

BRIGADE HOTEL VENTURES LIMITED

ANNUAL REPORT 2021-22

BRIGADE HOTEL VENTURES LIMITED

Corporate Identity Number (CIN) : U74999KA2016PLC095986
Regd. Off.: 29th & 30th Floor, World Trade Center,
Brigade Gateway Campus, 26/1, Dr. Rajkumar Road,
Malleswaram-Rajajinagar, Bangalore - 560 055
Phone : +91 - 080 - 4137 9200 Fax : +91 - 080 - 2221 0784



NOTICE

Notice is hereby given that the Sixth Annual General Meeting of Brigade Hotel Ventures Limited will be held on Thursday, 28th July, 2022 at 10.00 a.m. at the Board Room, 30th Floor, World Trade Center, Brigade Gateway Campus, 26/1, Dr. Rajkumar Road, Malleswaram - Rajajinagar, Bangalore- 560055 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet and Audited Profit & Loss Account and the Cash Flow Statement for the financial year ended 31st March 2022 and the reports of the Board of Directors and the Auditors thereon.

"RESOLVED THAT the audited financial statements of the Company including the Balance Sheet as at 31st March, 2022, the Profit & Loss Account and the Cash Flow Statement for the year ended on that date, notes to financial statements, reports of the Board and Auditors' thereon be and are hereby received, considered and adopted."

2. To appoint a Director in place of Mr. Vineet Verma (DIN: 06362115), who retires by rotation and being eligible, offers himself for re-appointment.

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Vineet Verma (DIN: 06362115), who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

3. To re-appoint M/s. S.R. Batliboi & Associates LLP, Chartered Accountants as the Statutory Auditors of the Company

"RESOLVED THAT pursuant to provisions of Section 139(1), 139(2) and Section 142 and other applicable provisions, if any, of the Companies Act, 2013 read with relevant rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof) and pursuant to recommendation of Audit Committee and Board of Directors, approval of Members of the Company be and is hereby accorded to re-appoint M/s. S.R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration Number 101049W/E300004) as Statutory Auditors of the Company for a second term of five years i.e., from the conclusion of the Sixth Annual General Meeting till the conclusion of Eleventh Annual General Meeting of the Company on such remuneration as may be recommended by the Audit Committee and



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finalized by the Board of Directors in consultation with the Statutory Auditors, in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company.

Place: Bangalore
Date: 29th April, 2022

By order of the Board
For Brigade Hotel Ventures Limited

Vineet Verma
Director
DIN: 06362115

Registered Office
29th & 30th Floor, World Trade Center
Brigade Gateway Campus, 26/1,
Dr. Rajkumar Road,
Bangalore-560055

NOTES:

1. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. A person can act as a proxy on behalf of members not exceeding 50 (Fifty) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or member.
3. The instruments of form in order to be effective, should be deposited at the registered office of the company, duly completed and signed, not less than 48 (Forty eight) hours before the commencement of the meeting.



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EXPLANATORY STATEMENT

Item No.3: To re-appoint M/s. S.R. Batliboi & Associates LLP, Chartered Accountants as the Statutory Auditors of the Company

The Members of the Company in the Annual General Meeting held on 20th September, 2017 had appointed M/s. Batliboi & Associates, LLP, Chartered Accountants (Firm Registration Number 101049W/E300004) Statutory Auditors for a period of 5 years, until the conclusion of the sixth Annual General Meeting.

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules therein and other applicable provisions, if any, an Audit Firm can be appointed maximum for two terms of 5 years. Considering their tenure ends in the ensuing Annual General Meeting, the Board hereby recommends the re-appointment of M/s. S. R. Batliboi & Associates LLP, for a further term of 5 years from the conclusion of this Annual General Meeting till the conclusion of Eleventh Annual General Meeting based on their strong audit credentials.

M/s. Batliboi & Associates LLP has strong audit credentials and provide excellent service quality, industry understanding and technical expertise. Their in-depth knowledge of the realty sector, and investment into audit technology, and unrelenting focus on audit quality, are well-positioned to serve our Company.

The Company has also received the necessary disclosures with regard to their eligibility and willingness to act as the auditors of the company subject to their re-appointment at the ensuing Annual General Meeting. The Board of Directors or the Audit Committee thereof, be and is hereby authorised to decide and finalise the terms and conditions of re-appointment, including proposed remuneration including Audit fees, Limited Review, other certifications or services if any (apart from out of pocket expenses and applicable taxes if any) to the Statutory Auditors.

None of the Promoters, Directors, Key Managerial Personnel or their relatives are interested, financially or otherwise, if any in the Item No. 3 of the accompanying Notice except to the extent of their shareholding, if any, in the Company.

Place: Bangalore

Date: 29th April, 2022

By order of the Board
For Brigade Hotel Ventures Limited

Vineet Verma
Director
DIN: 06362115

Registered Office
29th & 30th Floor, World Trade Center
Brigade Gateway Campus, 26/1,
Dr. Rajkumar Road,
Bangalore-560055



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BRIGADE HOTEL VENTURES LTD

CIN: U74999KA2016PLC095986

**Regd. Off. : 29th & 30th Floor, World Trade Center, Brigade Gateway Campus,
26/1, Dr.Rajkumar Road, Malleswaram-Rajajinagar, Bangalore 560 055**

Sixth Annual General Meeting on Thursday, 28th July, 2022 at 10.00 a.m.

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Hall)

CLID/ Folio No. :

DPID. :

No. of Shares held:

I certify that I am a Registered Shareholder/Proxy for the Registered Shareholder of the Company. I hereby record my presence at the Sixth Annual General Meeting of the Company being held on Thursday, 28th July, 2022 at 10.00 a.m. at the Board Room, 30th Floor, World Trade Center, Brigade Gateway Campus, 26/1, Dr. Rajkumar Road, Malleswaram-Rajajinagar, Bangalore - 560 055

Name of the Member/Proxy
(in Block Letters)

Signature of Member / Proxy

Notes: A member/proxy wishing to attend the meeting must fill up this Attendance Slip and hand it over at the entrance. If you intend to appoint a proxy, please complete the proxy form below and deposit it at the Company's Registered Office atleast 48 hours before the meeting.



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BRIGADE HOTEL VENTURES LTD.

CIN: U74999KA2016PLC095986

**Regd. Off. : 29th & 30th Floor, World Trade Center, Brigade Gateway Campus,
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Sixth Annual General Meeting on Thursday, 28th July, 2022 at 10.00 a.m.

PROXY FORM

CLID/ Folio No. :

DPID. :

No. of Shares held:

I/ We _____ of _____ in the district of _____ being Member(s) of Brigade Hotel Ventures Limited hereby appoint _____ of _____ in the district of _____ or failing him/her appoint _____ of _____ in the district of _____ as my/our proxy to attend and vote for me/us on my/our behalf at the Sixth Annual General Meeting of the Company to be held on Thursday, 28th July, 2022 at the Board Room, 30th Floor, World Trade Center, Brigade Gateway Campus, 26/1, Dr. Rajkumar Road, Malleswaram-Rajajinagar, Bangalore- 560 055 and at any adjournment thereof.

Name of the Member/Proxy
(in Block Letters)

Signature of Member / Proxy

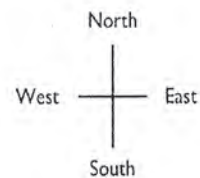
Notes: This proxy form duly completed must be received at the Company's Registered Office at least 48 hours before the meeting.



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Route Map to the Sixth Annual General Meeting



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BOARD'S REPORT

Dear Members,

We have pleasure in presenting the Sixth Annual Report on business and operations of the Company together with the Audited Statement of Accounts for the financial year ended 31st March, 2022.

FINANCIAL HIGHLIGHTS:

Particulars	(Rupees in Lakhs)	
	2021-22	2020-21
Total Income	12,905	6,428
Total Expenses	21,875	18,670
Profit/(Loss) before exceptional items and tax	(8,970)	(12,242)
Exceptional Items	944	3,500
Profit/Loss before tax	(9914)	(15,742)
Current Tax	-	-
Deferred tax	(2,887)	(3,061)
Profit/(Loss) After tax	(7,027)	(12,681)
Other Comprehensive Income	43	30
Total Comprehensive Income/Loss	(6,984)	(12,651)

FINANCIAL & OPERATIONAL OVERVIEW:

During the year under review, your Company has achieved a turnover of Rs. 12,905 lakhs as against Rs. 6,428 lakhs in the previous year, an increase of 50.18%. The total expenditure for the year ended 31st March, 2022 has been Rs. 21,875 as against Rs. 18,670 lakhs in the previous year. The total comprehensive Loss for the year ended 31st March, 2022 stood at Rs. (7,027) lakhs as compared to Rs. (12,681) Lakhs in the previous year ended 31st March, 2022.

COVID-19 pandemic has had an impact on the financial and operational performance during the financial year. The negative impact of COVID-19 pandemic on the business operations is a temporary phase. Your Company has a right mix of hotels and are operating efficiently which is expected to perform better in years to come. Your Company along with its subsidiary has a total of 1474 keys which are operational as on 31st March, 2022. The average occupancy during the year was 44%. Financial year 2022 had an operating profit of Rs. 109 Millions.

SUBSIDIARIES AND ASSOCIATES:

The Company is a wholly owned subsidiary of Brigade Enterprises Limited. SRP Prosperita Hotel Ventures Ltd is a subsidiary of the company. There are no associate companies as on 31st March, 2022.



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FINANCIAL STATEMENTS OF SUBSIDIARIES:

A statement containing the salient features of the financial statements of subsidiary company as required in Form AOC-1 is attached as **Annexure-1** to this Report.

TRANSFER TO RESERVES & DIVIDEND:

The Company has not transferred any amount to reserves or declared any dividend for the year under review.

FIXED DEPOSITS:

The Company has not accepted any deposits in terms of Chapter V of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014, during the year and accordingly, no amount is outstanding as on the Balance Sheet date.

SHARE CAPITAL:

There has been no change in the Share Capital of the Company during the year.

The paid up share capital of the Company is Rs. 2,81,43,00,000/- (Rupees Two Hundred and Eight One Crores Forty Three Lakhs only) comprising of:

- Rs. 1,00,00,000 (Rupees One Crore Only) divided into 10,00,000 equity Shares of Face Value of Rs. 10/- each.
- Rs. 2,80,43,00,000 (Rupees Two Hundred and Eight Crores Forty Three Lakhs only) divided into 2,80,43,000 0.01% Optionally Convertible Redeemable Preference Shares (OCRPS) of Rs. 100/- each.

DEBENTURES:

During the year under review, the Company has not issued any Debentures. As on date, the Company does not have any outstanding Debentures.

BOARD OF DIRECTORS:

The Board of Directors of the Company comprises of 3 directors of which all are Non-Executive Directors. The composition of the Board of Directors is in due compliance of the Companies Act, 2013.

Sl. No.	Name of the Director	Designation
1	Ms. Nirupa Shenkar	Non-Executive Director
2	Mr. Amar Shivram Mysore	Non-Executive Director

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3	Mr. Vineet Verma	Non-Executive Director
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In accordance with the Articles of Association of the Company and the provisions of Section 152(6)(e) of the Companies Act, 2013, Mr. Vineet Verma (DIN: 06362115) Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

During the year under review, Mr. Amar Mysore (DIN: 03218587) had been appointed as an Additional Director of the Company with effect from 12th April, 2021 and he was regularised as a Director of the Company by the Shareholders in the Annual General Meeting held on 22nd July, 2021.

During the year under review, Mr. M R Jaishankar has resigned from directorship of the Company with effect from 12th April, 2021. The Board placed on record its appreciation for the role played by him in the development of Company during his tenure as director.

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

BOARD MEETINGS:

During the year under review, the Board of Directors of the Company met 6 (Six) times on the following dates:

Dates on which Board Meetings were Held	Total Strength of the Board	No of Directors Present
12 th April, 2021	3 (Three)	3 (Three)
03 rd May, 2021	3 (Three)	3 (Three)
27 th July, 2021	3 (Three)	3 (Three)
21 st September, 2021	3 (Three)	3 (Three)
27 th October, 2021	3 (Three)	3 (Three)
24 th January, 2022	3 (Three)	2 (Two)

ATTENDANCE OF DIRECTORS AT BOARD MEETINGS:

The Board of Directors of the Company have attended the Board Meetings as per the following details:

Name of the Directors	Board meetings attended in the financial year 2021-22	Attendance in the previous Annual General Meeting held on 22 nd July, 2021
Ms. Nirupa Shankar	6 (Six)	Yes
Mr. Vineet Verma	6 (Six)	Yes
Mr. Amar Shivram Mysore*	4 (Four)	Yes
Mr. M. R. Jaishankar**	1 (One)	Yes

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*Mr. Amar Shivram Mysore was appointed as additional director of the Company with effect from 12th April, 2021.

