

Caravella Entertainment Private Limited

Standalone Audited Financial Statements for the Year Ended 31st March, 2020

**Amit Desai & Co
Chartered Accountants
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Amit Desai & Co

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INDEPENDENT AUDITOR'S REPORT

To the Members of CARAVELLA ENTERTAINMENT PRIVATE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of CARAVELLA ENTERTAINMENT PRIVATE LIMITED ('the Company'), which comprise the Standalone Balance Sheet as at 31st March 2020, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Cash Flow Statement and the Standalone Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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 including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at March 31, 2020, and its loss (financial performance including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 13(j) of the standalone financial statements, as regard to the management's evaluation of Covid-19 impact on the future performance of the Company. Our opinion is not modified in respect of this matter.

UDIN: 20032926AAAAEU6573



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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

The Company's Board of Directors is responsible for the other information. Other information does not include the standalone financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

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

In preparing the standalone financial statements, the management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management and the Board of Directors 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.

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Report on Other Legal and Regulatory Requirements

1. The Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under Section 197(16) of the Act is not applicable.
2. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
3. Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The standalone financial statements dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) We have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31st March, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 16th May, 2020 as per 'Annexure B' expressed unmodified opinion;
 - (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 any pending litigations which would impact its financial position as at 31st March, 2020;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31st March, 2020;
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2020;

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- (iv) The disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8th November, 2016 to 30th December, 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For Amit Desai & Co

Chartered Accountants

ICAI Firm Reg. No.: 130701W



(Amit N. Desai)

Partner

Membership No. 032926



Mumbai: 16th May, 2020



Annexure A to the Independent Auditor's Report of even date to the members of CARAVELLA ENTERTAINMENT PRIVATE LIMITED, on the standalone financial statements for the year ended 31st March, 2020

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) The Company does not have any fixed assets. Accordingly, the provisions of clause 3(i) of the Order are not applicable.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii)(a), 3(iii)(b), 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has not entered into any transaction covered under Section 185 of the Act. Further, the Company is exempt from Section 186; accordingly, the provisions of clause 3(iv) of the Order relating to Section 186 are not applicable.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government has not specified maintenance of cost records under Sub-Section (1) of Section 148 of the Act, in respect of Company's products/services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii)
 - (a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, goods and service tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to it. Further, no undisputed amounts payable in respect thereof were outstanding, at the year end, for a period of more than six months from the date they became payable.
 - (b) There are no dues in respect of income tax, sales tax, goods and service tax, service tax, duty of customs, duty of excise, value added tax that have not been deposited with the appropriate authorities on account of any dispute.

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- (viii) The Company has no loans or borrowings payable to a financial institution or a bank or Government and no dues payable to debenture holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) The Company has not paid or provided for any managerial remuneration. Accordingly, the provisions of clause 3 (xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable and requisite details have been disclosed in the standalone financial statements, as required by the applicable Ind AS. Further, in our opinion, the Company is not required to constitute audit committee under Section 177 of the Act.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Amit Desai & Co

Chartered Accountants

ICAI Firm Registration No. 136792W

Amit Desai

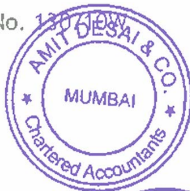
(Amit N. Desai)

Partner

Membership No. 032926

Mumbai: 16th May, 2020

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Annexure B to the Independent Auditor's Report of even date to the members of CARAVELLA ENTERTAINMENT PRIVATE LIMITED on the standalone financial statements for the year ended 31st March, 2020

Independent Auditor's Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ('the Act')

In conjunction with our audit of the standalone financial statements of CARAVELLA ENTERTAINMENT PRIVATE LIMITED ('the Company') as of and for the year ended 31st March, 2020, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company of as of that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the 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 (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). 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 IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note issued by the ICAI. 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 IFCoFR 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 IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, 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 judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in

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accordance with generally accepted accounting principles. A company's IFCoFR 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR 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, the Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2020, 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 over Financial Reporting issued by the ICAI.

For Amit Desai & Co

Chartered Accountants

ICAI Firm's Reg. No.: 130710W



(Amit N. Desai)

Partner

Membership No.: 032926

Mumbai: 16th May, 2020



Caravella Entertainment Private Limited
Standalone Balance Sheet as at 31st March, 2020

(Amount in Rupees)

Particulars	Note No.	As at 31st March, 2020		As at 31st March, 2019	
I. ASSETS					
Non-Current Assets					
Financial Assets					
Investments	2		156,328,438		156,250,000
Current Assets					
(a) Financial Assets					
(i) Cash & Cash Equivalents	3	123,071		270,615	
(ii) Loans	4	90,000,000		-	
(b) Other Current Assets	5	118,649	90,241,720	-	270,615
TOTAL ASSETS			246,570,158		156,520,615
II. EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	6	100,000		100,000	
(b) Other Equity	7	(2,293,943)	(2,193,943)	(1,713,255)	(1,613,255)
Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	8	248,720,000		158,120,000	
(ii) Trade Payables	9				
- total outstanding dues of micro enterprises and small enterprises					
- total outstanding dues of creditors other than micro enterprises and small enterprises		33,600		8,870	
(b) Other Current Liabilities	10	10,500	248,764,100	5,000	158,133,870
TOTAL EQUITY AND LIABILITIES			246,570,158		156,520,615
The accompanying significant accounting policies and notes are an integral part of these standalone financial statements					

