

Empee Hotels Limited

Annual Accounts for the year ended 31st March 2021



Venkatesh & Co

Chartered Accountants
Chennai – 600 017



Independent Auditor's Report

To
The Members of
M/s. Empee Hotels Limited

Opinion

We have audited the accompanying financial statements of **M/s. Empee Hotels Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, the Statement of Cash Flows for the year ended on that date, 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 ("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, 2021, profit and loss and its cash flows for the year ended on that date.

Basis for Opinion

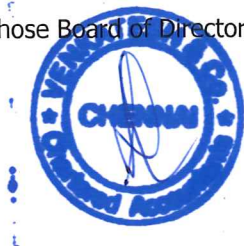
We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We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

Management's Responsibility for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the preparation of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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



Auditors' Responsibilities for the audit of 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 SA's, we exercise professional judgment and maintain professional scepticism 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting 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, 2016 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in "**Annexure A**" statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss & Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
 - e) On the basis of written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2021, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.



- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The company does not have impact of pending litigations on its financial position.
 - ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection fund by the company.

for Venkatesh & Co.,

Chartered Accountants

FRN: 004636S

CA Dasaraty V

M No: 026336

Partner



UDIN: 22026336AAAAAL1027

Chennai., 22nd November 2021



Annexure "A" to Independent Auditors' Report

(Referred to in paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our Report of even date)

As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government in terms of section 143 (11) of the Companies Act, 2013 and on the basis of such checks of the books and records of the Company, as we considered appropriate and according to the information and explanations given to us during the course of the audit, we report that,

1. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.

As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such physical verification.

As per the information provided to us, the title deeds of immovable properties are held in the name of the Company.

2. In our opinion and according to information provided to us, the inventories have been physically verified during the year by the Management and no material discrepancies were noticed during the physical verification.

3. The company has Outstanding Interest free loans amounting to **Rs. 19.83 Crores** granted to its related parties without stipulation as to repayment of principal and Interest.

- a) In the light of above, we do not comment on terms and conditions of grant of such loans.
- b) In the light of above, we do not comment on repayment of principal and payment of Interest and other conditions.
- c) In the light of above, we do not comment on the reasonable steps being taken by company for recovery of principal and Interest.

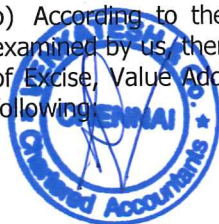
4. According to information and explanations given to us, the company has complied with the provisions of Sec 186 of Companies Act 2013, however the company has made certain advances to its directors and related entities which are **not** in accordance with Sec 185 of the Companies Act 2013.

5. According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore the provisions of section 73 to section 76 the Companies Act 2013 and rules framed there under are not applicable.

6. In our opinion and according to the explanations given to us, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

7.
 - a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, and other material statutory dues applicable to it with the appropriate authorities with some delay due to COVID-19.

- b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of Income Tax, Sales Tax, Service Tax, Duties of Customs, Duties of Excise, Value Added Tax which have not been deposited on account of any dispute, except the following:



Name of the State Act	Nature of Dues	Amount	Period to which the case relates	Dispute is pending before
Income Tax Act, 1961	Income Tax	11.74 Crores	AY 2013-14	CIT Appeals
Income Tax Act, 1961	Income Tax	60.04 Lakhs	AY 2018-19	CIT Appeals

8. In our opinion and according to information and explanations given to us, due to the ongoing pandemic there is no timely repayment of dues to Lender(s) by the company.
9. According to the records of the company, the company has not raised moneys by way of initial public offer or further public offer and in respect of the term loans, the company has applied for the purpose for which those are raised.
10. According to information and explanations furnished to us, no fraud by or on the company by its officers or employees has been noticed or reported during the year.
11. In our opinion and according to information and explanations furnished to us, managerial remuneration has been paid in accordance with the requisite approvals mandated by provisions of section 197 read with Schedule V of Companies Act 2013.
12. As the Company is not a Nidhi Company, we do not comment on Net Owned Funds to Deposit ratio and unencumbered term deposits as specified in Nidhi Rules 2014.
13. In our opinion and according to information and explanations furnished to us, the company has complied with various provisions of Section 177 of Companies Act, 2013 except with regard to the composition of Audit Committee which doesn't include Independent Directors and all transactions with the related parties are in compliance with Sections 188 of Companies Act, 2013 and details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. The Company has not made any Preferential Allotment or Private placement of shares or fully or partly convertible debentures during the year. Hence we do not comment on Compliance of section 42 of Companies Act 2013.
15. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Hence, we do not comment on compliance of section 192 of Companies act 2013.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.





ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Empee Hotels Limited** of even date)

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

We have audited the internal financial controls over financial reporting of **Empee Hotels Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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



Meaning of Internal Financial Controls over Financial Reporting

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

Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our Opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, 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

for Venkatesh & Co.,

Chartered Accountants

FRN: 004636S


CA Dasaraty V



M No: 026336

Partner

Chennai., 22nd November 2021

Empee Hotels Limited

No 59, Harris Road, Pudupet, Chennai - 600 002

CIN: U55101TN2004PLC054528

Balance Sheet as at 31st March, 2021

Particulars	Note	31.03.2021	31.03.2020
I. Equity And Liabilities		INR	INR
(1) Shareholder's Funds			
(a) Share Capital	2	74,02,71,000	74,02,71,000
(b) Reserves & Surplus	3	(1,70,53,29,763)	(1,46,53,65,698)
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	4	2,96,34,14,826	2,82,52,42,432
(b) Other Long-Term Liabilities	5	-	1,09,13,278
(c) Long-Term Provisions	6	71,40,312	68,82,734
(3) Current Liabilities			
(a) Trade Payables	7	5,17,76,377	5,44,37,688
(b) Other Current Liabilities	8	42,52,77,167	39,54,22,273
(c) Short-Term Provisions	9	1,94,63,016	2,11,19,870
Total Equity & Liabilities		2,50,20,12,937	2,58,89,23,577
II.ASSETS		INR	INR
(1) Non-Current Assets			
(a) Property, Plant and Equipment			
(i) Tangible Assets	10	1,24,55,91,968	1,35,81,79,055
(b) Non Current Investment	11	23,42,300	23,42,300
(c) Long Term Advances	12	50,10,90,154	49,22,58,165
(d) Deferred Tax Asset (Net)	13	63,63,44,203	60,87,60,649
(2) Current Assets			
(a) Inventories	14	65,23,954	1,27,67,100
(b) Trade receivables	15	1,95,96,281	1,81,17,215
(c) Cash and cash equivalents	16	2,79,78,964	3,67,32,358
(d) Other Current Assets	17	6,25,45,113	5,97,66,735
Total Assets		2,50,20,12,937	2,58,89,23,577

Notes attached there to form an integral part of Balance Sheet. This is the Balance Sheet referred to in our report of even date.