** Mr. M. R. Jaishankar resigned from the Company with effect from 12th April, 2021.

AUDIT COMMITTEE:

During the year 2021-22, the Audit Committee met 4 times. The dates on which the said meetings were held are as follows:

03rd May, 2021
27th July, 2021
27th October, 2021
24th January, 2022

The composition of the Audit Committee and the details of meetings attended by its members are given below:

SI No.	Name of the Directors	Designation	No. of Committee Meetings during the year 2021-22	
			Held	Attended
1	Mr. Vineet Verma	Chairman	4 (Four)	4 (Four)
2	Ms. Nirupa Shankar	Member	4 (Four)	4 (Four)
3	Mr. Ananda Natarajan	Member	4 (Four)	4 (Four)
4	Mr. Amar Shivram Mysore*	Member	0 (zero)	0 (Zero)

*Mr. Amar Shivram Mysore was appointed as a Member of Audit Committee with effect from 27th October, 2021.

NOMINATION & REMUNERATION (NRC) COMMITTEE:

During the year the Company has reconstituted the Nomination & Remuneration Committee due to resignation of Mr. M.R. Jaishankar.

The Nomination and Remuneration Committee met 2 times during the year. The dates on which the said meetings were held was 12th April, 2021 and 24th January, 2022.

Name of the Committee Member	Designation	No. of Committee Meetings during the year 2021-22	
		Held	Attended
Mr. Vineet Verma	Chairman	2	2
Ms. Nirupa Shankar	Member	2	2
Mr. Amar Shivram Mysore*	Member	2	0
Mr. M.R Jaishankar**	Member	2	1



Mr. Amar Shivram Mysore* was appointed as a Member of the Committee with effect from 27th October, 2021.

Mr. M.R Jaishankar** resigned as a Member of the Committee with effect from 12th April, 2021.

The Company Secretary acts as the Secretary of the Committee.

POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION:

The Directors of the Company are appointed by the members at annual general meetings in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder.

There is no remuneration paid to any directors and the directors are not entitled for any sitting fees for attending the meetings of the Board.

DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors hereby confirm that:

- a) in the preparation of the annual financial statements for the year ended 31st March, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the annual financial statements have been prepared on a going concern basis;
- e) there are proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

KEY MANAGERIAL PERSONNEL:

During the year under review, Ms. Parekh Nidhi R was appointed as the Company Secretary of the Company with effect from 3rd May, 2021.



Mr. Anand Natarajan, Chief Financial Officer, Mr. Arindam Mukherjee, Manager and Ms. Parvati Niddhi R, Company Secretary are the Key Managerial Personnel of the Company in accordance with the provisions of Section 203 of the Companies Act, 2013.

ANNUAL RETURN:

Pursuant to Section 92 (3) of the Companies Act, 2013, a copy of the Annual Return of the Company for the period 31st March, 2022 is uploaded on the holding company's website under the following link: www.brigadegroup.com.

PARTICULARS OF EMPLOYEES:

The Company has 750 employees as on 31st March, 2022. There are no employees in the Company who are in receipt of remuneration in excess of the limits prescribed in section 134 of the Companies Act, 2013 read with the Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during the year. None of the Directors have received any remuneration for attending the Board and Committee Meetings.

STATUTORY AUDITORS:

The members of the Company at the First Annual General Meeting held on 20th September, 2017 approved the appointment of M/s. S. R. Batliboi & Associates LLP, Chartered Accountants (Registration No. 101049W/E300004), Statutory Auditors of the Company for a period of 5 years till the conclusion of Sixth Annual General Meeting, in terms of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014.

Considering their tenure ends in the ensuing Annual General Meeting, the Board hereby recommends the re-appointment of M/s. S. R. Batliboi & Associates LLP, for another term of five years i.e., from the conclusion of the Sixth Annual General Meeting till the conclusion of Eleventh Annual General Meeting based on their strong audit credentials.

The Company has also received the necessary disclosures with regard to their eligibility and willingness to act as the auditor of the company subject to their re-appointment at the ensuing Annual General Meeting. Resolution proposing their re-appointment forms part of the Annual General Meeting notice.

There are no qualifications or adverse remarks in the Statutory Auditors' Report for the financial statements for the year ended 31st March, 2022 which require any explanation from the Board of Directors.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:



The related party transactions undertaken during the financial year 2021-22 as detailed in the notes to accounts of the financial Statements which have been carried out at arm's length basis and in the normal course of business.

BOARD EVALUATION:

Annual evaluation of the performance of the Board, its Committees and of individual directors of the Company for the Financial Year 2021-22 has been made as per the provisions of Companies Act, 2013.

SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of the Companies Act, 2013, the Board of Directors of the Company have appointed Mr. K. Rajshekar, Practicing Company Secretary (CP No. 2468) to conduct the Secretarial Audit for the financial year 2021-22 and his Report on Company's Secretarial Audit is appended as Annexure-2 to this Report.

There are no qualifications or adverse remarks in the Secretarial Audit Report which require any explanation from the Board of Directors.

MATERIAL CHANGES AND COMMITMENTS:

There were no material changes and commitments for the period under review, which significantly affects the financial position of the Company.

SIGNIFICANT OR MATERIAL ORDERS:

During the financial year under review, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in the future.

INTERNAL FINANCIAL CONTROL SYSTEMS:

The Company has adequate internal financial control systems in place with reference to the financial statements.

During the year under review, these controls were evaluated and no significant weakness was identified either in the design or operation of the controls.

RISK MANAGEMENT:

The Board of Directors have been entrusted with the responsibility for establishing policies to monitor and evaluate risk management systems of the Company. The Board reviews the same in the Board meetings regularly and the Internal Audit exercise aids the Board in this evaluation exercise.



The business risks identified are reviewed and a detailed action plan to mitigate identified risks is drawn up and its implementation monitored. The key risks and mitigation actions will also be placed before the Board of Directors of the Company on a periodic basis.

CORPORATE SOCIAL RESPONSIBILITY:

The provisions relating to Corporate Social Responsibility are not applicable to the Company as on 31st March, 2022.

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

A. CONSERVATION OF ENERGY:

The Company is engaged in service sector and has limited energy consumption requirements. However, the company is focusing on optimisation of its energy consumption levels.

B. TECHNOLOGY ABSORPTION: NIL

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year under review, the Company has total foreign earnings of Rs.8,95,66,141/- and foreign outgoings of Rs. 5,94,87,992/-.

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

As a part of the policy for Prevention of Sexual Harassment in the organisation, the Company has framed a policy and constituted a "Internal Committee" for prevention and redressal of complaints on sexual harassment of women at work place in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 and relevant rules thereunder.

The following is a summary of sexual harassment complaints received and disposed off during the year:

- No. of complaints received: Nil
- No. of complaints disposed off: Nil

WHISTLE BLOWER POLICY/VIGIL MECHANISM

As a part of Whistle Blower Policy, the Holding Company i.e. Brigade Enterprises Limited has framed a policy for the Brigade Group as part of vigil mechanism for observing the conduct of Directors and employees and report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of conduct to the Ethics Committee members or the Chairman of the Audit Committee of Holding Company. This mechanism also provides for adequate safeguards against victimization who avail the mechanism.



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COVID-19:

Your Company has also estimated the future cash flows for the Company with the possible effects that may result from the Covid-19 pandemic and does not foresee any adverse impact in realising its assets and in meeting its liabilities as and when they fall due.

The actual impact of the Covid-19 pandemic may be different from that estimated as at the date of approval of these financial results/statements.

OTHER DISCLOSURES:

- Company has complied with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India for the financial year ended 31st March, 2022.
- Pursuant to Section 148(1) of the Companies Act, 2013, Company is not required to maintain any cost records.
- No frauds were reported by the Auditors as specified under Section 143 of the Companies Act 2013 for the financial year ended 31st March, 2022.
- There is no change in the nature of the business of the Company.
- There are no differential voting rights shares issued by the Company.
- There were no sweat equity shares issued by the Company.
- There are no Corporate Insolvency proceedings initiated against the company under Insolvency and Bankruptcy Code, 2016 (IBC).

ACKNOWLEDGEMENTS:

The Directors wish to place on record their appreciation to all the stakeholders for their continued support and patronage. We look forward to your support and co-operation as the Company is entering the next league of growth.

By Order of the Board
For Brigade Hotel Ventures Limited

Place: Bangalore
Date: 29th April, 2022


Nirupa Shankar
Director
DIN: 02750342


Vineet Verma
Director
DIN: 06362115



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Annexure-1

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

(Amount in Lakhs)

Particulars	SRP Prosperita Hotel Ventures Ltd
Reporting period	2021-22
Reporting currency	INR (Lakhs)
Share capital	3634
Other Equity	1644
Total Assets	15,952
Total Liabilities	15,952
Investments	1
Turnover	1337
Profit/Loss before Taxation	(2,136)
Provision for Taxation	(377)
Profit/Loss after Taxation	(1,758)
Other Comprehensive Income	9
Total Comprehensive Income	(1,749)
Proposed Dividend	-
% of Shareholding	50%

Notes:

1. Name of subsidiary which is yet to commence the operations: **NA**
2. Names of subsidiaries which have been liquidated or sold during the year: **NA**

By Order of the Board
For Brigade Hotel Ventures Limited

Place: Bangalore
Date: 29th April, 2022


Nirupa Shankar
Director
DIN: 02750342


Vineet Verma
Director
DIN: 06362115

Form No. 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,

Brigade Hotel Ventures Limited

Bengaluru

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Brigade Hotel Ventures Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **Brigade Hotel Ventures Limited** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Brigade Hotel Ventures 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) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; ♦
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; ♦
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; ♦
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; ♦
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; ♦
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; ♦
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and♦
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998♦
- (vi) Other Laws as are applicable to Hospitality Industry:-
 1. Food Safety and Standards Act, 2006; Food Safety and Standard Rules, 2011; The Prevention of Food Adulteration Act, 1954; Legal Metrology Act, 2009
 2. State Laws such as Shops and Establishment Act, Municipal Laws, Rules and Procedures
 3. Environment (Protection) Act, 1986, Water (Prevention and Control of Pollution) Act,1974
 4. Energy Conservation Act, 2001 and other related State laws governing Fire Services, Lifts, Escalators and Passenger Conveyors, Land/Water Conservation.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- (ii) The listing Agreement entered into by the Company with the Stock Exchange(s), if applicable; ♦

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc, mentioned above.

My opinion is based on audit evidence, explanations and information given to me during the audit and the Management Representation Letter in support that there were no specific non-compliances in respect of the Act, Rules, Regulations, Guidelines, Standards, etc., mentioned above.

I Further Report That

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.^

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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I 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.

I Further Report That during the audit period the company has:

- Appointed Company Secretary with effect from 03.05.2021

Place : Bengaluru

Date : 29th April, 2022

UDIN: F004078D000218369

Signature:

Name of Company Secretary in practice: Rajshekar

FCS No.: 4078

C P No.: 2468



♦ These Laws/Rules/Regulations/Guidelines/Standards are not applicable as the Company is an Unlisted Public Limited Company.

** Note Applicable as there were no instances referred to in this point, during the financial year.*

^ The Company does not have any executive directors. There are no independent directors on the Board as there is no mandatory requirement to appoint them.

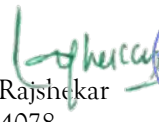
ANNEXURE

To
The Members
Brigade Hotel Ventures Limited
Bengaluru

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place : Bengaluru
Date : 29th April, 22

Signature: 
Name of Company Secretary in practice: Rajshakar
FCS No.: 4078
C P No.: 2468



INDEPENDENT AUDITOR'S REPORT

To the Members of Brigade Hotel Ventures Limited

Report on the Audit of the Financial Statements**Opinion**

We have audited the accompanying financial statements of Brigade Hotel Ventures Limited ("the Company"), which comprise the Balance sheet as at March 31 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Emphasis of Matter

We draw attention to the following notes to the accompanying financial statements:

- i. Note 28 (b) (ii) in connection with an ongoing litigation relating to assessment of property tax. Pending ultimate outcome of the matter, no adjustments have been made in the accompanying financial statements.
- ii. Note 2.3 which describes the management's evaluation of Covid-19 impact on the future business operations and future cash flows of the Company. In view of the uncertain economic conditions, the management's evaluation of the impact on the subsequent periods is highly dependent upon conditions as they evolve.

Our opinion is not modified in respect of these matters.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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, we give in the "Annexure I" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) The matters described in Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.



