other lender.

(g) The Group does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.

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## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

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- (h) The Group is not covered under section 135 of Companies Act, 2013. Hence it is not required to make CSR expense.
- (i) The Group have not traded or invested in Crypto currency or Virtual Currency during the year.
- (j) The group has not granted any loans or advances in the nature of loan to promoter, director, KMP.

**66. Previous year figures:**

Previous year's figures have been reclassified / regrouped wherever necessary to conform to current year's classification / grouping. Figures in brackets are in respect of the previous year.

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### Signature to Notes 1 to 66

As per our separate report of even date

For **A.T. Jain & Co.**  
*Chartered Accountants*  
Firm Registration No. 103886W

Sd/-  
**SUSHIL JAIN**  
*Partner (Membership No. 033809)*

Place: Mumbai  
Dated: May 30, 2022

For and on behalf of the Board of Directors of  
**Graviss Hospitality Limited**

Sd/-  
**ROMIL RATRA**  
*Whole Time Director*  
(DIN:06948396)

Sd/-  
**F.L. GOYAL**  
*Chief Financial Officer*

Sd/-  
**M.V. DOSHI**  
*Director*  
(DIN:00123243)

Sd/-  
**JALPA H. SALVI**  
*Company Secretary*



## GRAVISS HOSPITALITY LIMITED

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Phone no.: 8828831331 / Email: [investors.relations@gravissgroup.com](mailto:investors.relations@gravissgroup.com)

**Administrative Office:** Strand Cinema Building, 1st floor, Arthur Bunder Road, Colaba, Mumbai 400005.

Phone no.: 022-6251 3131, Fax no.: 022-6251 3157