for Venkatesh & Co.,

Chartered Accountants

FRN: 004636S

CA Dasaraty V

M No: 026336

Partner

UDIN: 22026336AAAAAL1027

Chennai., 22nd November 2021

For Empee Hotels Limited

M P Purushothaman

DIN: 00088631

Chairman

Nisha Purushothaman

DIN: 00044868

Managing Director

Empee Hotels Limited No 59, Harris Road, Pudupet, Chennai - 600 002 CIN: U55101TN2004PLC054528 Profit and Loss Statement for the year ended 31st March 2021				
Sl No	Particulars	Note	31.03.2021	31.03.2020
			INR	INR
I	Revenue from Operations	18	30,09,16,756	89,72,40,255
II	Other Income	19	2,03,25,301	1,36,10,377
	Total Revenue (A)		32,12,42,057	91,08,50,631
III	Expenses:			
	Cost of Services	20	3,74,73,658	10,86,01,948
	Employee Benefit Expense	21	5,72,50,582	15,46,64,295
	Financial Costs	22	22,40,79,090	27,22,99,376
	Depreciation and Amortization Expense	23	11,90,56,172	13,14,18,281
	Other Expenses	24	15,09,30,176	35,84,70,179
	Total Expenses (B)		58,87,89,677	1,02,54,54,080
IV	Profit before exceptional and extraordinary items and tax	(A-B)	(26,75,47,620)	(11,46,03,448)
V	Exceptional Items		-	-
VI	Profit before extraordinary items and tax (IV-V)		(26,75,47,620)	(11,46,03,448)
VII	Prior Period Item		-	-
VIII	Profit before tax (VIII - VII)		(26,75,47,620)	(11,46,03,448)
IX	Tax expense:			
	(1) Current Tax		-	77,68,957
	(2) Deferred tax Assets/(Liability)		2,75,83,553	4,48,56,533
			(23,99,64,066)	(7,75,15,873)
X	Profit(Loss) from the period from continuing operations		-	-
XI	Profit/(Loss) from Discontinuing operations		-	-
XII	Tax expense of Discounting operations		-	-
XIII	Profit/(Loss) from Discontinuing operations (XI - XII)		-	-
			(23,99,64,066)	(7,75,15,873)
XI	Profit/(Loss) for the period			
XII	Earning per equity share:			
	(1) Basic		(3.24)	(1.05)
	(2) Diluted		(3.24)	(1.05)
	No of Shares		7,40,27,100	7,40,27,100
	Weighted No of Shares		7,40,27,100	7,40,27,100

Notes attached there to form an integral part of Profit & Loss Statement
 This is the Profit & Loss Statement referred to in our Report of even date.

for Venkatesh & Co.,
 Chartered Accountants
 FRN: 004636S

CA Dasaraty V
 M No: 026336
 Partner



For Empee Hotels Limited

M P Purushothaman
 DIN:00088631
 Chairman

Nisha Purushothaman
 DIN: 00044868
 Managing Director

UDIN: 22026336AAAAAL1027
 Chennai., 22nd November 2021

Empee Hotels Limited

No 59, Harris Road, Pudupet, Chennai - 600 002

CIN: U55101TN2004PLC054528

Cash Flow Statement For The Year Ended 31st March 2021

Particulars	For the year ended 31-Mar-2021 (Rs.)	For the year ended 31-Mar-2020 (Rs.)
1. Cash Flow from Operating Activities		
Net Profit as Per P& L A/c (Profit before exceptional items)	(26,75,47,620)	(11,46,03,448)
Add: Non Cash Items		
Depreciation and amortization	11,90,56,172	13,14,18,281
Cash flow from operating Activities before Working Capital Changes	(14,84,91,447)	1,68,14,833
(Increase)/Decrease in Current assets	19,85,702	3,20,28,197
Increase/(Decrease) in Current Liabilities	1,91,39,934	(14,86,04,538)
Cash flow after working capital changes	(12,73,65,812)	(9,97,61,508)
Less: Tax	-	(77,68,957)
Net Cash Flow from operating Activities (A)	(12,73,65,812)	(10,75,30,465)
2. Cash flow from Investing activities		
Purchase of Fixed assets	(64,69,085)	(47,74,438)
Long Term Advances	(88,31,989)	(4,84,72,583)
Proceeds from Non-Current Investments	-	(65,500)
Cash flow to Investing Activities (B)	(1,53,01,075)	(5,33,12,521)
3. Cash flow from Financing activities		
Increase/(Decrease) in Non Current Liabilities	13,39,13,491	16,26,82,616
Cash flow to Financing Activities (C)	13,39,13,491	16,26,82,616
Net Cash inflow during the period	(87,53,394)	18,39,631
Add: Opening Balance of Cash and Cash Equivalents	3,67,32,358	3,48,92,727
Closing balance of cash and cash equivalents	2,79,78,964	3,67,32,358

This is the Cash flow Statement referred to in our Report of even date.

for Venkatesh & Co.,

Chartered Accountants

FRN: 004636S



CA Dasaraty V

M No: 026336

Partner

UDIN: 22026336AAAAAL1027

Chennai, 22nd November 2021

For Empee Hotels Limited

M P Purushothaman

DIN: 00088631

Chairman

Nisha Purushothaman

DIN: 00044868

Managing Director

EMPEE HOTELS LIMITED

No 59., Harris Road, Pudupet., Egmore – 600 002

CIN: U55101TN2004PLC054528

Notes forming Integral part of Balance Sheet & Profit and Loss as at March 31, 2021

Note 1: SIGNIFICANT ACCOUNTING POLICIES (AS – 1)

1.1 Basis of Accounting

The financial statements have been prepared under historical cost convention and following the accrual method of accounting in accordance with the applicable mandatory accounting standards notified by the Companies (Accounts) Rules, 2014 and the relevant provisions of Companies Act, 2013. The accounting is on the basis of going concern concept. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

1.2 Current and Non Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current and non current classification of assets and liabilities.

1.3 Use of Estimates

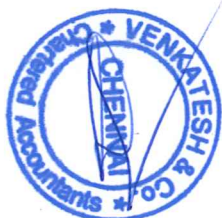
The preparation of financial statements, in conformity with the generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting year. Differences between the actual results and the estimates are recognized in the year in which the results are known/materialized.

1.4 Inventories (AS – 2)

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw materials, stores and spares are determined on first-in-first-out basis while finished goods are determined on weighted average basis.

1.5 Cash flow Statement (AS – 3)

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated.



EMPEE HOTELS LIMITED

No 59., Harris Road, Pudupet., Egmore – 600 002

CIN: U55101TN2004PLC054528

Notes forming Integral part of Balance Sheet & Profit and Loss as at March 31, 2021

1.6 Prior Period and Extra Ordinary Items (AS – 5)

Prior Period and Extra Ordinary items having material impact on the financial affairs of the Company are disclosed, wherever applicable. There is no major deviation in the accounting policy during the current year.

1.7 Revenue Recognition (AS – 9)

Revenue is recognized only when it can be readily measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods, service, Goods and service tax adjusted for discounts (net). Revenue on sale of goods is recognized on acceptance of the transfer of rights on the property and registering the sale deed as per the terms and conditions of sale. Interest income is recognized on time proportion taking into account the amount outstanding and rate applicable

1.8 Property Plant Equipment (AS – 10)

Fixed assets are stated at cost less accumulated depreciation /amortization. Direct costs are capitalized until fixed assets are ready for use. These costs include freight, installation costs, duties and taxes and other directly attributable costs incurred to bring the assets to their working condition for intended use.