S.R. BATLIBOI & ASSOCIATES LLP

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- (f) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act:
- (g) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report:
- (h) The Company has not paid any managerial remuneration during the year and hence, provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2022:
- (i) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28 (b) (ii) to the financial statements:
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any provision for material foreseeable losses:
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company:
 - iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 40 (iii) to the financial statements, 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 Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries:

b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 40 (iv) to the financial statements, 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures that were 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 (a) and (b) contain any material misstatement.
 - v. No dividend has been declared or paid during the year by the Company.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Sudhir Kumar Jain
Partner
Membership Number: 213157

UDIN: 22213157AIDCWU4144

Place: Bengaluru
Date: April 29, 2022



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Brigade Hotel Ventures Limited ("the Company")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (a)(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 3.1 to the financial statements included in property, plant and equipment are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder as disclosed in the note 40 (i) to the financial statements.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and the procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification.
- (b) As disclosed in note 15 (iii) to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from a bank during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such bank are in agreement with the books of accounts of the Company.
- (iii) (a) During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) During the year, the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- (c) The Company has granted loans to a company where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.
- (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, limited liability partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.



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- (vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- (vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there have been slight delays in few cases. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues which have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount demanded (Rs. in lakhs)	Amount paid under protest (Rs. in lakhs)	Period to which the amount relates	Forum where the dispute is pending
Karnataka Municipal Corporations Act, 1976 read with Bruhat Bangalore Mahanagara Palike Property Tax Rules, 2009	Property Tax	9,222	1,956	2011-12 to 2021-22	High Court of Karnataka

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year as disclosed in note 40 (v) of the financial statements. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest as applicable thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) Term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) and hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) (a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.
- (b) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.
- (c) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- (xiii) Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Companies Act, 2013 is not applicable to the Company.
- (xiv)(a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has incurred cash losses amounting to Rs. 4,192 lakhs in the current year and amounting to Rs. 5,642 lakhs in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 39 to the financial statements, the ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions and considering the Company's current liabilities exceeds the current assets by Rs. 6,529 lakhs, the Company has obtained the letter of financial support from its holding company, nothing has come to our attention, which causes us to believe 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, further state that this is not an assurance as to the future viability of the Company and our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) of the Order is not applicable to the Company.
- (b) The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(b) of the Order is not applicable to the Company.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Sudhir Kumar Jain
Partner
Membership Number: 213157

UDIN: 22213157AIDCWU4144

Place: Bengaluru
Date: April 29, 2022



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Annexure '2' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Brigade Hotel Ventures Limited ("the Company")

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

We have audited the internal financial controls with reference to the financial statements of Brigade Hotel Ventures Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent 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 with reference to these financial statements 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, 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 with reference to these financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to these financial statements 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 with reference to Financial Statements

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




S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to these financial statements and such internal financial controls with reference to these financial statements were operating effectively as at March 31, 2022, 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.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004


per Sudhir Kumar Jain
Partner
Membership Number: 213157

UDIN: 22213157AIDCWU4144

Place: Bengaluru
Date: April 29, 2022



Brigade Hotel Ventures Limited

Balance Sheet as at March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Notes	March 31, 2022	March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3.1	55,017	59,574
Capital work in progress	4	2,365	2,998
Intangible assets	3.2	192	292
Financial assets			
Investments	5	9,023	8,997
Other non-current financial assets	7	386	380
Deferred tax assets (net)	8	5,665	2,795
Other non-current assets	9	124	262
Assets for current tax (net)		318	542
Sub total		73,090	75,840
Current assets			
Inventories	10	223	202
Financial assets			
Loans	6	2	1
Trade receivables	11	994	1,035
Cash and cash equivalents	12.1	1,056	1,165
Bank balances other than cash and cash equivalents	12.2	2,091	1,225
Other current financial assets	7	154	117
Other current assets	9	3,181	3,256
Sub total		7,701	7,001
Total assets		80,791	82,841
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13.1	100	100
Instruments entirely equity in nature	13.2	28,043	28,043
Other equity	14	(18,948)	(11,964)
Total equity		9,195	16,179
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	15	50,493	44,651
Lease liabilities	29	6,629	6,506
Other non-current financial liabilities	16	173	182
Long term provisions	17	71	102
Sub total		57,366	51,441
Current liabilities			
Financial liabilities			
Borrowings	15	7,778	5,942
Trade payables	19		
- Total outstanding dues of micro enterprises and small enterprises		81	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,738	2,588
Other current financial liabilities	16	2,962	4,983
Other current liabilities	18	1,607	1,649
Short term provisions	17	64	59
Sub total		14,230	15,221
Total equity and liabilities		80,791	82,841

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

per Sudhir Kumar Jain
Partner
Membership no: 213157



Place: Bengaluru
Date: April 29, 2022

For and on behalf of the Board of Directors of
Brigade Hotel Ventures Limited

Vinect Verma
Director
DIN: 06362115

Nirupa Shankar
Director
DIN: 02750342

Ananda Natarajan
Chief Financial Officer

Nidhi Parekh
Company Secretary
M. No. A42436

Arindam Mukherjee
Manager

Place: Bengaluru
Date: April 29, 2022



Brigade Hotel Ventures Limited
Statement of Profit and Loss for the year ended March 31, 2022
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Notes	March 31, 2022	March 31, 2021
Income			
Revenue from operations	20	12,356	6,291
Other income	21	549	137
Total income (i)		12,905	6,428
Expenses			
Cost of materials consumed	22	1,437	944
Employee benefits expense	23	3,259	2,679
Depreciation and amortization expenses	24	4,769	5,737
Finance costs	25	5,290	5,116
Other expenses	26	7,120	4,194
Total expenses (ii)		21,875	18,670
Profit/(loss) before exceptional items and tax (iii) = (i) - (ii)		(8,970)	(12,242)
Exceptional items (iv)			
Stamp duty on demerger	38	944	-
Impairment of property, plant and equipment	3.1	-	500
Provision for diminution in value of investment	5	-	3,000
Profit/(loss) before tax (v) = (iii) - (iv)		(9,914)	(15,742)
Tax expense			
Current tax	8	-	-
Deferred tax charge/(credit)		(2,887)	(3,061)
Total tax expense (vi)		(2,887)	(3,061)
Profit/(loss) for the year (vii) = (v) - (vi)		(7,027)	(12,681)
Other comprehensive income			
Items not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains on defined benefit plans		60	42
Income tax effect - credit/(charge)		(17)	(12)
Other comprehensive income ('OCI') (viii)		43	30
Total comprehensive income / (loss) for the year (ix) = (vii) + (viii) [comprising profit/(loss) and OCI for the year]		(6,984)	(12,651)
Earnings/(loss) per share ('EPS')			
[nominal value of share Rs.10 (March 31, 2021: Rs.10)]	27		
Basic & Diluted EPS (Rs)		(2.48)	(4.50)
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants

ICAI Firm registration number: 101049W/E300004

per Sudhir Kumar Jain
Partner
Membership no. 213157



Place: Bengaluru
Date: April 29, 2022

For and on behalf of the Board of Directors of
Brigade Hotel Ventures Limited

Vineet Verma
Director
DIN: 06362115

Ananda Natarajan
Chief Financial Officer

Arindam Mukherjee
Manager

Place: Bengaluru
Date: April 29, 2022

Nirupa Shankar
Director
DIN: 02700342

Nidhi Parekh
Company Secretary
M. No: A42436



Brigade Hotel Ventures Limited

Statement of cash flow for the year ended March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

Notes	March 31, 2022	March 31, 2021
Cash flows from operating activities		
Profit before tax	(9,914)	(15,742)
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation and amortization expense	4,769	5,737
Impairment of property, plant and equipment	-	500
Provision for diminution in value of investments	-	3,000
Provision for bad and doubtful debts	9	92
Advances written off	130	-
Provision for doubtful advances/(reversal)	(151)	210
Government Grants - Capital subsidy	(36)	-
Bad debts written off	-	70
Interest expense	5,290	5,116
Interest income	(141)	(125)
Operating profit before working capital changes	(44)	(1,142)
Movements in working capital :		
(Decrease) / increase in trade payables	(769)	(476)
(Decrease) / increase in other liabilities	(1,020)	(132)
(Decrease) / increase in provisions	34	(24)
(Increase) / decrease in inventories	(21)	115
(Increase) / decrease in trade receivable	41	149
(Increase) / decrease in loans	(1)	21
(Increase) / decrease in other assets	346	432
Cash generated from operations	(1,434)	(1,057)
Direct taxes (paid)/refunds, net	(64)	(108)
Net cash flow (used in)/from operating activities (A)	(1,498)	(1,165)
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets (including capital work in progress)	(1,319)	(1,529)
Proceeds from sale of property, plant and equipment	-	2
Redemption of bank deposits	-	103
(Investment) in bank deposits	(866)	-
Purchase of non current investments	-	(100)
Receipt of Government Grants - Capital Subsidy	962	-
Interest received	101	100
Net cash flow (used in) investing activities (B)	(1,122)	(1,424)
Cash flows from financing activities		
Proceeds from borrowings	12,330	11,048
Repayment of borrowings	(5,632)	(3,066)
Interest paid	(3,620)	(2,397)
Payment of interest portion of lease liabilities	(567)	(518)
Net cash flow from / (used in) financing activities (C)	2,511	5,067
Net increase in cash and cash equivalents (A + B + C)	(109)	2,478
Cash and cash equivalents at the beginning of the year	1,165	(1,313)
Cash and cash equivalents at the end of the year	1,056	1,165
Components of cash and cash equivalents		
Cash on hand	12	11
With banks - in current accounts	1,044	1,154
Total cash and cash equivalents	1,056	1,165

2.1

Summary of significant accounting policies

Note Refer note 12.1 for changes in liabilities arising from financing activities. Also refer note 29 for non-cash investing activities pertaining to right-of-use assets

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

per Sudhir Kumar Jain

Partner

Membership no. 213157



Place: Bengaluru

Date: April 29, 2022

For and on behalf of the Board of Directors of
Brigade Hotel Ventures Limited

Vineet Verma

Director

DIN: 06362115

Ananda Natarajan
Chief Financial Officer

Arindam Mukherjee
Manager

Place: Bengaluru

Date: April 29, 2022

Nirupa Shankar

Director

DIN: 02750342

Nidhi Parekh
Company Secretary

M. No: A42436



Brigade Hotel Ventures Limited

Statement of changes in Equity for the year ended March 31, 2022
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

A. Equity share capital
(refer note 13.1)

Equity shares of Rs.10 each issued, subscribed and fully paid-up

As at April 01, 2020
Changes during the year
As at March 31, 2021

As at April 01, 2021
Changes during the year
As at March 31, 2022

No. of shares (in Lakhs)	Amount (Rs. in Lakhs)
10	100
-	-
10	100
10	100
-	-
10	100

B. Instruments entirely equity in nature
(refer note 13.2)

Optionally Convertible Redeemable Preference Shares of Rs.100/- each ('OCRPS')

As at April 01, 2020
Changes during the year
As at March 31, 2021

As at April 01, 2021
Changes during the year
As at March 31, 2022

No. of shares (in Lakhs)	Amount (Rs. in Lakhs)
280	28,043
-	-
280	28,043
280	28,043
-	-
280	28,043

C. Other equity
(refer note 14)

As at April 01, 2020
Profit/(loss) for the year
Other comprehensive income
Add: Equity component of interest-free related party loans during the year
Total comprehensive income for the year
As at March 31, 2021

As at April 01, 2021
Profit/(loss) for the year
Other comprehensive income
Total comprehensive income for the year
As at March 31, 2022

Equity component of Compound Financial Instruments	(Rs. in Lakhs)	
	Retained earnings	Total
-	(5,495)	(5,495)
-	(12,681)	(12,681)
-	30	30
6,182	-	6,182
6,182	(12,651)	(6,469)
6,182	(18,146)	(11,964)
6,182	(18,146)	(11,964)
-	(7,027)	(7,027)
-	43	43
-	(6,984)	(6,984)
6,182	(25,130)	(18,948)

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants

ICAI Firm registration number: 101049W/E300004

per Sudhir Kumar Jain
Partner
Membership no.: 213157



Place: Bengaluru
Date: April 29, 2022

For and on behalf of the Board of Directors of
Brigade Hotel Ventures Limited

Vinay Verma
Director
DIN: 06362115

Ananda Natarajan
Chief Financial Officer

Arindam Mukherjee
Manager

Place: Bengaluru
Date: April 29, 2022

Nirupa Shanbar
Director
DIN: 02750342

Nidhi Parekh
Company Secretary
M. No. A42436



Brigade Hotel Ventures Limited
Notes to Financial Statements for the year ended March 31, 2022
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

1. Corporate information

Brigade Hotel Ventures Limited (the 'Company') was incorporated on August 24, 2016. The registered office of the Company is located at 29th Floor & 30th floors, World Trade Center, Brigade Gateway Campus, 26/1, Dr Rajkumar Road, Malleswaram-Rajajinagar, Bangalore 560 055. The Company is carrying on the hospitality business including running and managing hotels.

During the year, the Company has incurred losses of Rs.6,984 lakhs (March 31, 2021: Rs.12,651 lakhs) and as at March 31, 2022, it has accumulated losses of Rs.25,130 lakhs (March 31, 2021: Rs.18,146 lakhs) and total equity of Rs.9,195 lakhs (March 31, 2021: Rs.16,179 lakhs). The Company is in the initial phase of its operations and Brigade Enterprises Limited, the holding company, is committed to provide financial and operational support to the Company for its profitable operations in the foreseeable future.