Depreciation on fixed assets is provided using the Reducing Balance method at the rates specified in Schedule II to the Companies Act, 2013.

Depreciation is calculated on a pro-rata basis for assets purchased / sold during the year with reference to the month in which the fixed assets are put to use or commissioned.

1.9 Foreign Currency Transaction (AS – 11)

- a) Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of transaction or that approximates the actual rate at the date of transaction.
- b) Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.
- c) Non-monetary foreign currency items are carried at cost.
- d) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.



EMPEE HOTELS LIMITED

No 59., Harris Road, Pudupet., Egmore – 600 002

CIN: U55101TN2004PLC054528

Notes forming Integral part of Balance Sheet & Profit and Loss as at March 31, 2021

1.10 Employee Benefits (AS – 15)

- a) Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.
- b) Post-employment and other long term employee benefits are recognized as an expense in the Statement of Profit and Loss for the year in which employee has rendered services. The expense is recognized at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Statement of Profit and Loss.

1.11 Borrowing cost (AS – 16)

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to profit and loss account.

1.12 Related party transactions (AS – 18)

Key Management Personnel/ Director:

Chairman – M P Purushothaman
Managing Director – Nisha Purushothaman
Whole Time Director – Sheeju Purushothaman
Director – Shaji Purushothaman
Director – Sheena Purushothaman
Director – Aruna Purushothaman

Companies with Common Directors:

Empee Sugars and Chemicals Limited
Appollo Distilleries and Breweries Private Limited
Empee Holdings Limited
South India Hotels Private Limited
EDL Properties Limited
Appollo Wind Energy Private Limited
Empee Agro Farm Products Private Limited
Appollo Beers Private Limited
Aruna Constructions (India) Limited
Aruna Exports Private Limited
EDL Marketing Private Limited



EMPEE HOTELS LIMITED

No 59., Harris Road, Pudupet., Egmore – 600 002

CIN: U55101TN2004PLC054528

Notes forming Integral part of Balance Sheet & Profit and Loss as at March 31, 2021

EDL Realty Private Limited
Empee Agro Farm Products Private Limited
Empee Hospitality Private Limited
Empee International Hotels and Resorts Limited
Empee Leasing and Finance Private Limited
Empee Marine Products Private Limited
Empee Power and Infrastructure Private Limited
Universal Spirits Private Limited

Firms in which Directors are Partners:

Aruna Constructions
Aruna Travels
Empee Packaging Industries

Trust in which Directors are Trustees:

Empee Educational and Charitable Trust
Empee Educational Trust

Related party	Relation	Amount Receivable*	Amount Payable*	Remuneration	Shuttle Cost	Interest payment
Empee Sugars & Chemicals Limited	Company with common director	5,91,350	-	-	-	-
		-				
Empee Distilleries Limited	Company with common director	4,24,63,698	-	-	-	-
		(4,24,63,698)				
Appollo Distilleries and Breweries Private Limited	Company with common director	4,27,23,001	-	-	-	-
		4,27,23,001				
Empee Holdings Limited	Company with common director	31,29,66,050	-	-	-	-
		(31,25,18,980)				
South India Hotels Private Limited	Company with common director	2,72,09,664	-	-	-	-
		(2,40,15,408)				
EDL Properties Limited	Company with common director	3,79,000	-	-	-	-
		(3,79,000)				



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No 59., Harris Road, Pudupet., Egmore – 600 002

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Notes forming Integral part of Balance Sheet & Profit and Loss as at March 31, 2021

Related party	Relation	Amount Receivable*	Amount Payable*	Remuneration	Shuttle Cost	Interest payment
Empee International Hotels & Resorts Limited	Company with common director	1,79,41,453	-	-	-	-
		(1,79,41,453)				
Empee Hospitality Private Limited	Company with common director	1,99,94,000	-	-	-	-
		(1,99,94,000)				
Empee Packaging Industries	Company with common director	19,00,000	-	-	-	-
		(19,00,000)				
Empee Agro Farm Products Private Limited	Company with common director	4,29,985	-	-	-	-
		-				
Empee Power and Infrastructure Private Limited	Company with common director	3,83,518	-	-	-	-
		-				
Sheeju Purushothaman	Whole time Director	-	8,84,123	24,95,600	-	-
			(23,00,000)	(35,40,000)		
Nisha Purushothaman	Whole time Director	-	1,15,00,000	42,29,840	-	-
			(1,15,00,000)	(64,00,000)		
Shaji Purushothaman	Director	51,00,000	-	-	-	-
		(51,00,000)				
Sheena Purushothaman	Director	27,00,000	-	-	-	-
		(27,00,000)				
M P Purushothaman	Chairman	-	2,61,00,000	-	-	-
			(2,63,00,000)			
Aruna Purushothaman	Director	-	17,00,000	-	-	-
			(17,00,000)			
Aruna Travels	Firm in which few Directors are Partners	-	50,02,814	-	7,03,648	-
			(50,08,416)		(1,00,54,726)	



EMPEE HOTELS LIMITED

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Notes forming Integral part of Balance Sheet & Profit and Loss as at March 31, 2021

Related party	Relation	Amount Receivable*	Amount Payable*	Remuneration	Shuttle Cost	Interest payment
Aruna Constructions India Limited	Company with common director	4,32,082	-	-	-	-
		(4,32,082)				
Aruna Constructions	Firm in which few Directors are Partners	-	7,04,01,023	-	-	-
			(10,35,33,848)			(2,06,48,684)

* Closing Balance as on 31st March 2021

Note: The above-mentioned amount receivables have been transferred from the Books of Accounts of M/s. Appollo Alchobev Limited consequent to Merger of the said Company with M/s. Empee Hotels Limited. In particular, the balance O/s from M/s. Empee Holdings Limited to the extent of Rs. 27.69 Crores is due to transfer of shares against the outstanding payables (no physical cash/bank transfers were involved) in the Transferor Company and the same is transferred to the books of M/s. Empee Hotels Limited due to the above said merger.

1.13 Earnings per Share (AS - 20)

The Company reports basic and diluted earnings per equity share in accordance with Accounting Standard-20. Basic earnings per equity share have been computed dividing net profit after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings during the year adjusted for effects of all dilutive potential equity shares per equity share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year. For Basic and diluted earnings before extra-ordinary items, the amount of extra-ordinary items and tax thereon are excluded for computation.

1.14 Provision for Current Tax and Deferred Tax (AS - 22)

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is virtual certainty that the asset will be realized in future.

1.15 Impairment of Fixed Assets (AS – 28)

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



EMPEE HOTELS LIMITED

No 59., Harris Road, Pudupet., Egmore – 600 002

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Notes forming Integral part of Balance Sheet & Profit and Loss as at March 31, 2021

1.16 Provisions, Contingent Liabilities and Contingent Assets (AS -29)

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

1.17 The Company has incurred net loss of ₹ 26.75 Crores during the year ended 31st March, 2021 and as of that date the Company's accumulated losses amount to ₹ 170.50 Crores which has resulted in negative net worth of the Company.

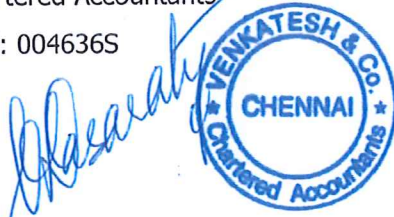
1.18 Figures for the previous year have been regrouped / reclassified wherever necessary.

As per our report of even date

for Venkatesh & Co.,

Chartered Accountants

FRN: 004636S



CA Dasaraty V

M No: 026336

Partner

For Empee Hotels Limited

M P Purushothaman

DIN: 00088631

Chairman

Nisha Purushothaman

DIN: 00044868

Managing Director

Chennai., 22nd November 2021

Empee Hotels Limited				
No 59, Harris Road, Pudupet, Chennai - 600 002				
CIN: U55101TN2004PLC054528				
Notes forming Integral part of the Balance Sheet as at 31st March, 2021				
2(a) Share Capital				
S.No	Particulars	31.03.2021		31.03.2020
1	Authorised Share Capital			
	7,55,00,000 (7,55,00,000) Equity Shares of Rs. 10/- each.	75,50,00,000		75,50,00,000
	Total	75,50,00,000		75,50,00,000
2	Issued, Subscribed and Paid Up			
	7,40,27,100 (7,40,27,100) Equity Shares of Rs.10/-each fully paid up	74,02,71,000		74,02,71,000
	Total	74,02,71,000		74,02,71,000
A) Reconciliation Of Number Of Shares				
Particulars		31.03.2021		31.03.2020
	No. of Shares	INR	No. of Shares	INR
Beginning of the year	7,40,27,100	74,02,71,000	7,40,27,100	74,02,71,000
Add: Issued during the year	-	-	-	-
Balance at end of the Year	7,40,27,100	74,02,71,000	7,40,27,100	74,02,71,000
B) Details of shares held by shareholders holding more than 5% of the aggregate				
Particulars		31.03.2021		31.03.2020
Name of the Share Holder	No. of Shares	%	No. of Shares	%
i) Empee Int'l Hotels & Resorts Limited	2,16,13,808	29.20%	2,16,13,808	29.20%
ii) Empee Distilleries Limited	96,23,718	13.00%	96,23,718	13.00%
iii) Empee Holdings Limited	1,13,88,991	15.39%	1,13,88,991	15.39%
iv) Mr.Shaji Purushothaman	60,21,444	8.13%	60,21,444	8.13%
v) Mr.Sheeku Purushothaman	60,20,862	8.13%	60,20,862	8.13%
vi) Ms.Nisha Purushothaman	62,17,062	8.40%	62,17,062	8.40%
vii) Ms.Sheena Purushothaman	60,20,862	8.13%	60,20,862	8.13%
viii) Grand Global Impex PTE Ltd	58,95,557	7.96%	58,95,557	7.96%
3(b) Reserves & Surplus				
S.No	Particulars	31.03.2021		31.03.2020
1	Securities Premium Reserve			
	Opening Balance	1,00,09,57,700		1,00,09,57,700
	Add:- Additions during the Year	-		-
		1,00,09,57,700		1,00,09,57,700
	Less:- Deduction During the Year	-		-
	Closing Balance (A)	1,00,09,57,700		1,00,09,57,700
2	Profit & Loss Account			
	Opening Balance	(2,46,63,23,396)		(2,35,65,93,948)
	Add:- Additions during the Year	(23,99,64,066)		(10,97,29,450)
		(2,70,62,87,463)		(2,46,63,23,398)
	Less:- Deduction During the Year	-		-
	Closing Balance (B)	(2,70,62,87,463)		(2,46,63,23,398)
	Total (A +B)	(1,70,53,29,763)		(1,46,53,65,698)



Empee Hotels Limited

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Notes forming Integral part of the Balance Sheet as at 31st March, 2021**4(a) Long-Term Borrowings**

S.No	Particulars	31.03.2021	31.03.2020
1	Term Loan (Secured) From Others (Secured by hypothecation of Fixed Assets, Stock in Trade and receivables of the company and also guaranteed by the Directors)	2,85,27,82,855	2,66,74,16,904
2	Vehicle Loans	46,825	36,91,680
3	From Related Parties (Unsecured Loan) --> Directors --> Other Parties	4,01,84,123 7,04,01,023	4,18,00,000 11,23,33,848
	Total	2,96,34,14,826	2,82,52,42,432

The above interest free unsecured Loan were taken without stipulation as to the repayment of Principal and interest, except in case of Aruna Constructions.

5(b) Other Long-Term Liabilities

S.No	Particulars	31.03.2021	31.03.2020
1	Others	-	29,95,524
2	Retention Money	-	79,17,754
	Total	-	1,09,13,278

6(c) Long-Term Provisions

S.No	Particulars	31.03.2021	31.03.2020
1	Provision for Employee Benefits: Gratuity & Leave Encashment	71,40,312	68,82,734
	Total	71,40,312	68,82,734

7(a) Trade Payables

S.No	Particulars	31.03.2021	31.03.2020
1	Trade Payables in Respect of Goods Supplied (Other than MSME)	4,53,12,257	4,67,03,449
2	Trade payables --> Advance Received from Customer --> Guest Advance - Banquets & Rooms	- 64,64,120	1,00,000 76,34,239
	Total	5,17,76,377	5,44,37,688

8(b) Other Current Liabilities

S.No	Particulars	31.03.2021	31.03.2020
1	Other Payables i. Duties & Taxes ii. Outstanding Expenses Payables iii. Current Maturities of Long Term Debt	3,86,35,745 38,02,44,627 63,96,796	3,74,78,942 35,16,75,055 62,68,275
	Total	42,52,77,167	39,54,22,273