The financial statements were authorized for issue in accordance with a resolution of the directors on April 29, 2022.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and the Companies (Accounts) Rules, 2014, as amended, and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III), as applicable to the financial statements.

On March 24, 2021, the Ministry of Corporate Affairs (MCA) through a notification, amended Schedule III of the Companies Act, 2013 and the amendments are applicable for financial periods commencing from 1 April 2021. The preparation of financial statements is after taking into consideration the effect of the amended Schedule III. The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

The financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.1 Summary of significant accounting policies

(a) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities. The effect of change in an accounting estimate is recognized prospectively.

(b) Current versus non-current classification

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

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
 - Held primarily for the purposes of trading
 - Expected to be realised within twelve months after the reporting period, or
 - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
 - It is held primarily for the purposes of trading
 - It is due to be settled within twelve months after the reporting period, or
 - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has evaluated and considered its operating cycle as one year and accordingly has reclassified its assets and liabilities into current and non-current.

Assets and liabilities, other than those discussed above, are classified as current to the extent they are expected to be realized/ are contractually repayable within one year from the Balance sheet date and as non-current, in other cases.

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

(c) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.



Brigade Hotel Ventures Limited
Notes to Financial Statements for the year ended March 31, 2022
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the Property, plant and equipment is de-recognized.

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

Costs of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress.

(d) Depreciation on property, plant and equipment

Depreciation is calculated on written down value basis using the following useful lives estimated by the management, which are equal to those prescribed under Schedule II to the Companies Act, 2013:

Category of Asset	Useful lives (in years)
Buildings	60
Plant and machinery	15
Electrical installation and equipment	10
Furniture and fixtures	
▪ Used in hotels, restaurants, etc.	8
▪ Others	10
Computer hardware	
▪ End user devices	3
▪ Server and network equipment	6
Office equipment	5
Motor vehicles	8

For certain hotel-specific assets, depreciation is calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by the management based on technical assessment as below:

Category of Asset	Useful lives (in years)	Schedule II lives (in years)
Buildings	25-30	60
Plant and machinery	15	15
Electrical installation and equipment	10	10
Furniture and fixtures		
▪ Used in hotels, restaurants, etc.	8	8
▪ Others	10	10
Computer hardware		
▪ End user devices	3	3
▪ Server and network equipment	6	6
Office equipment	5	5
Motor vehicles	8	8

The management believes that the above estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.



Brigade Hotel Ventures Limited
Notes to Financial Statements for the year ended March 31, 2022
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

Intangible assets comprising of computer software are amortized on a written down value basis over a period of six years, which is estimated by the management to be the useful life of the asset. In case of certain hotel-specific assets, the intangible assets are amortized on a straight-line basis over a period of six years.

The residual values, useful lives and methods of amortization of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when asset is derecognized.

(f) Impairment

A. Financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired and measures the required expected credit losses through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

B. Non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. 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 an asset's or cash-generating unit's (CGU) net selling price and its value in use. The 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. Where 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. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(g) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Where the Company is lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Company at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets. The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

For lease liabilities at inception, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in the statement of profit and loss.

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Where the Company is lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.



Brigade Hotel Ventures Limited
Notes to Financial Statements for the year ended March 31, 2022
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

(h) Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized/inventorised as part of the cost of the respective asset. All other borrowing costs are charged to statement of profit and loss.

(i) Inventories

Inventories comprising of food, beverages and other items are valued at lower of cost and net realizable value. Cost of inventories is determined on a weighted average basis. Inventories which do not meet the definition of property, plant and equipment are accounted as inventories.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(j) Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other credits, if any, as specified in the contract with the customer. The Company presents revenue from contracts with customers net of indirect taxes in its statement of profit and loss.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer, if any.

The following specific recognition criteria must also be met before revenue is recognized:

Revenue from hospitality services

Revenue from hospitality operations comprise revenue from room charges, food & beverage sales, facility usage charges and allied services, including telecommunication, laundry, etc. Revenue is recognized as and when the services are rendered and is disclosed net of allowances.

Contract balances

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

Trade receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

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

Income from lease rentals

Refer accounting policy under "Leases" above.

Export incentive entitlement

Export incentive entitlements include duty credit scrips are recognised when there is a reasonable assurance that the Company has complied with the conditions attached to them and it is reasonably certain that the ultimate realisation will be made. These are recognized in the period in which the right to receive the same is established, which generally coincides with the period during which the exports eligible for incentives are made.

Interest income

Interest income, including income arising from other financial instruments measured at amortized cost, is recognized using the effective interest rate method.

Dividend income

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

(k) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.



Brigade Hotel Ventures Limited
Notes to Financial Statements for the year ended March 31, 2022
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

Foreign currency transactions and balances

i) Initial recognition - Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion - Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii) Exchange differences - The Company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as income or as expense in the period in which they arise.

(l) Retirement and other employee benefits

Retirement benefits in the form of state governed Employee Provident Fund, Employee State Insurance and Employee Pension Fund Schemes are defined contribution schemes (collectively the 'Schemes'). The Company has no obligation, other than the contribution payable to the Schemes. The Company recognizes contribution payable to the Schemes as expenditure, when an employee renders the related service. The contribution paid in excess of amount due is recognized as an asset and the contribution due in excess of amount paid is recognized as a liability.

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognized in OCI are not to be subsequently reclassified to statement of profit and loss. As required under Ind AS compliant Schedule III, the Company recognizes re-measurement gains and losses on defined benefit plans (net of tax) to retained earnings.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method, made at the end of each financial year. Actuarial gains/losses are immediately taken to the statement of profit and loss. The Company presents the accumulated leave liability as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

(m) Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year.

Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

i. Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

ii. Deferred income tax

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

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, 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 utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax relating to items recognized outside profit or loss is recognized in correlation to the underlying transaction either in OCI or directly in equity.

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



(n) Provisions and contingent liabilities

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of 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. If the effect of the time value of money is material, provisions are discounted 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.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses it in the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

(o) 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 recognised as income in equal amounts over the expected useful life of the related asset.

(p) Financial Instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

- i. Financial assets at fair value through other comprehensive income
Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- ii. Financial assets at fair value through profit or loss
Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in statement of profit and loss.
- iii. Financial assets at amortized cost
Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- iv. Debt instruments at amortized cost
A 'debt instrument' is measured at the amortized cost if both the following conditions are met:
 - a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
 - b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.
- v. Investment in subsidiaries
Investment in subsidiaries are carried at cost. Impairment recognized, if any, is reduced from the carrying value.
- vi. De-recognition of financial asset
The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.
- vii. Financial liabilities
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as payables, as appropriate. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. The subsequent measurement of financial liabilities depends on their classification, which is described below.
- viii. Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.
- ix. Financial liabilities at amortized cost
Financial liabilities are subsequently carried at amortized cost using the effective interest ('EIR') method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into



account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Interest-bearing loans and borrowings are subsequently measured at amortized cost using EIR method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

- x De-recognition of financial liability
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.
- xi Reclassification of financial assets and liabilities
The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial instruments.
- xii Fair value of financial instruments
In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ▶ Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ▶ Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ▶ Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(q) 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. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(r) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

(s) Cash dividend to equity holders of the Company

The Company recognizes a liability to make cash distributions to equity holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

2.2 Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Company's accounting policies, management makes judgment, estimates and assumptions which have the most significant effect on the amounts recognized in the financial statements. The key judgment, estimates and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its judgments and assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. Also refer note 2.3 below



Significant accounting judgements, estimates and assumptions used by management are as below:

Defined benefit plans – Gratuity

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates and expected salary increase thereon.

Useful life and residual value of property, plant and equipment and intangible assets

The useful life and residual value of property, plant and equipment and intangible assets are determined based on evaluation made by the management of the expected usage of the asset, the physical wear and tear and technical or commercial obsolescence of the asset. Due to the judgments involved in such estimates the useful life and residual value are sensitive to the actual usage in future period.

Evaluation of control, joint control or significant influence by the Company over its investee entity for disclosure

Judgment is involved in determining whether the Company has control over an investee entity by assessing the Company's exposure/rights to variable returns from its involvement with the investee and its ability to affect those returns through its power over the investee entity. The Company considers all facts and circumstances when assessing whether it controls an investee entity and reassess whether it controls an investee entity if facts and circumstances indicate that there are changes to one or more elements of control. In assessing whether the Company has joint control over an investee the Company assesses whether decisions about the relevant activities require the unanimous consent of the parties sharing control. Further, in assessing whether Company has significant influence over an investee, the Company assesses whether it has the power to participate in the financial and operating policy decisions of the investee, but is not in control or joint control of those policies.

Measurement of financial instruments at amortized cost

Financial instrument are subsequently measured at amortized cost using the effective interest ("EIR") method. The computation of amortized cost is sensitive to the inputs to EIR including effective rate of interest, contractual cash flows and the expected life of the financial instrument. Changes in assumptions about these inputs could affect the reported value of financial instruments.

2.3 Covid-19 pandemic

The outbreak of Covid-19 pandemic globally and in India has caused significant disturbance and slowdown of economic activities. Due to Covid-19 pandemic, the Company's operations were slowed down during the current and previous years and accordingly the financial statements for the year ended March 31, 2022 are adversely impacted and not fully comparable with those of the earlier year.

The Company's management has considered the possible effects that may result from the Covid-19 pandemic on the carrying value of assets including property, plant and equipment, capital work-in-progress, investments, inventories, loans and receivables. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company, as at the date of the approval of these Ind AS financial statements has used internal and external sources of information to assess the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on the current estimates, the Company expects that the carrying amount of these assets, as reflected in the balance sheet as at March 31, 2022 are fully recoverable.

The Company's management has also estimated the future cash flows for the Company with the possible effects that may result from the Covid-19 pandemic and does not foresee any adverse impact in realising its assets and in meeting its liabilities as and when they fall due. The actual impact of the Covid-19 pandemic may be different from that estimated as at the date of approval of these financial statements.



Brigade Hotel Ventures Limited

Notes to financial statements for the year ended March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

3.1 Property, plant and equipment

	Freehold land	Leasehold land*	Buildings	Plant & machinery	Electrical installation	Office equipment	Computer hardware	Motor vehicles	Furniture & fixtures	Total
Cost										
At April 01, 2020	2,326	5,729	53,290	8,051	3,770	6,052	1,168	162	14,630	95,178
Additions	-	-	16	27	7	2	12	-	11	75
Disposals/Adjustments	-	-	-	-	-	-	-	-	(3)	(3)
At March 31, 2021	2,326	5,729	53,306	8,078	3,777	6,054	1,180	162	14,638	95,250
Additions	716	-	-	27	-	25	1	-	7	776
Disposals/Adjustments	-	-	(664)	-	-	-	-	-	-	(664)
At March 31, 2022	3,042	5,729	52,642	8,105	3,777	6,079	1,181	162	14,645	95,362
Depreciation										
At April 01, 2020	-	151	9,788	3,076	1,477	3,573	627	72	10,233	28,997
Charge for the year	-	160	2,017	693	490	933	261	17	1,009	5,580
Disposals	-	-	-	-	-	-	-	-	(1)	(1)
At March 31, 2021	-	311	11,805	3,769	1,967	4,506	888	89	11,241	34,576
Charge for the year	-	160	1,941	597	385	648	136	14	788	4,669
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2022	-	471	13,746	4,366	2,352	5,154	1,024	103	12,029	39,245
Impairment										
At April 01, 2020	-	-	385	71	35	39	-	-	70	600
Charge for the year	-	-	390	48	11	22	-	-	29	500
Reversal	-	-	-	-	-	-	-	-	-	-
At March 31, 2021	-	-	775	119	46	61	-	-	99	1,100
Charge for the year	-	-	-	-	-	-	-	-	-	-
Reversal	-	-	-	-	-	-	-	-	-	-
At March 31, 2022	-	-	775	119	46	61	-	-	99	1,100
Net book value										
At March 31, 2021	2,326	5,418	40,726	4,190	1,764	1,487	292	73	3,298	59,574
At March 31, 2022	3,042	5,258	38,121	3,620	1,379	864	157	59	2,517	55,017

Impairment Loss

During the year ended March 31, 2021 and March 31, 2020, impairment loss of Rs. 500 lakhs and Rs. 600 lakhs, respectively, was recognised in the statement of profit and loss as exceptional item, which represented the write-down value of certain property, plant and equipment to its recoverable amount as a result of the impact of Covid-19 pandemic. The recoverable amount of such property, plant and equipment was based on value in use and was determined at the level of the cash generating unit (CGU) being individual hotel property.

Assets under construction

Refer note 4 for details of capital work in progress

Assets pledged

Refer note 15 for details of assets pledged as security for borrowings.