Empee Hotels Limited					
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Notes forming Integral part of the Balance Sheet as at 31st March, 2021					
9(c) Short-Term Provisions					
S.No	Particulars			31.03.2021	31.03.2020
1	Provision for Employee Benefits			66,82,823	27,20,241
2	Provision for Audit Fee			5,90,000	5,43,000
3	Provision for Tax			1,21,90,193	1,78,56,629
	Total			1,94,63,016	2,11,19,870
11(b) Non Current Investment					
S.No	Particulars			31.03.2021	31.03.2020
1	Investments _ Non Trade _ Unquoted				
	Investments in Equity Shares		Face Value(INR)	No of shares	Cost (INR)
	i) Opulent Ventures Private Limited		100	768	76,800
	ii) Dhanalakshmi Srinivasan Sugars Private Limited		10	40,000	4,00,000
	iii) Astra Dairy Farms Private Limited		10	1,80,000	18,00,000
	iv) TCP Limited		100	65.50	65,500
	Total				23,42,300
12(c) Long Term Advances					
S.No	Particulars			31.03.2021	31.03.2020
1	Unsecured, Considered Good *			3,60,000	3,60,000
2	Loans to Related Parties				
	--> Directors			78,00,000	78,00,000
	--> Others #			46,74,13,801	46,23,67,622
3	Deposits			2,55,16,353	2,17,30,543
	Total			50,10,90,154	49,22,58,165
* These Unsecured advances are outstanding for more than one year and are subject to confirmation.					
# Refer to point 1.12 mentioned in Notes to accounts					
14(a) Inventories					
S.No	Particulars			31.03.2021	31.03.2020
1	Consumables, Stores & Spares			61,12,276	82,82,441
2	Land			4,11,678	44,84,660
	Total			65,23,954	1,27,67,100
15(b) Trade receivables					
S.No	Particulars			31.03.2021	31.03.2020
	Unsecured and Considered Good				
1	Receivables outstanding for not more than 6 months			1,95,96,281	1,81,17,215
2	Others			-	-
	Total			1,95,96,281	1,81,17,215
16(c) Cash and cash equivalents					
S.No	Particulars			31.03.2021	31.03.2020
1	Balances with Bank			34,12,692	1,57,29,022
2	Margin Money With Bank**			1,95,30,578	1,87,01,214
3	Cash on Hand**			50,35,694	23,02,122
	Total			2,79,78,964	3,67,32,358
** Balances are subject to Confirmation and reconciliation					
17(d) Other Current Assets					
S.No	Particulars			31.03.2021	31.03.2020
1	Loans and Advances (Unsecured considered good)			6,25,45,113	5,97,66,735
	Total			6,25,45,113	5,97,66,735



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Notes Forming Part of the Profit & Loss Accounts for the Year Ended 31st March, 2021**18. Revenue from Operations**

S No	Particulars	31.03.2021	31.03.2020
	Revenue from Operations --> Sale of Goods & Services	30,09,16,756	89,72,40,255
	Total	30,09,16,756	89,72,40,255

19. Other Income

S No	Particulars	31.03.2021	31.03.2020
1	Interest on Margin Money	8,29,364	3,26,473
2	Foreign Exchange	52,712	2,02,404
3	Sale of Scrip	-	1,30,81,500
4	Project Creditors Written back	1,94,43,225	-
	Total	2,03,25,301	1,36,10,377

20. Cost of Services

S No	Particulars	31.03.2021	31.03.2020
1	Cost of Sales	40,72,982	1,07,65,115
2	Cost of Services	3,34,00,676	9,78,36,833
	Total	3,74,73,658	10,86,01,948

21. Employee Benefit Expense

S No	Particulars	31.03.2021	31.03.2020
1	Employee Cost and Benefits	5,03,53,143	12,76,15,308
2	Contribution to PF, ESI & Gratuity	33,11,272	71,42,016
3	Staff Welfare Expenses	35,86,166	1,99,06,972
	Total	5,72,50,582	15,46,64,295

22. Financial Costs

S No	Particulars	31.03.2021	31.03.2020
1	Bank Charges	1,61,649	3,07,956
2	Credit Card Commission	8,38,382	57,40,851
3	Interest on Secured Loan	22,30,79,058	25,61,95,843
4	Interest on Unsecured Loans & Others	-	1,00,54,726
	Total	22,40,79,090	27,22,99,376



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Notes Forming Part of the Profit & Loss Accounts for the Year Ended 31st March, 2021**23. Depreciation and Amortization Expense**

S No	Particulars	31.03.2021	31.03.2020
1	Depreciation	11,90,56,172	13,14,18,281
	Total	11,90,56,172	13,14,18,281

24. Other Expenses

S No	Particulars	31.03.2021	31.03.2020
1	Advertisement	42,79,221	1,02,95,895
2	Business Promotion Expenses	28,02,530	1,53,14,350
3	Brokerage	18,87,113	63,01,260
4	Rates & Taxes; License fee	1,36,43,302	1,91,22,279
5	Management Fees	75,07,560	3,70,70,053
6	Repairs & Maintenance		
	- Building	2,48,171	26,81,312
	- Machinery	58,31,319	75,00,711
	- Vehicle	4,73,616	10,99,731
	- Others	1,49,77,282	3,07,71,194
7	Directors Remuneration	68,37,619	99,40,000
8	Directors Sitting Fees	-	2,99,400
9	Power and fuel	4,85,15,344	7,82,07,464
10	Postage, Telephone & Courier Charges	7,00,252	6,96,241
11	Travelling Expenses	7,68,748	45,51,282
12	Insurance	47,80,995	60,75,615
13	Rent of Equipment	9,97,389	39,58,302
14	Payments to Auditors		
	- Statutory Audit Fees	6,37,200	5,90,000
	- Others Services	-	5,42,110
15	Professional Charges	39,42,632	73,22,142
16	Operating Expenses	1,42,41,406	2,82,62,535
17	Administrative Expenses	1,52,65,564	3,95,08,157
18	Miscellaneous Expenses	25,92,911	83,27,127
19	Advances Written Off	-	4,00,33,020
	Total	15,09,30,176	35,84,70,179



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Sub-Schedules forming part of items appearing in Balance Sheet and Profit & Loss account for the Year ended 31st March, 2021

Particulars	31-Mar-21	31-Mar-20
Employee Benefit Expense:		
<u>i) Salaries & Wages:</u>		
Management Wages	4,34,40,572	8,70,67,523
Salary & Allowance	14,34,143	26,14,714
Incentive Bonus	(17,68,373)	43,43,986
Group Services & Benefits Char	62,53,359	1,63,34,953
Contract Wages	-	1,56,30,368
Leave travel allowance	9,93,443	16,23,763
	5,03,53,143	12,76,15,308
<u>ii) Contribution to PF,ESI & Other Funds:</u>		
Employer-PF	29,46,878	62,86,578
Employer-ESI	3,64,394	8,55,438
	33,11,272	71,42,016
<u>iii) Staff Welfare Expenses:</u>		
Medical	24,331	12,91,882
Uniforms	2,06,115	9,44,697
Other Staff Welfare Expenses	33,55,720	1,76,70,393
	35,86,166	1,99,06,972
Total	5,72,50,581	15,46,64,295
Other Expenses:		
<u>Advertisement:</u>		
Advertising	24,39,327	77,32,751
Research Serv Fees	18,39,895	25,63,144
Total	42,79,221	1,02,95,895
<u>Business Promotion Expenses:</u>		
HRW Expense	20,26,153	61,41,244
Marketing Exp	7,76,378	91,73,106
Total	28,02,530	1,53,14,350
<u>Rates & Taxes:</u>		
Permit Licence	47,46,355	80,05,907
Property Tax	55,47,205	88,71,865
ROC Filing Fees	82,100	3,30,650
Urban Land Tax	93,951	-
Water Tax	31,73,691	19,13,857
Total	1,36,43,302	1,91,22,279



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Sub-Schedules forming part of items appearing in Balance Sheet and Profit & Loss account for the Year ended 31st March, 2021

Particulars	31-Mar-21	31-Mar-20
<u>Management Fee:</u>		
Management Fee Expense - Base	47,82,389	1,50,34,043
Management Fee Expense - Incentive	27,25,172	2,20,36,010
Total	75,07,560	3,70,70,053
<u>Repairs & Maintenance:</u>		
Repairs & Maintenance - Building	2,48,171	26,81,312
Repairs & Maintenance - Machinery	58,31,319	75,00,711
Vehicle Maintenance	4,73,616	10,99,731
Repairs & Maintenance - AMC	34,25,449	52,04,194
Repairs & Maintenance - Groundmaintenance & Landscaping	2,75,000	3,95,793
Repairs & Maintenance	44,73,636	1,38,38,498
Exterminating	7,59,011	8,40,224
Waste Removal	2,93,160	2,56,731
Water Expenses	56,66,521	94,73,080
Plants & Decorations	84,310	7,62,674
Pool Maintenance	195	-
Total	2,15,30,389	4,20,52,947
<u>Power and fuel:</u>		
Fuel	71,62,629	77,28,248
Electricity	3,90,86,507	6,74,62,282
Gas	22,66,208	30,16,934
Total	4,85,15,344	7,82,07,464
<u>Travelling Expenses:</u>		
Travelling Expenses	6,87,317	42,52,633
Meeting Expenses	9,891	2,35,911
Conveyance	71,540	62,738
Total	7,68,748	45,51,282
<u>Insurance:</u>		
General Liability Insurance	21,83,996	21,75,902
Insurance Premium	25,96,999	38,99,713
Total	47,80,995	60,75,615
<u>Rent Of Equipment:</u>		
Rental Of Equipment	9,97,389	39,58,302
Auto / Van Rental		-
Total	9,97,389	39,58,302



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Sub-Schedules forming part of items appearing in Balance Sheet and Profit & Loss account for the Year ended 31st March, 2021

Particulars	31-Mar-21	31-Mar-20
<u>Professional Charges:</u>		
Consultancy Charges	19,08,330	11,00,524
Professional Charges	13,91,500	37,50,450
Professional Musicians	6,42,801	24,71,170
Total	39,42,632	73,22,142
<u>Operating Expenses:</u>		
Business Promotion	9,98,288	18,53,667
Cable Services	(80,000)	7,34,167
Entertainment Exp	31,33,941	58,00,262
Guest Supplies-Hilton	78,70,158	1,68,93,662
Laundry Cost-Hilton	78,091	61,400
Purchase of Glass & Linen	2,33,810	4,68,268
Travel Agent Commission	20,07,117	24,51,108
Total	1,42,41,406	2,82,62,535
<u>Administrative Expenses:</u>		
Donation	-	12,83,500
Newspapers & Periodicals	1,02,241	2,99,901
General Office Expenses	23,780	27,515
Training Exp	4,47,186	6,14,986
Security Services	50,47,266	71,94,167
FF&E Reserve Expense	95,64,779	3,00,88,087
Bad Debt Expenses	80,314	
Total	1,52,65,564	3,95,08,157
<u>Miscellaneous Expenses:</u>		
Surveys And Investigations	75,455	2,09,304
Mis. Expenses	24,75,181	78,77,754
Recruitment Expense	42,976	2,38,949
Small Balances	(702)	1,120
Total	25,92,911	83,27,127
LONG-TERM BORROWINGS		
<u>Term Loan (Secured) - From Others :</u>		
Edelweiss Asset Reconstraction Co Ltd	2,85,27,82,855	2,66,74,16,904
Total	2,85,27,82,855	2,66,74,16,904



Empee Hotels Limited

No 59, Harris Road, Pudupet, Chennai - 600 002

CIN: U55101TN2004PLC054528

Sub-Schedules forming part of items appearing in Balance Sheet and Profit & Loss account for the Year ended 31st March, 2021

Particulars	31-Mar-21	31-Mar-20
<u>From Others (Vehicle loans):</u>		
Alphera Financial Services	-	33,30,181
BMW India Financial Services	46,825	3,61,500
Total	46,825	36,91,680
<u>From Others (Unsecured Loan):</u>		
Aruna Constructions	7,04,01,023	10,35,33,848
United Constructions Limited	-	88,00,000
Total	7,04,01,023	11,23,33,848
M P Purushothaman	2,61,00,000	2,63,00,000
Aruna Purushothaman	17,00,000	17,00,000
Sheeju Purushothaman	8,84,123	23,00,000
Nisha Purushothaman	1,15,00,000	1,15,00,000
Total	4,01,84,123	4,18,00,000
OTHER LONG TERM LIABILITIES		
GMMCO Limited		8,83,376
Greenpiece Projects Private Limited		14,31,603
Sezal Glass Limited		2,51,225
Sycone CPMC Private Limited		2,67,933
Stone Era India Private Limited		1,61,387
Total	-	29,95,524
<u>Trade Payables in Respect of Goods Supplied (Other than MSME):</u>		
Sundry Creditors	4,53,12,257	4,67,03,449
Total	4,53,12,257	4,67,03,449
<u>Duties & Taxes:</u>		
GST Payable	2,57,67,249	2,70,55,161
Cess	56,095	-
Tax Dedcuted at Source Payable (Salaries)	23,99,699	3,53,600
Tax Dedcuted at Source Payable (Non Salaries)	13,63,688	4,89,713
Tax Dedcuted at Source Payable - HO	64,58,736	71,04,704
TCS Payable - HO	50,000	
Value Added Tax Payable	12,74,302	9,06,399
Provident Fund Payable	12,04,220	11,74,289
Employee State Insurance Payable	61,887	80,946
Professional Tax Payable	(131)	3,14,130
Total	3,86,35,745	3,74,78,942

Empee Hotels Limited

No 59, Harris Road, Pudupet, Chennai - 600 002

CIN: U55101TN2004PLC054528

Sub-Schedules forming part of items appearing in Balance Sheet and Profit & Loss account for the Year ended 31st March, 2021

Particulars	31-Mar-21	31-Mar-20
Outstanding Expenses Payables:		
Service Charges Payable	1,33,660	(32,498)
A/P Other Affiliates #1	7,82,26,389	7,15,12,247
Deferred Income - HPC Member Fees	7,446	4,56,424
Deposits Payable	11,60,000	8,65,000
General Accruals	7,62,512	45,09,696
Incentive Management Fees	5,76,43,954	5,52,81,030
Management Fees Payable	4,49,78,046	4,07,02,980
Program Fees Payable	4,87,11,209	4,44,36,143
Telephone Accruals	1,29,400	1,29,920
Tips Payable	61,335	31,829
Travel Agent's Commission Payable	(8,54,567)	(10,64,865)
Incentive Plans	33,07,591	58,59,297
SOS Travels	-	-
Aruna Travels	50,02,814	50,08,416
Travelone	-	1,17,689
Prime Finvest & Leasing Limited	1,34,235	1,34,235
Utility Accruals	83,92,740	52,09,159
Hilton Operation Expenses	13,24,47,862	11,85,18,354
Total	38,02,44,627	35,16,75,055
Long Term Borrowings due within 12 Months:		
Edelweiss Asset Recontraction Company Limited	-	-
Alphera Financial Services Private Limited	57,94,448	56,96,459
BMW Financial services Private Limited	6,02,348	5,71,816
Total	63,96,796	62,68,274
SHORT-TERM PROVISIONS		
Provision for Employee's Benefits:		
Salary Payable - HO	16,77,168	7,39,903
Salary Payable - Hilton	50,05,655	19,80,338
Total	66,82,823	27,20,241