Assets leased

* Leasehold land represents Right-of-use assets. Also refer note 29 for details

Title deeds of immovable properties

The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) included in property, plant and equipment are held in the name of the Company.

The property, plant and equipment of the Company include land, buildings and other assets with a gross carrying value of Rs. 35,168 lakhs, which were acquired by the Company from its Holding Company - Brigade Enterprises Limited pursuant to the Scheme of Arrangement between the Company and its Holding Company and their respective shareholders and creditors in terms of the provisions of Sections 230 to 232 of the Companies Act, 2013 to transfer the hotel business undertakings, including the aforesaid land, buildings and other assets, to the Company (hereinafter referred to as "the Scheme"). The Scheme was approved by National Company Law Tribunal ("NCLT") on March 13, 2018 with an appointed date of October 01, 2016 and was filed with the Registrar of Companies, Karnataka on April 01, 2018.



3.2 Intangible Assets

	Computer Software	Total
Cost		
At April 01, 2020	754	754
Additions	-	-
Disposals	-	-
At March 31, 2021	754	754
Additions	-	-
Disposals	-	-
At March 31, 2022	754	754
Amortization		
At April 01, 2020	305	305
Charge for the year	157	157
Disposals	-	-
At March 31, 2021	462	462
Charge for the year	100	100
Disposals	-	-
At March 31, 2022	562	562
Net book value		
At March 31, 2021	292	292
At March 31, 2022	192	192

4 Capital work in progress

	Property Plant and Equipment	Total
At April 01, 2020	2,935	2,935
Additions during the year	98	98
Less: Capitalised during the year	(35)	(35)
At March 31, 2021	2,998	2,998
Additions during the year	101	101
Less: Capitalised during the year	(734)	(734)
At March 31, 2022	2,365	2,365

Capital work in progress ageing schedule

	Amount in Capital work in progress for the period of				Total
	<1 Year	1-2 years	2-3 years	>3 years	
As at March 31, 2022					
Projects in progress	101	131	474	1659	2,365
Projects temporarily suspended	-	-	-	-	-
Total	101	131	474	1,659	2,365
As at March 31, 2021					
Projects in progress	149	474	1,133	1,242	2,998
Projects temporarily suspended	-	-	-	-	-
Total	149	474	1,133	1,242	2,998

Assets pledged

Refer note 15 for details of assets pledged as security for borrowings



Brigade Hotel Ventures Limited

Notes to financial statements for the year ended March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

5 Non-Current Investments

	March 31, 2022	March 31, 2021
A. Investments carried at cost		
<i>Investment in equity instruments of subsidiaries</i>		
2.02 lakhs (March 31, 2021: 2.02 lakhs) Equity shares of Rs.10/- each fully paid up in SRP Prosperita Hotel Ventures Limited ('PHVL')	8,375	8,375
Less: Impairment loss *	(3,000)	(3,000)
	<u>5,375</u>	<u>5,375</u>
<i>Investment in preference shares of subsidiaries</i>		
32.44 lakhs (March 31, 2021: 32.44 lakhs) 0.01% A Series Compulsory Convertible Preference shares of Rs.100/- each fully paid up in PHVL	3,244	3,244
<i>Investment in other equity of subsidiaries</i>		
PHVL (Other equity upon subscription of 0.01% Non-convertible Debentures in PHVL)	155	155
Total Investments carried at cost (A)	<u>8,774</u>	<u>8,774</u>
B. Investments at amortised cost		
<i>Investment in debentures of subsidiaries</i>		
3.58 lakhs (March 31, 2021: 3.58 lakhs) 0.01% Non- Convertible Debentures of Rs. 100/- each fully paid up in PHVL	249	223
Total Investments at amortised cost (B)	<u>249</u>	<u>223</u>
Total Investments (A+B)	<u><u>9,023</u></u>	<u><u>8,997</u></u>
a) Aggregate amount of quoted investments	-	-
b) Aggregate amount of other investments	9,023	8,997
c) Aggregate amount of impairment in value of investments	3,000	3,000

* During the year ended March 31, 2021, an impairment loss of Rs. 3,000 Lakhs was recognised in the statement of profit and loss as an exceptional item, which represented write-down of value of investment of the Company in PHVL, which owns and operates a hotel in Chennai, to its recoverable amount as above, as a result of the impact of Covid-19 pandemic.

6 Loans

(Unsecured, considered good)

	Non-current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Loans to employees	-	-	2	1
	<u>-</u>	<u>-</u>	<u>2</u>	<u>1</u>

7 Other financial assets

(Unsecured, considered good)

	Non-current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Margin money deposits with banks*	303	299	-	-
Security deposit	83	81	75	78
Interest accrued and not due on investment in deposits	-	-	47	34
Unbilled revenue	-	-	32	5
	<u>386</u>	<u>380</u>	<u>154</u>	<u>117</u>

*Margin money deposits have been made towards borrowings, letter of credit and bank guarantee facilities availed by the Company from banks. Refer note 15 for details of deposits pledged as security for borrowings.



Brigade Hotel Ventures Limited

Notes to financial statements for the year ended March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

8 Income tax

a) Deferred tax

	March 31, 2022	March 31, 2021
<i>Deferred tax liabilities</i>		
Fixed assets - Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting (including impact of lease accounting)	990	1,156
Impact of accounting for financial instruments at amortised cost	2,079	2,355
Gross deferred tax liabilities	3,069	3,521
<i>Deferred tax assets</i>		
Unused tax losses	8,452	6,057
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes in subsequent years	282	249
Gross deferred tax assets	8,734	6,316
Net deferred tax assets	5,665	2,795

Note: The Taxation Laws (Amendment) Ordinance, 2019 ('the Ordinance') provides an option to domestic companies to pay income-tax at a lower rate of 25.17% instead of the normal rate of 29.12% (as applicable to the Company), if it opts for not availing of certain specified exemptions or incentives. The Company has made an assessment of the impact of the Ordinance and has decided to not opt for the lower tax rate of 25.17%. Consequently, the Company has continued to measure the current and deferred taxes at the normal rate of 29.12%.

The unused tax losses can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year in which the loss was first computed and would expire if not utilised starting from financial year 2030-31.

b) Tax expense

The major components of income tax expense for the years ended March 31, 2022 and March 31, 2021 are:

Statement of Profit and Loss

	March 31, 2022	March 31, 2021
<i>Profit or Loss section</i>		
Current tax		
Current income tax charge	-	-
Deferred tax credit		
Relating to origination and reversal of temporary differences	(2,887)	(3,061)
Income tax expense/(credit) reported in the statement of profit and loss	(2,887)	(3,061)
<i>OCI Section</i>		
Deferred tax related to items recognised in OCI during the year		
Income tax relating to re-measurement (gains)/ losses on defined benefit plans	17	12
Income tax expense/(credit) reported in OCI	17	12

c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

	March 31, 2022	March 31, 2021
Accounting profit/(loss) before income tax	(9,914)	(12,242)
Statutory income tax rate	29.12%	29.12%
Tax on accounting profit/(loss) at statutory income tax rate	(2,887)	(3,565)
Tax effect of other items, net	-	504
Tax expense reported in the statement of profit and loss	(2,887)	(3,061)

d) Reconciliation of deferred tax asset (net)

	March 31, 2022	March 31, 2021
Opening balance	2,795	2,286
Deferred tax recognised in profit or loss	2,887	3,061
Deferred tax recognised in other equity	-	(2,540)
Deferred tax recognised in OCI	(17)	(12)
Closing balance of deferred tax assets	5,665	2,795



Brigade Hotel Ventures Limited

Notes to financial statements for the year ended March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

**9 Other assets
(Unsecured)**

	Non-current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Considered good				
Balances with statutory / government authorities	-	-	2,790	2,929
Advance to suppliers	-	-	179	145
Capital advances	124	262	-	-
Prepaid expenses	-	-	212	182
Credit impaired				
Balances with statutory / government authorities	-	-	-	210
	124	262	3,181	3,466
Impairment allowance (provision for doubtful advances)				
- Balances with statutory / government authorities	-	-	-	(210)
	124	262	3,181	3,256

Movement in provision for doubtful advances:

	March 31, 2022	March 31, 2021
Balance at the beginning of the year	210	-
Add: Provision made during the year	-	210
Less: Provision written back during the year	(151)	-
Less: Adjusted during the year	(59)	-
Balance at the end of the year	-	210

10 Inventories

(valued at lower of cost and net realisable value)

	March 31, 2022	March 31, 2021
Food and beverages	192	174
Stores and spares	31	28
	223	202

For details of inventories pledged as security for borrowings refer note 15.

11 Trade receivables

(unsecured)

	March 31, 2022	March 31, 2021
Trade receivables - considered good		
Receivables from related parties (refer note 30)	77	115
Receivables from others parties	917	920
Trade receivables - credit impaired	149	140
Total trade receivables	1,143	1,175
Impairment allowance (allowance for bad and doubtful debts)		
Trade receivables - credit impaired	(149)	(140)
Total trade receivables	994	1,035

Note: Refer note 15 for details of trade receivables pledged as security for borrowings.

a. Details of provision for impairment is as below:

	March 31, 2022	March 31, 2021
Balance at the beginning of the year	140	118
Add: Provision made during the year	9	92
Less: Adjusted during the year	-	(70)
Balance at the end of the year	149	140

Note: Trade receivables are non-interest bearing and are generally on terms of period upto 1 month.

b. Trade receivables ageing schedule:

Particulars	Outstanding for the following periods from due date of payment					Total
	< 6 months	6 months-1 year	1-2 years	2-3 years	> 3 Years	
March 31, 2022						
Undisputed trade receivables - considered good	696	42	2	13	17	770
Undisputed trade receivables - credit impaired	9	10	11	18	-	48
Disputed trade receivables - considered good	-	-	-	149	75	224
Disputed trade receivables - credit impaired	-	-	-	7	94	101
Total	705	52	13	187	186	1,143
March 31, 2021						
Undisputed trade receivables - considered good	685	25	81	20	-	811
Undisputed trade receivables - credit impaired	8	15	16	-	-	39
Disputed trade receivables - considered good	-	-	149	75	-	224
Disputed trade receivables - credit impaired	-	-	7	94	-	101
Total	693	40	253	189	-	1,175



Brigade Hotel Ventures Limited

Notes to financial statements for the year ended March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

12.1 Cash and cash equivalents

	March 31, 2022	March 31, 2021
Balances with banks:		
- in current accounts	1,044	1,154
Cash on hand	12	11
	1,056	1,165

Changes in liabilities arising from financing activities:

Particulars	Non-current portion of borrowings	Current borrowings (including current portion)	Interest accrued and not due on borrowings	Total
Balance as at April 01, 2020	43,599	6,743	1,132	51,474
Cash inflows	11,048	-	-	11,048
Cash outflows	(3,066)	-	-	(3,066)
Finance costs charged off	-	-	5,116	5,116
Interest paid (including on lease liability)	-	-	(2,915)	(2,915)
Interest payable converted to loan - related party loans	1,393	-	(1,393)	-
Interest payable converted to loan - bank loans	1,219	-	(1,219)	-
Notional interest on related party loan added to loan	602	-	(602)	-
Bank overdraft (forming part of cash and cash equivalents)	-	(2,223)	-	(2,223)
Equity component of interest-free related party loan and tax effect	(8,722)	-	-	(8,722)
Interest payable on lease liabilities disclosed under 'Lease liabilities' (refer note 29)	-	-	(119)	(119)
Others*	(1,422)	1,422	-	-
Balance as at March 31, 2021	44,651	5,342	-	50,593
Cash inflows	12,330	-	-	12,330
Cash outflows	(5,632)	-	-	(5,632)
Finance costs charged off	-	-	5,290	5,290
Interest paid (including on lease liability)	-	-	(4,187)	(4,187)
Notional interest on related party loan added to loan	980	-	(980)	-
Bank overdraft (forming part of cash and cash equivalents)	-	-	-	-
Interest payable on lease liabilities disclosed under 'Lease liabilities' (refer note 29)	-	-	(123)	(123)
Others*	(1,836)	1,836	-	-
Balance as at March 31, 2022	50,493	7,778	-	58,271

* Others indicate the effect of movement in reclassification of current portion of long-term borrowings to other financial liabilities basis the balance repayment period.