Empee Hotels Limited

No 59, Harris Road, Pudupet, Chennai - 600 002

CIN: U55101TN2004PLC054528

Sub-Schedules forming part of items appearing in Balance Sheet and Profit & Loss account for the Year ended 31st March, 2021

Particulars	31-Mar-21	31-Mar-20
OTHER CURRENT LIABILITIES		
<u>Other Payables-Retention Money:</u>		
Retention - Dhanalakshmi Fabrication	-	1,08,178
Retention - Greenpiece Projects Private Limited	-	72,155
Retention - Hitech Engineering Systems Private Limited	-	2,99,112
Retention - NCC Limited	-	70,00,000
Retention - Shakthi Metdor Limited	-	86,706
Retention - SR Technology	-	1,92,156
Retention - SudhaKaran Nair	-	38,871
Retention - TLB Decors	-	1,20,576
Total	-	79,17,754
<u>Long Term Advances:</u>		
Mytrah	3,60,000	3,60,000
Total	3,60,000	3,60,000
<u>Deposits:</u>		
Deposit - Electricity (HO)	16,73,862	16,73,862
Deposit - Electricity (Hilton)	1,10,37,007	72,51,197
Deposits - CMDA	57,85,000	57,85,000
Deposits - CRDA _ Amaravati	22,25,000	22,25,000
Deposits - AAL	42,50,484	42,50,484
Security Deposit - Bar Licence	1,25,000	1,25,000
Security Deposit - L.Chandraleela	4,20,000	4,20,000
Total	2,55,16,353	2,17,30,543
<u>To Directors:</u>		
Shaji Purushothaman	51,00,000	51,00,000
Sheena Purushothaman	27,00,000	27,00,000
Total	78,00,000	78,00,000
<u>To Other Related Parties:</u>		
Empee International Hotels & Resorts Limited	1,79,41,453	1,79,41,453
Empee Sugars and Chemicals Limited	5,91,350	-
South India Hotels Private Limited	2,72,09,664	2,40,15,408
Empee Holdings Limited	31,29,66,050	31,25,18,980
EDL Properties Limited	3,79,000	3,79,000
Empee Distilleries Limited	4,24,63,698	4,24,63,698



Empee Hotels Limited

No 59, Harris Road, Pudupet, Chennai - 600 002

CIN: U55101TN2004PLC054528

Sub-Schedules forming part of items appearing in Balance Sheet and Profit & Loss account for the Year ended 31st March, 2021

Particulars	31-Mar-21	31-Mar-20
Appollo Distilleries and Breweries Private Limited	4,27,23,001	4,27,23,001
Aruna Constructions India Limited	4,32,082	4,32,082
Empee Hospitality Private Limited	1,99,94,000	1,99,94,000
Empee Packaging Industries	19,00,000	19,00,000
Empee Agro Farms Private Limited	4,29,985	-
Empee Power & Infrastructure Private Limited	3,83,518	-
Total	46,74,13,801	46,23,67,622

Trade ReceivablesReceivables outstanding for not more than 6 months:

Guest Ledger	58,20,445	39,05,731
American Express Card	5,18,231	38,425
Bank Cards	10,81,262	8,29,439
City Ledger	1,22,30,421	1,35,40,380
Receivable from Customers	2,97,500	-
Less: Clearing Account	54,858	1,29,362
Less: Reserve for Doubtful Accounts	(4,06,436)	(3,26,123)
Total	1,95,96,281	1,81,17,215

Balances with Bank:**Hilton :**

Axis Bank Ltd - Hilton	5,30,029	5,30,029
Indian Overseas Bank	1,37,847	30,89,666
Other Disbursing	-	-
Indian Overseas Bank OP	87,262	70,534
ICICI Bank	72,925	4,47,492
HDFC Operations	8,78,826	56,771

Head Office :

Bank of India	4,12,400	4,13,944
Indian Bank *	5,761	5,761
I O B A/c 970388	50,437	50,473
I O B A/c 970739	8,79,991	8,80,404
Syndicate Bank *	13,655	4,855
Union Bank of India *	53,536	53,536
Axis Bank Limited - Division of AAL	2,90,021	1,01,25,557

Total	34,12,692	1,57,29,022
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* Balances are subject to confirmation and reconciliation



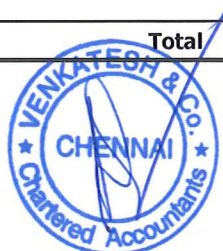
Empee Hotels Limited

No 59, Harris Road, Pudupet, Chennai - 600 002

CIN: U55101TN2004PLC054528

Sub-Schedules forming part of items appearing in Balance Sheet and Profit & Loss account for the Year ended 31st March, 2021

Particulars	31-Mar-21	31-Mar-20
Margin Money:		
Margin Money - Bank Of India	69,46,245	61,98,307
Margin Money Deposits - Indian Bank	27,55,584	27,55,584
Margin Money Deposits - India Overseas Bank	28,40,934	27,59,508
Margin Money Deposits - Syndicate Bank	55,001	55,001
Margin Money Deposits - Union Bank Of India **	69,32,814	69,32,814
Total	1,95,30,578	1,87,01,214
** Margin Deposit - subject to confirmation and reconciliation		
Cash - Balances:		
Cash	47,76,694	16,65,622
F & B Imprest	9,000	26,500
Front Office Imprest	1,00,000	3,00,000
General Cashier Imprest	1,50,000	3,10,000
Total	50,35,694	23,02,122
Loans and Advances(Unsecured considered good):		
CC Refund A/c	(14,12,568)	(91,637)
Deferred Others	10,60,202	20,625
Prepaid Insurance	14,95,277	12,19,645
Prepaid Licence & Permits	71,90,039	23,05,844
Prepaid Annual Maintenance Charges	26,08,636	33,12,072
Purchase Advances	32,36,124	30,66,550
Input Goods and Service Tax	19,23,001	19,07,166
Tax Collected at Source	11,11,040	11,03,099
Tax Deducted at Source Receivable	4,23,45,009	3,93,74,623
Tax Deducted at Source Receivable - HO	2,90,575	33,98,733
Tax Deducted at Source Receivable - AAL	-	12,53,853
Income Tax AY 2010-11 Paid under Protest	25,25,310	25,25,310
Cess Tobacco	58,003	27,591
Cess Aerated Beverages	10,463	-
Advance - Consultant	1,00,000	-
Salary & Travel Advance	4,000	3,43,260
Total	6,25,45,113	5,97,66,735
Inventory:		
Stock - Beverages	52,47,535	73,00,649
Stock - Food	8,64,741	9,81,792
Land	4,11,678	44,84,660
Total	65,23,954	1,27,67,100



Empee Hotels Limited

No 59, Harris Road, Pudupet, Chennai - 600 002
CIN: U55101TN2004PLC054528

Schedule of Property Plant & Equipment as per Companies Act, 2013 for the Year Ended 31st March 2021