12.2 Bank balances other than cash and cash equivalents

	Non-current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Balances with banks:				
Margin money deposits	303	299	-	-
Deposits with maturity of more than 3 months but not more than 12 months	-	-	2,091	1,225
	303	299	2,091	1,225
Less: Margin money deposits with banks disclosed under non-current financial assets (refer note 7)	(303)	(299)	-	-
	-	-	2,091	1,225

Break up of financial assets carried at amortised cost

	March 31, 2022	March 31, 2021
Investments (note 5)	249	223
Loans (note 6)	2	1
Other financial assets (note 7)	540	437
Trade receivables (note 11)	994	1,005
Cash and cash equivalents (note 12.1)	1,056	1,165
Bank balances other than cash and cash equivalents (note 12.2)	2,091	1,225
	4,932	4,145



Brigade Hotel Ventures Limited

Notes to financial statements for the year ended March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

13.1 Equity share capital

Authorised share capital

	March 31, 2022		March 31, 2021	
	No. in lakhs	Rs.	No. in lakhs	Rs.
Equity shares of Rs.10 each:				
Balance at the beginning of the year	90	900	90	900
Changes during the year	-	-	-	-
Balance at the end of the year	90	900	90	900

Issued, subscribed and fully paid-up share capital

	March 31, 2022		March 31, 2021	
	No. in lakhs	Rs.	No. in lakhs	Rs.
Equity shares of Rs.10 each:				
Balance at the beginning of the year	10	100	10	100
Changes during the year	-	-	-	-
Balance at the end of the year	10	100	10	100

Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(a) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

	March 31, 2022	March 31, 2021
Brigade Enterprises Limited, the holding company		
10 lakhs (March 31, 2021 - 10 lakhs) Equity shares of Rs.10 each	100	100

(b) Details of shareholders holding more than 5% shares in the company:

	March 31, 2022		March 31, 2021	
	No. in lakhs	% holding	No. in lakhs	% holding
Equity shares of Rs.10 each fully paid				
Brigade Enterprises Limited, the holding company	10	100%	10	100%

(c) Shares held by promoters

As at March 31, 2022

Promoter Name	No. of shares at the beginning of the year (in lakhs)	Change during the year	No. of shares at the end of the year (in lakhs)	% of Total Shares	% change during the year
Equity shares of Rs.10 each fully paid					
Brigade Enterprises Limited, the holding company	10	-	10	100.00%	-

As at March 31, 2021

Promoter Name	No. of shares at the beginning of the year (in lakhs)	Change during the year	No. of shares at the end of the year (in lakhs)	% of Total Shares	% change during the year
Equity shares of Rs.10 each fully paid					
Brigade Enterprises Limited, the holding company	10	-	10	100.00%	-



Brigade Hotel Ventures Limited

Notes to financial statements for the year ended March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

13.2 Instruments entirely equity in nature

Authorised share capital	March 31, 2022		March 31, 2021	
	No. in lakhs	Rs.	No. in lakhs	Rs.
Optionally Convertible Redeemable Preference Shares of Rs.100 each ('OCRPS'):				
Balance at the beginning of the year	281	28,100	281	28,100
Changes during the year	-	-	-	-
Balance at the end of the year	281	28,100	281	28,100

Issued, subscribed and fully paid- up share capital	March 31, 2022		March 31, 2021	
	No. in lakhs	Rs.	No. in lakhs	Rs.
OCRPS of Rs.100 each:				
Balance at the beginning of the year	280	28,043	280	28,043
Changes during the year	-	-	-	-
Balance at the end of the year	280	28,043	280	28,043

Terms of conversion/ redemption of OCRPS

OCRPS has been issued carrying a coupon of 0.01% (point zero one per cent) per annum calculated on the face value of such OCRPS. The holder of OCRPS may at any time prior to the expiry of 20 (twenty) years exercise the option to convert the OCRPS to equity shares. Each OCRPS shall be convertible into 10 (ten) equity shares or lesser number based on the consent of the holder.

The holder has confirmed compulsory conversion of the OCRPS into equity shares after the end of 5 (five) years and accordingly OCRPS has been recorded and disclosed as "Instruments entirely equity in nature".

The holder of OCRPS shall be entitled to voting rights as per the Companies Act, 2013.

(a) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

	March 31, 2022	March 31, 2021
Brigade Enterprises Limited, the holding company		
280,43,000 (March 31, 2021 - 280,43,000) OCRPS of Rs 100 each	28,043	28,043

(b) Details of shareholders holding more than 5% shares in the company:

	March 31, 2022		March 31, 2021	
	No. in lakhs	% holding	No. in lakhs	% holding
OCRPS of Rs. 100 each :				
Brigade Enterprises Limited, the holding company	280	100%	280	100%

(c) Shares held by promoters

As at March 31, 2022

Promoter Name	No. of shares at the beginning of the year (in lakhs)	Change during the year	No. of shares at the end of the year (in lakhs)	% of Total Shares	% change during the year
OCRPS of Rs. 100 each :					
Brigade Enterprises Limited, the holding company	280	-	280	100.00%	-

As at March 31, 2021

Promoter Name	No. of shares at the beginning of the year (in lakhs)	Change during the year	No. of shares at the end of the year (in lakhs)	% of Total Shares	% change during the year
OCRPS of Rs. 100 each :					
Brigade Enterprises Limited, the holding company	280	-	280	100.00%	-



Brigade Hotel Ventures Limited

Notes to financial statements for the year ended March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

14 Other equity

	March 31, 2022	March 31, 2021
Equity Component of Compound Financial Instruments*		
Balance at the beginning of the year	6,182	-
Add: Equity component of interest-free related party loans during the year	-	6,182
Balance at end of the year (A)	6,182	6,182
Retained earnings / (deficit)		
Balance at the beginning of the year	(18,146)	(5,495)
Loss for the year	(7,027)	(12,931)
Other comprehensive income for the year**	43	30
Balance at the end of the year (B)	(25,130)	(18,146)
Total other equity (A+B)	(18,948)	(11,964)

* Equity component of compound financial instruments (i.e., interest-free related party loans) represents the residual amount after deducting from the fair value of the instrument as a whole the amount separately determined for the liability component and tax effect thereon.

** As required under Ind AS compliant Schedule III, the Company has recognised re-measurement gains/(losses) of defined benefit plans (net of tax) of Rs.43 lakhs [March 31, 2021: Rs.30 lakhs] as part of retained earnings.



Brigade Hotel Ventures Limited

Notes to financial statements for the year ended March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

15 Borrowings

	Effective interest rate	Maturity period	March 31, 2022	March 31, 2021
Non-current borrowings				
Term loan from banks (secured)	7-12%	Upto 2031	41,343	36,481
Loans from related parties (unsecured refer note 30)	Note (ii)	Note (ii)	9,150	8,170
			50,493	44,651
Current borrowings				
Current maturities of non-current borrowings (Secured)	7-12%	Upto 2031	7,778	5,942
Total Current borrowings			7,778	5,942

Notes:

(i) Term loan from banks are secured by way of mortgage of hotel project properties, assignment of certain current assets and future receivables. The loans carry interest rate in the range of 7-12% and are repayable over period upto 132 monthly instalments of upto Rs.950 lakhs.

(ii) Loan from related parties are unsecured and carries interest of 12% and are repayable in 2025. On July 1, 2020, the Company and its Holding Company entered into an agreement for interest-free unsecured loan of upto Rs.20,000 lakhs and repayable in quarterly instalments of Rs.1,000 lakhs each from June 2025 to March 2030. The existing loan payable of Rs.11,274 lakhs as on June 30, 2020 (Principal - Rs.9,881 lakhs and Interest payable - Rs.1,393 lakhs) was converted into interest-free loan as part of the aforesaid agreement. The Company has drawn loan of Rs.500 lakhs and Rs.5,016 lakhs during the period April 1, 2020 to June 30, 2020 and July 1, 2020 to March 31, 2021, respectively. The Company has accounted the aforesaid loan, being interest-free in nature, as compound financial instruments in accordance with Ind AS 32 with effective interest rate of 12%.

(iii) The quarterly returns / statements filed by the Company with banks under the borrowings arrangements are in agreement with the books of accounts of the Company.

(iv) With regard to the borrowings from banks, the Company has utilised the loans solely for the purposes for which they were taken.

16 Other financial liabilities

	Non-Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Lease deposits	173	182	-	-
Payable towards purchase of property, plant and equipment	-	-	2,565	4,543
Employee benefits payable	-	-	177	220
Interest free deposits from customers	-	-	220	220
	173	182	2,962	4,983



Brigade Hotel Ventures Limited

Notes to financial statements for the year ended March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

17 Provisions	Non-Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Provision for employee benefits				
Provision for gratuity (refer note 34)	71	102	20	21
Provision for leave encashment	-	-	44	38
	71	102	64	59

18 Other liabilities	Current	
	March 31, 2022	March 31, 2021
Advance from customers	460	391
Deferred government grants*	926	-
Deferred lease income	136	136
Statutory dues payable	85	1,122
	1,607	1,649

* The Company has received grants in the nature of capital subsidy, interest subsidy and electricity duty subsidy of Rs. 1,056 lakhs under the Tourism Policy for the State of Gujarat (2015-2020) from the government of Gujarat for the purpose of construction of a hotel property in GIFT city, Gujarat. The capital subsidy is towards capital investment made by the Company in the hotel property. Accordingly, amount of capital subsidy received is treated as a deferred government grant and is recognised as income in the statement of profit and loss on a systematic basis over the useful life of the asset. The interest subsidy and electricity duty subsidy are towards the costs incurred by the Company towards construction of the hotel property and the same has been recognised as income in the statement of profit and loss to the extent of the corresponding expenses incurred by the Company.

19 Trade payables	March 31, 2022		March 31, 2021	
	Trade payables			
- Total outstanding dues of micro and small enterprises (refer note 37)		81		-
- Total outstanding dues of creditors other than micro and small enterprises				
- Payable to related parties (refer note 30)		58		25
- Payable to other parties		1,680		2,563
		1,819		2,588

Trade payables ageing schedule:

Particulars	Unbilled and not due	Outstanding for the following periods from due date of payment					Total
		< 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	> 3 Years	
March 31, 2022							
MSME	-	81	-	-	-	-	81
Others	789	691	47	5	27	179	1,738
Disputed dues -MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
Total	789	772	47	5	27	179	1,819
March 31, 2021							
MSME	-	-	-	-	-	-	-
Others	654	1,363	28	353	142	48	2,588
Disputed dues -MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
Total	654	1,363	28	353	142	48	2,588

Break up of financial liabilities carried at amortised cost

	March 31, 2022	March 31, 2021
Non-current borrowings (note 15)	50,493	44,651
Current borrowings (note 15)	7,778	5,942
Other financial liabilities (note 16)	3,135	5,165
Lease liabilities (note 29)	6,629	6,505
Trade payables (note 19)	1,819	2,588
	69,854	65,251



Brigade Hotel Ventures Limited

Notes to financial statements for the year ended March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

20 Revenue from operations

	March 31, 2022	March 31, 2021
Revenue from contracts with customers		
- Revenue from hospitality services	12,052	6,065
Income from leasing	304	226
	12,356	6,291

20.1 Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers by timing of transfer of goods or services:

Revenue from contracts with customers	March 31, 2022	March 31, 2021
Revenue from hospitality services - Recognised over time	12,052	6,065

20.2 Contract balances

	March 31, 2022	March 31, 2021
Trade receivables	994	1,035
Unbilled revenue	32	5
	1,026	1,040
Advance from customers	460	391
	460	391

Trade receivables are generally on credit terms of upto 90 days.

Unbilled revenue pertains to transactions where performance obligation has been satisfied and contractual invoices have not been raised.

Contract liabilities includes advance from customers and deferred revenue representing transaction price allocated to unsatisfied performance obligations. The outstanding balance has decreased primarily on account of recognition of revenue in current year.

Revenue recognised during the year that was included in the contract liabilities balance at the beginning of the year:	391	292
--	-----	-----

21 Other income

	March 31, 2022	March 31, 2021
Interest income on:		
Bank deposits	97	91
Loans to related parties	27	20
Others	17	14
Government grants	174	-
Provisions no longer required written back	151	-
Miscellaneous income	83	12
	549	137

22 Cost of materials consumed

	March 31, 2022	March 31, 2021
Inventory at the beginning of the year	202	317
Add: Purchases during the year	1,458	829
	1,660	1,146
Less: Inventory at the end of the year	(223)	(202)
	1,437	944



Brigade Hotel Ventures Limited
Notes to financial statements for the year ended March 31, 2022
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

23 Employee benefits expense

Salaries, wages and bonus
Contribution to provident and other funds
Staff welfare expenses

March 31, 2022	March 31, 2021
2,842	2,356
217	172
200	151
3,259	2,679

24 Depreciation and amortization expense

Depreciation of property, plant and equipment (refer note 3.1)
Amortization of intangible assets (refer note 3.2)

March 31, 2022	March 31, 2021
4,669	5,580
100	157
4,769	5,737

25 Finance costs

Interest
on bank borrowings
on related party borrowings (refer note 30)
on lease liabilities
Other borrowing costs

March 31, 2022	March 31, 2021
3,555	3,545
980	883
690	637
65	51
5,290	5,116

26 Other expenses

Power and fuel
Rent (refer note 29)
Repairs & maintenance
Buildings
Plant & machinery
Others
Sub-contracting expenses
Consumable costs
Insurance
Rates and taxes
Payment to auditor (refer note below)
Property taxes
Advertising and sales promotion
Agency commission
Security charges
Provision for bad and doubtful debts
Provision for doubtful advances
Bad debts written off
Advances written off
Training and recruitment expenses
Legal and professional charges
Printing and stationery expenses
Travelling & conveyance
Communication expenses
Exchange difference (net)
Miscellaneous expenses

March 31, 2022	March 31, 2021
1,545	1,035
66	74
108	66
153	137
137	71
522	357
419	191
136	140
249	261
11	12
1,879	437
167	117
430	162
11	13
9	92
-	210
-	70
130	-
11	13
656	417
46	22
218	144
113	107
9	3
95	43
7,120	4,194

Payment to auditors (excluding goods and service tax):

As auditor: Audit fees
Certification fee

March 31, 2022	March 31, 2021
11	11
-	1
11	12



Brigade Hotel Ventures Limited

Notes to financial statements for the year ended March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

27 Earnings/(Loss) per share ('EPS')

Basic EPS amounts are calculated by dividing the profit or loss attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit or loss attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computation:

	<u>March 31, 2022</u>	<u>March 31, 2021</u>
Profit/(Loss) attributable to equity shareholders	(6,984)	(12,651)
Effect of dilution	-	-
Profit/(Loss) attributable to equity shareholders adjusted for the effect of dilution	(6,984)	(12,651)
Weighted average number of equity shares for basic EPS (No. in lakhs) [includes 2,804 lakhs (March 31, 2021: 2,804 lakhs) equity shares to be issued on conversion of OCRPS being a mandatorily convertible instrument. Also refer note 13.2]	2,814	2,814
Effect of dilution	-	-
Weighted average number of equity shares adjusted for the effect of dilution	2,814	2,814

Note: The impact of OCRPS, being a mandatorily convertible instrument, has not been considered in the computation of diluted EPS as the same has already been included in the computation of basic EPS.