10 (i) Property Plant & Equipment:

SL No.	PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		AS AT 01-Apr-20	ADDITIONS	DELETIONS	AS AT 31-Mar-21	AS AT 01-Apr-20	FOR THE YEAR	AS AT 31-Mar-21	AS AT 31-Mar-20
1	Plant & Machinery - 18.10%	1,12,10,19,815	-	-	1,12,10,19,815	93,43,67,900	3,37,83,997	15,28,67,919	18,66,51,916
2	Office Equipments - 45.07%	5,07,14,069	6,55,830	-	5,13,69,899	4,96,63,331	4,77,903	12,28,665	10,50,738
3	Vehicles - 31.23%	4,81,90,150	2,06,86,990	-	6,88,77,140	3,49,30,268	78,75,148	2,60,71,724	1,32,59,882
4	Furniture - 31.23%	32,27,27,978	4,63,595	-	32,31,91,573	31,16,90,480	34,78,275	80,22,817	1,10,37,497
5	Computer - 63.16%	1,04,10,709	40,40,969	-	1,44,51,677	89,03,722	23,16,714	32,31,241	15,06,986
6	Buildings - 9.5%	1,84,48,66,649	13,08,691	-	1,84,61,75,340	1,09,79,94,984	7,11,24,136	67,70,56,221	74,68,71,665
7	Land - 0%	37,71,13,380	-	-	37,71,13,380	-	-	37,71,13,380	37,71,13,380
Total		3,77,50,42,750	2,71,56,075	-	3,80,21,98,825	2,43,75,50,685	11,90,56,172	1,24,55,91,968	1,33,74,92,065
CWIP - VEHICLES		2,06,86,990	-	-	-	-	-	-	2,06,86,990
Grand Total		3,79,57,29,740	2,71,56,075	2,06,86,990	3,80,21,98,825			1,24,55,91,968	1,35,81,79,055



Empee Hotels Limited

No 59, Harris Road, Pudupet, Chennai - 600 002
CIN: U55101TN2004PLC054528

Depreciation Schedule as per Income Tax Act, 1961 for the Year Ended 31 03 2021

Block	Particulars	Rate	WDV As on 01.04.2020	Additions		Deletions	Total	Depreciation	WDV As on 31.03.2021
				More than 180 Days	Less than 180 Days				
I	Land	-	37,71,13,380	-	-	-	37,71,13,380	-	37,71,13,380
II	Vehicle	15%	2,31,75,284	2,06,86,990	-	-	4,38,62,274	65,79,341	3,72,82,933
III	Plant & Machinery	15%	37,51,709	13,08,691	6,55,830	-	57,16,230	8,08,247	49,07,983
IV	Furniture	10%	5,23,439	-	4,63,595	-	9,87,035	75,524	9,11,511
V	Computer	40%	14,06,536	31,66,217	8,74,752	-	54,47,505	20,04,051	34,43,453
	Total		40,59,70,349	2,51,61,898	19,94,178	-	43,31,26,424	94,67,164	42,36,59,260



Empee Hotels Limited

No 59, Harris Road, Pudupet, Chennai - 600 002

CIN: U55101TN2004PLC054528

Notes Forming Part of the Profit & Loss Accounts as at 31st March 2021**13(d) Deferred Tax Asset (Net)**

(Amount in INR)

DEFERRED TAX LIABILITY / (ASSET)		
WDV As per books	86,84,78,588	
WDV as per IT act	4,65,45,880	
		82,19,32,707
Carry Forward Loss		
FY - 10-12 - Loss u/s 35 AD	3,26,43,60,965	
FY - 11-12 - Loss u/s 35 AD	7,84,97,697	
FY - 12-13 - Loss u/s 35 AD	63,33,753	
FY - 13-14 - Loss u/s 35 AD	9,25,444	
		3,35,01,17,859
Timing Difference		(2,52,81,85,152)
Deferred Tax Liability / (Assets) at the effective tax rate of 25.17%		(63,63,44,203)
Opening Deferred Tax Liability/(Asset)		(60,87,60,649)
To be Added / Deduct With Opening DTA		2,75,83,553



Name of the Assessee	Empee Hotels Limited		
Address of the assessee	No 59, Harris Road, Pudupet, Chennai - 600 002		
PAN No	AABCE4841P		
Date of Incorporation	21-Oct-2004		
Nature of Company	Domestic Company		
Corporate Identity Number	U55101TN2004PLC054528		
Previous Year 2020 - 2021	Assessment Year 2021 - 2022		
Statement of Total Income for the Year ended 31st March 2021			
Particulars	Rs.	Rs.	
Income from Business or Profession:			
Net Profit as per Profit & Loss a/c		(26,75,47,620)	
Additions:			
i) Depreciation as per Companies Act, 2013	11,90,56,172		
ii) Expenses Disallowed U/s 40 a (ia)			
--> Interest Alpha Financial Services P Limited	2,33,061		
--> Interest BMW	26,952		
--> Interest Aruna Contructions	-		
--> Brokerage	3,44,340		
iii) Disallowance u/s 43B			
--> Bonus	23,94,221		
--> Leave Encashment	54,60,515		
iv) Gratuity Provision u/s 40(A)(7)	16,79,797		
		12,91,95,058	
		(13,83,52,562)	
Less:			
i) Allowance u/s 43B			
--> Bonus - Paid/ reversed of FY 2019 20	45,25,148		
--> Gratuity - Paid/ reversed of FY 2019 20	22,28,058		
--> Leave Encashment - Paid/ reversed of FY 2019 20	16,60,045		
--> GST - Paid of FY 2019 20	1,10,14,163		
ii) Depreciation as per Income Tax Act, 1961	94,67,164		
		2,88,94,578	
Gross Total Income / Total Income		(16,72,47,140)	
Less: Carry forward losses		-	
Taxable Income		(16,72,47,140)	
Tax Liability at Normal Rate	-		
Tax Liability at Special Rate _ Long Term Capital Gains _ Rs. 32,81,810/-	6,56,362		
Basic Tax	6,56,362		
Add: Surcharge @ 10%	65,636		
Add: Cess @ 4%	28,880		
Gross Tax Payable		7,50,878	
Less: TDS as per 26 AS		17,07,859	
Balance Tax Payable / (refundable)		(9,56,980)	
<i>(Prepared as per the information furnished to us)</i>			
Particulars	Loss B/f as on 01/04/2020	CY Additions/ (Adjusted) in FY 20 21	Loss C/f as on 31/03/2021
Business Loss	-	16,72,47,140	16,72,47,140
Specified Business Loss	3,35,01,17,859	-	3,35,01,17,859
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>for Venkatesh & Co Chartered Accountants FRN: 046365</p> <p><i>(Signature)</i></p> <p>CA Dasaraty V M No: 026336 Partner</p> </div> <div style="width: 45%; text-align: center;"> <p>For Empee Hotels Limited</p> <p><i>(Signature)</i></p> <p>M P Purushothaman DIN: 00088631 Chairman</p> <p>Nisha Purushothaman DIN: 00044868 Managing Director</p> </div> </div>			
Chennai., 22nd November 2021			