28 Commitments and contingencies

a. Capital commitment

The estimated amount of contracts (net of capital advance) remaining to be executed on capital account not provided for is Rs. 4,273 lakhs (March 31, 2021: Rs. 5,229 lakhs).

b. Contingent liabilities

	<u>March 31, 2022</u>	<u>March 31, 2021</u>
(i) Bank guarantees	427	427
(ii) Demand from BBMP towards property tax under litigation*	7,266	-
	<u>7,693</u>	<u>427</u>

*The Company has been discharging property tax in respect of its hotel properties. In this regard, the Company has received a demand notice from the municipal authority assessing the property tax for certain hotel property for the period from financial year 2011-12 to financial year 2021-22 resulting in demand of Rs.9,222 lakhs including interest and penalty thereon and the Company has subsequently paid Rs.1,956 lakhs under protest, which is provided for. The Company has litigated the said notice by filing a writ petition before the High Court of Karnataka, which is pending hearing. The Company is reasonably confident of a favourable outcome in respect of the aforesaid matter based on the management's evaluation and the legal opinion obtained by the management. Pending ultimate outcome of the matter, no adjustments have been made in the accompanying financial statements.

(iii) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.



Brigade Hotel Ventures Limited

Notes to financial statements for the year ended March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

29 Leases

A. Company as Lessee during the year

Set out below are the carrying amount of right-of-use assets recognised and movements during the year:

	Right of use assets (Leasehold land)
Balance as at April 01, 2020	5,578
Additions during the year	-
Depreciation during the year	(160)
Balance as at March 31, 2021	5,418
Additions during the year	-
Depreciation during the year	(160)
Balance as at March 31, 2022	5,258

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	Lease liabilities
Balance as at April 01, 2020	6,387
Accretion of interest	637
Payment of interest portion of lease liabilities	(518)
Balance as at March 31, 2021	6,506
Accretion of interest	690
Payment of interest portion of lease liabilities	(567)
Balance as at March 31, 2022	6,629

	March 31, 2022	March 31, 2021
Non-current lease liabilities	6,629	6,506
Current lease liabilities	-	-
Total	6,629	6,506

Statement of profit and loss

	March 31, 2022	March 31, 2021
Depreciation expense of right-of-use assets	160	160
Interest expense on lease liabilities	690	637
Expense relating to short-term leases (included in other expenses under rent)	66	74
Total amount recognised in the statement of profit and loss	916	871

Statement of cash flows

	March 31, 2022	March 31, 2021
Cash outflow for leases - towards principal	-	-
Cash outflow for leases - towards interest	567	518

B. Company as lessor during the year

The Company has entered into cancellable operating leases consisting of certain retail and banquet spaces in the hotels on short term basis with renewal clauses. The Company is also required to maintain the property over the lease term.

Particulars	March 31, 2022	March 31, 2021
Lease rentals recognised as an income in the statement of profit and loss	304	226



Brigade Hotel Ventures Limited

Notes to financial statements for the year ended March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

30 Related party disclosure

I. List of related parties and related party relationship with whom transactions have been entered into:

Holding company	Brigade Enterprises Limited ['BEL']	
Subsidiary company	SRP Prosperita Hotel Ventures Limited ['PHVL']	
Fellow Subsidiaries	WTC Trades & Projects Private Limited ['WTC']	Brigade Hospitality Services Limited ['BHSL']
	Orion Property Management Services Limited['OPMSL']	Brigade Innovations LLP ['BILLP']
	Perungudi Real Estates Private Limited ['PREPL']	BCV Developers Private Limited ['BCV']
	Brigade Gujarat Projects Private Limited ['BGPPL']	Brigade Properties Private Limited['BPPL']
	Celebrations Catering and Events LLP ['CCELLP']	Brigade Flexible Office Spaces LLP ['BFOS']
	Brigade Infrastructure and Power Private Limited [BIPPL]	Mysore Projects Private Limited ['MPPL']
	Augusta Club Private Limited ['ACPL']	

II. Key Managerial Personnel of the Company:

Directors	Mr. Amar Mysore (Appointed w.e.f. April 12, 2021)	Ms. Nirupa Shankar	Mr. Vineet Verma
	M. R. Jaishankar (upto April 12, 2021)		
Manager	Mr. Arindam Mukherjee		
Company Secretary	Ms. Nidhi Parekh (Appointed w.e.f. May 03, 2021)		

III. Related party transactions

The following table provides the total amount of related party transactions for the relevant financial year:

Description of the nature of transaction	Name of related party	March 31, 2022	March 31, 2021
Revenue from hospitality services		64	54
Reimbursement of expenses made by the company		1	4
Interest on borrowings	BEL	980	883
Rent paid		4	40
Loan proceeds [also refer note V(1) below]		-	5,516
Investment in non-convertible debentures [also refer note V(2) below]		-	100
Bad debts written off		-	70
Impairment loss on investment	PHVL	-	3,000
Rent paid		18	-
Security deposit paid		33	-
Notional interest on non-convertible debentures		27	20
Purchase of materials		1	1
Revenue from hospitality services	BHSL	7	5
Reimbursement of expenses made by the company		31	38
Revenue from hospitality services	BCV	8	1
Revenue from hospitality services		-	7
Sale of material/services	BPPL	-	34
Reimbursement of expenses received by the company		-	6
Revenue from hospitality services	BFOS	-	1
Reimbursement of expenses made by the company		2	-
Purchase of services		150	56
Revenue from hospitality services	OPMSL	5	5
Revenue from hospitality services		2	-
Reimbursement of expenses made by the company	WTC	14	14
	PREPL	-	3
	ACPL	1	-
Revenue from hospitality services	BILLP	4	3
	MPPL	2	-
	BGPPL	1	-
	BTPL	3	1
Salaries and allowances	Nidhi Parekh	7	-



Brigade Hotel Ventures Limited

Notes to financial statements for the year ended March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

30 Related party disclosure (continued)

IV. Balances with related parties

Description of the nature of balance	Name of related party	March 31, 2022	March 31, 2021
Non-current borrowings		9,150	8,170
Equity component of interest-free loan	BEL	6,182	6,182
Trade Receivables		67	56
Investment in Equity shares (net of impairment loss)		5,375	5,375
Investment in Preference shares		3,244	3,244
Investment in Other Equity	PHVL	155	155
Investment in Non-convertible debentures		249	223
Security deposit receivable		33	-
Trade payables		18	-
Trade payables	WTC	1	2
	OPMSL	39	23
Trade receivables	BCV	6	-
	BHSL	1	4
	BTPL	1	-
	BILLP	-	53
	BGPPL	1	-
	MPPL	1	-
	PREPL	-	2

Notes:

1. The related party transactions are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivable or payable.

2. In respect of the transactions with the related parties, the Company has complied with the provisions of Section 188 of the Companies Act, 2013 where applicable, and the details have been disclosed above, as required by the applicable accounting standards. The provisions of Section 177 are not applicable to the Company.

V. Other information:

1. Loan from related parties are unsecured and carries interest of 12% and are repayable in 2025. On July 1, 2020, the Company and its Holding Company entered into an agreement for interest-free unsecured loan of upto Rs.20,000 lakhs and repayable in quarterly instalments of Rs.1,000 lakhs each from June 2025 to March 2030. The existing loan payable of Rs.11,274 lakhs as on June 30, 2020 (Principal - Rs.9,881 lakhs and Interest payable - Rs.1,393 lakhs) was converted into interest-free loan as part of the aforesaid agreement. The Company has drawn loan of Rs.500 lakhs and Rs.5,016 lakhs during the period April 1, 2020 to June 30, 2020 and July 1, 2020 to March 31, 2021, respectively. The Company has accounted the aforesaid loan, being interest-free in nature, as compound financial instruments in accordance with Ind AS 32 with effective interest rate of 12%.

2. During the year ended March 31, 2022, the Company has invested Rs. Nil (March 31, 2021: Rs. 100 lakhs) in 0.01% Non- Convertible Debentures of Rs. 100/- each fully paid up in PHVL. The interest accrued for the year is Rs.27 lakhs (March 31, 2021: Rs.20 lakhs). Also refer Note 5.

31 Segment reporting

The Company's business activity falls within a single reportable segment, i.e., Hospitality. Hence, there are no additional disclosures to be provided under Ind-AS 108 – Segment information with respect to the single reportable segment, other than those already provided in financial statements. Further, the Company is domiciled in India and the Company's current and non-current assets are located in India.

32 Unhedged foreign currency exposure

	March 31, 2022	March 31, 2021
Trade payables	317	443
	317	443



33 Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade, other receivables and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

i. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity risk.

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company is affected by the price volatility of certain commodities. The Company's management has developed and enacted a risk management strategy regarding commodity price risk and its mitigation. The Company is subject to the price risk variables, which are expected to vary in line with the prevailing market conditions.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant. The impact on the entity's profit/(loss) before tax is due to changes in the fair value of non-current and current borrowings and other current and non current financial liabilities.

Particulars	Change in interest rate	Effect on loss before tax
March 31, 2022	+1%	523
	-1%	(523)
March 31, 2021	+1%	507
	-1%	(507)

ii. Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty default on its obligations. The Company's exposure to credit risk arises majorly from trade receivables/ unbilled revenue and other financial assets

Other financial assets are bank deposits with banks and hence, the Company does not expect any credit risk with respect to these financial assets.

With respect to other financial assets, the Company has constituted teams to review the receivables on periodic basis and to take necessary mitigations, wherever required. The Company creates allowance for all unsecured receivables based on lifetime expected credit loss. At the balance sheet date, there was no significant concentration of credit risk and exposure thereon.

iii. Liquidity Risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of borrowings and lease contracts. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	Maturity period	March 31, 2022	March 31, 2021
Financial liabilities - Current			
Current borrowings - term loans from banks	Within 1 year	11,320	9,185
Trade payables	Within 1 year	1,819	2,588
Other financial liabilities	Within 1 year	2,962	4,983
Financial liabilities - Non Current			
Non-Current borrowings - term loans from banks	Between 1-10 years	49,349	45,215
Non-Current borrowings - loans from related parties	Between 1-10 years	16,290	16,290
Lease liabilities	Between 1-30 years	20,729	21,295
Other financial liabilities - lease deposit	Between 1-3 years	173	182



Brigade Hotel Ventures Limited

Notes to financial statements for the year ended March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

34 Defined benefit plan - Gratuity

The Company operates defined gratuity plan for its employees. Under the plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service.

The following tables summarises the components of net benefit expenses recognised in the statement of profit and loss and amount recognised in the balance sheet with respect to gratuity. The defined benefit plan is unfunded.

Changes in the defined benefit obligation ('DBO') and fair value of plan assets ('FVoPA') - Year ended March 31, 2022

Gratuity	Opening balance	Expense charged to profit or loss			Benefits paid	Remeasurement (gains)/losses in other comprehensive income					Contributions by employer	Closing balance
		Service cost	Net interest expense	Sub-total included in profit or loss		Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI		
DBO	123	25	6	31	(3)	-	(5)	(2)	(53)	(60)	-	91
FVoPA	-	-	-	-	-	-	-	-	-	-	-	-
Net liability	123	25	6	31	(3)	-	(5)	(2)	(53)	(60)	-	91

Changes in the defined benefit obligation ('DBO') and fair value of plan assets ('FVoPA') - Year ended March 31, 2021

Gratuity	Opening balance	Expense charged to profit or loss			Benefits paid	Remeasurement (gains)/losses in other comprehensive income					Contributions by employer	Closing balance
		Service cost	Net interest expense	Sub-total included in profit or loss		Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI		
DBO	165	33	9	42	(42)	-	(3)	(7)	(32)	(42)	-	123
FVoPA	-	-	-	-	-	-	-	-	-	-	-	-
Net liability	165	33	9	42	(42)	-	(3)	(7)	(32)	(42)	-	123

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	March 31, 2022	March 31, 2021
Discount rate	5.6%	5.2%
Future salary benefit levels	6.1%	5.6%

A quantitative sensitivity analysis for significant assumptions for Gratuity plan is as shown below:

Particulars	March 31, 2022				March 31, 2021			
	Discount Rate		Salary Increase		Discount Rate		Salary Increase	
Sensitivity Level	-1%	1%	-1%	1%	-1%	1%	-1%	1%
Impact on DBO	4	(4)	(4)	4	7	(5)	(5)	7
% change compared to base due to sensitivity	-95%	-104%	-104%	-95%	-94%	-104%	-104%	-94%

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan - gratuity in future years:

Particulars	March 31, 2022	March 31, 2021
Within the next 12 months	20	21
Between 1 and 5 years	71	102
Total expected payments	91	123



Brigade Hotel Ventures Limited

Notes to financial statements for the year ended March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

35 Fair values

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

> The management assessed that the carrying values of cash and bank balances, trade receivables, trade payables, and other financial assets and liabilities approximate their fair values largely due to their short-term maturities.

> The management assessed that the carrying values of bank deposits, borrowings and other financial assets and liabilities approximate their fair values based on cash flow discounting using parameters such as interest rates, tenure of instrument, creditworthiness of the customer and the risk characteristics of the financed project, as applicable.

These financial assets and financial liabilities are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs as explained above. There have been no transfers between levels during the year.

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

Particulars	March 31, 2022		March 31, 2021	
	Carrying Value	Fair Value (Level 3)	Carrying Value	Fair Value (Level 3)
Financial Assets				
<i>Measured at amortised cost</i>				
Investment in debentures	249	249	223	223
Loans	2	2	2	2
Trade receivables	994	994	1,035	1,035
Cash and cash equivalents	1,056	1,056	1,165	1,165
Bank balances other than cash and cash equivalents	2,091	2,091	1,225	1,225
Other financial assets	540	540	497	497
Financial Liabilities				
<i>Measured at amortised cost</i>				
Borrowings	58,271	58,271	50,593	50,593
Trade payables	1,819	1,819	2,588	2,588
Lease liabilities	6,629	6,629	6,506	6,506
Other financial liabilities	3,135	3,135	5,165	5,165

36 Capital management

The Company's objectives of capital management is to maximize the shareholder value. In order to maintain or adjust the capital structure, the Company may adjust the return to shareholders, issue/ buyback shares or sell assets to reduce debt. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

The Company monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt as below.

- Equity includes equity share capital and all other equity components attributable to the equity holders

- Net Debt includes borrowings (non-current and current), trade payables, lease liabilities and other financial liabilities, less cash and cash equivalents and bank balances other than cash and cash equivalents.

Particulars	March 31, 2022	March 31, 2021
Borrowings	58,271	50,593
Trade payables	1,819	2,588
Lease liabilities	6,629	6,506
Other financial liabilities	3,135	5,165
Less: Cash and cash equivalents & bank balances other than cash and cash equivalents	(3,147)	(2,390)
Net Debt (A)	66,707	62,462
Equity share capital	100	100
Instruments entirely equity in nature	28,043	28,043
Other equity	(18,948)	(11,964)
Equity (B)	9,195	16,179
Equity plus net debt (C = A + B)	75,902	78,641
Gearing ratio (D = A / C)	88%	79%

In order to achieve the objective of maximizing shareholders value, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. Any significant breach in meeting the financial covenants would allow the bank to call borrowings. There have been no breaches in the financial covenants of above mentioned interest-bearing borrowings.

No changes were made in the objectives, policies or processes for managing capital during the current and previous years.



Brigade Hotel Ventures Limited

Notes to financial statements for the year ended March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

37 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

The principal amount remaining unpaid to any supplier
 The amount of interest due and remaining unpaid to any supplier
 The amount of interest paid by the Company along with the amount of the payments made to the supplier beyond the appointed day.
 The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year).
 The amount of interest accrued and remaining unpaid at the end of the year.
 The amount of further interest remaining due and payable for the earlier years.

	March 31, 2022	March 31, 2021
	Rs.	Rs.
	81	-
	-	-
	-	-
	-	-
	-	-
	-	-
	81	-

Note: The above information is furnished based on the information available with the Company.

38 During the year, the Company has received final assessment order from the Karnataka Stamps and Registration Department with an assessed stamp duty payable of Rs.1,999 lakhs payable pursuant to the demerger of the Company and its Holding Company – Brigade Enterprises Limited. The Company based on management's assessment had recorded and disclosed stamp duty payable of Rs. 1,055 lakhs as an exceptional item in earlier periods. The balance amount of Rs. 944 lakhs has been provided for during the year and disclosed as an exceptional item.

39 Financial ratios

- a. **Ratio** Current ratio
Numerator Current assets
Denominator Current liabilities

Ratios/ Measures	As at	
	March 31,2022	March 31,2021
Current assets (A)	7,701	7,001
Current liabilities (B)	14,230	15,221
Current ratio (C) = (A) / (B)	0.54	0.46
%change from previous year	18%	

- b. **Ratio** Debt equity ratio
Numerator Total debt [represents current and non-current borrowings and lease liabilities]
Denominator Shareholders' equity [represents total equity]

Ratios/ Measures	As at	
	March 31,2022	March 31,2021
Total debt (A)	64,900	57,099
Shareholder's equity (B)	9,195	16,179
Debt equity ratio (C) = (A) / (B)	7.06	3.53
%Change from previous year	100%	

The ratio has changed mainly on account of reduction in shareholder's equity on account of loss for the year.

- c. **Ratio** Debt service coverage ratio
Numerator Earnings available for debt service
Denominator Debt service

Ratios/ Measures	As at	
	March 31,2022	March 31,2021
Profit/(loss) after tax (A)	(7,027)	(12,681)
Add: Non cash operating expenses and finance cost		
Depreciation and Amortisation expense (B)	4,769	5,737
Finance costs (C)	5,290	5,116
Earnings available for debt services (D) = (A)+(B)+(C)	3,032	(1,828)
Finance costs (E)	5,290	5,116
Repayment of non-current borrowings (F)	5,632	3,066
Debt service (H) = (E) + (F)	10,922	8,182
Debt service coverage ratio (I) = (D) / (H)	0.28	(0.22)
% Change from previous year	-224%	

The ratio has changed mainly on account of reduction in loss for the year which is due to increased revenue from operations during the year and reduction in loss thereon.



Brigade Hotel Ventures Limited

Notes to financial statements for the year ended March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

- d **Ratio** Trade receivables turnover ratio
Numerator Revenue from operations
Denominator Average trade receivables

Ratios/ Measures	As at	
	March 31,2022	March 31,2021
Revenue from operations (A)	12,356	6,291
Closing Trade Receivables	994	1,035
Average Trade Receivables [(opening + closing) /2] (B)	1,015	1,191
Trade receivables turnover ratio (C) = (A) / (B)	12.18	5
%Change from previous year	130%	

The ratio has changed mainly due to increase in revenue from operations in the current year.

- e **Ratio** Trade payables turnover ratio
Numerator Total purchases
Denominator Average trade payables

Ratios/ Measures	As at	
	March 31,2022	March 31,2021
Total purchases * (A)	8,557	5,138
Closing Trade Payables	1,819	2,588
Average Trade Payables [(opening + closing) /2] (B)	2,204	2,826
Trade payables turnover ratio (C) = (A) / (B)	3.88	1.82
%Change from previous year	114%	

*Total Purchase represents purchase of goods and services which is the aggregate of cost of materials consumed and other expenses

The ratio has changed mainly due to increase in expenses during the year, which is due to increased revenue from operations during the year.

- f **Ratio** Net capital turnover ratio
Numerator Revenue from operations
Denominator Working capital (Current assets - Current liabilities)

Ratios/ Measures	As at	
	March 31,2022	March 31,2021
Revenue from operations (A)	12,356	6,291
Working capital (B)	(6,529)	(8,220)
Net capital turnover ratio (C) = (A) / (B)	(1.89)	(0.77)
%Change from previous year	147.28%	

The ratio has changed mainly due to increase in revenue from operations in the current year.

- g **Ratio** Net profit ratio
Numerator Profit after tax
Denominator Revenue from operations

Ratios/ Measures	As at	
	March 31,2022	March 31,2021
Profit/(loss) after tax (A)	(7,027)	(12,681)
Revenue from operations (B)	12,356	6,291
Net profit (C) = (A) / (B)	(0.57)	(2.02)
%Change from previous year	-72%	

The ratio has changed mainly due to decrease in loss upon due to increase in revenue from operations in the current year.

- h **Ratio** Return on capital employed
Numerator Earning before interest and taxes
Denominator Capital Employed (Total equity, Total borrowings and Total lease liabilities)

Ratios/ Measures	As at	
	March 31,2022	March 31,2021
Profit/(loss) after tax (A)	(7,027)	(12,681)
Adjustments		
Add: Total tax expense (B)	(2,887)	(3,061)
Add: Finance costs (C)	5,290	5,116
Earnings before interest and tax (D) = (A) + (B) + (C)	(4,624)	(10,626)
Total equity (E)	9,195	16,179
Current and Non-current borrowings (F)	58,271	50,593
Current and Non-current lease liabilities (G)	6,629	6,506
Capital Employed (H) = (E) + (F) + (G)	74,095	73,278
Return on capital employed (I) = (D) / (H)	(0.06)	(0.15)
%Change from previous year	-57%	

The ratio has changed mainly due to increase in revenue from operations in the current year and consequential reduction in loss for the year.



Brigade Hotel Ventures Limited

Notes to financial statements for the year ended March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

- i **Ratio** Return on equity ratio
Numerator Restated loss after tax
Denominator Average Shareholder's Equity

Ratios/ Measures	As at	
	March 31,2022	March 31,2021
Profit/(loss) after tax (A)	(7,027)	(12,681)
Closing shareholder's equity (B)	9,195	16,179
Average shareholder's equity [(opening + closing) /2] (C)	12,687	19,413
Return on equity (D) = (A)/(C)	(0.55)	(0.65)
% Change from previous year	-15%	

- j **Ratio** Inventory turnover ratio
Numerator Cost of goods sold
Denominator Average inventory

Ratios/ Measures	As at	
	March 31,2022	March 31,2021
Cost of goods sold (A)	1,437	944
Closing Inventory (B)	223	202
Average inventory [(opening + closing) /2] (C)	213	260
Inventory turnover ratio (D) = (A)/(C)	6.76	3.64
% Change from previous year	86%	

The ratio has changed mainly due to increase in cost during the year, which is due to increased revenue from operations in the current year.

Note: Return on investment is not applicable to the Company

40 Additional regulatory information not disclosed elsewhere in the financial information

- (i) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) The Company do not have any transactions with companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.
- (iii) 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 Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iv) 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (v) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (vi) The Company is not a declared wilful defaulter by any bank or financial institution or any other lender.



Brigade Hotel Ventures Limited

Notes to financial statements for the year ended March 31, 2022
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

41 Standards issued but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022 to amend the following Ind AS which are effective from April 01, 2022:

- (i) Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37
- (ii) Reference to the Conceptual Framework – Amendments to Ind AS 103
- (iii) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16
- (iv) Ind AS 101 First-time Adoption of Indian Accounting Standards – Subsidiary as a first-time adopter
- (v) Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities
- (vi) Ind AS 41 Agriculture – Taxation in fair value measurements

The amendments are effective for annual reporting periods beginning on or after April 01, 2022. The amendments are not expected to have a material impact on the Company.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

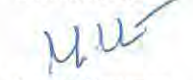
per **Sudhir Kumar Jain**
Partner
Membership no.: 213157

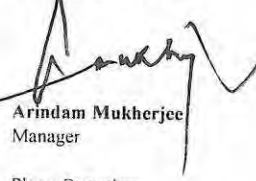


Place: Bengaluru
Date: April 29, 2022

For and on behalf of the Board of Directors of
Brigade Hotel Ventures Limited


Vineet Verma
Director
DIN: 06362115


Ananda Natarajan
Chief Financial Officer


Arindam Mukherjee
Manager

Place: Bengaluru
Date: April 29, 2022


Nirupa Shankar
Director
DIN: 02750342


Nidhi Parekh
Company Secretary
M. No: A42436