As Per Our Report of Even Date

For Amit Desai & Co

Chartered Accountants

ICAI Firm Regn. No.130710W

Amit Desai

(Amit N. Desai)

Partner

Membership no. 032926

Mumbai : 16th May, 2020



For and on behalf of Board of Directors

Manoj Jain

(Manoj Jain)

Director

DIN : 03102614

Anil Malani

(Anil Malani)

Director

DIN : 00504804

Goa : 16th May, 2020

Caravella Entertainment Private Limited
Standalone Statement of Profit & Loss For The Period Ended 31st March, 2020

(Amount in Rupees)

Particulars	Note No.	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Revenue:			
Other Income		-	-
Total Revenue		-	-
Expenses:			
Finance Costs	11	203,298	2,568
Other Expenses	12	377,390	1,056,604
Total Expenses		580,688	1,059,172
Profit / (Loss) Before Exceptional Items and Tax		(580,688)	(1,059,172)
Exceptional Items		-	-
Profit / (Loss) Before Tax		(580,688)	(1,059,172)
Tax Expenses			
Current Tax		-	-
Deferred Tax		-	-
Total Tax Expenses		-	-
Profit / (Loss) After Tax for the Year		(580,688)	(1,059,172)
Other Comprehensive Income			
Other Comprehensive Income / (Loss) for the year		-	-
Total Comprehensive Income / (Loss) for the year		(580,688)	(1,059,172)
Basic & Diluted Earnings Per Share (Face Value of Rs.10/- Each)	13 (f)	(58.07)	(105.92)
The accompanying significant accounting policies and notes are an integral part of these standalone financial statements			

As Per Our Report of Even Date

For Amit Desai & Co
Chartered Accountants

ICAI Firm Regn. No.130710W

Amit Desai

(Amit N. Desai)

Partner

Membership no. 032926

Mumbai : 16th May, 2020



For and on behalf of Board of Directors

Manoj Jain
(Manoj Jain)
Director

DIN : 03102614

Anil Malani

(Anil Malani)
Director

DIN : 00504804

Goa : 16th May, 2020

Caravella Entertainment Private Limited
Standalone Statement of Changes in Equity for the Year Ended 31st March, 2020

A) Equity Share Capital

Particulars	Amount in Rupees
Balance as at 1st April, 2018	100,000
Changes in Equity Share Capital	-
As at 31st March, 2019	100,000
Changes in Equity Share Capital	-
As at 31st March, 2020	100,000

B) Other Equity

(Amount in Rupees)

Particulars	Retained Earnings	Other Comprehensive Income	Total
Balance as on 1st April, 2018	(654,083)	-	(654,083)
Profit / (Loss) for the Year	(1,059,172)	-	(1,059,172)
Balance as on 31st March, 2019	(1,713,255)	-	(1,713,255)
Balance as on 1st April, 2019	(1,713,255)	-	(1,713,255)
Changes in equity for the Period ended September 30, 2019			
Profit / (Loss) for the year	(580,688)	-	(580,688)
Balance as on 31st March, 2020	(2,293,943)	-	(2,293,943)

As Per Our Report of Even Date

For Amit Desai & Co

Chartered Accountants

ICAI Firm Regn. No.130710W

Amit N. Desai

(Amit N. Desai)

Partner

Membership no. 032926

Mumbai : 16th May, 2020



For and on behalf of Board of Directors

Manoj Jain

(Manoj Jain)

Director

DIN: 03102614

Goa : 16th May, 2020

Anil Malani

(Anil Malani)

Director

DIN : 00504804

Caravella Entertainment Private Limited
Standalone Cash Flow Statement for the Year Ended 31st March, 2020

(Amount in Rupees)

Sr. No.	Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
A.	<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
	Net Loss Before Tax	(580,688)	(1,059,172)
	<u>Adjustments For :</u>		
	Finance Costs	203,298	2,568
	Operating Loss Before Working Capital Changes	(377,390)	(1,056,604)
	<u>Adjustments For :</u>		
	Increase/ Decrease from Other current Assets	(118,649)	-
	Trade Payables & Other Liabilities	30,230	(11,730)
	Cash Generated From / (Used in) Operations	(465,809)	(1,068,334)
	Less: Taxes Paid (Net of Refund)	-	-
	Net Cash Flow Generated From/(used in) Operating Activities (A)	(465,809)	(1,068,334)
B.	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
	Purchase of Non Current Investment	(78,438)	(156,250,000)
	Increase/ Decrease from Long Term Loans and Advances	(90,000,000)	-
	Net Cash Flow from/(used in) Investing Activities (B)	(90,078,438)	(156,250,000)
C.	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
	Finance Costs	(203,298)	(2,568)
	Net Proceeds from Borrowings	90,600,000	(157,550,000)
	Net Cash Flow from/(used in) Financing Activities (C)	90,396,703	(157,552,568)
	Net Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C)	(147,544)	229,098
	Cash & Cash Equivalents as at Beginning of the Period	270,615	41,517
	Cash & Cash Equivalents as at the End of the Year	123,071	270,615
	Reconciliation of cash and cash equivalents as per the cash flow statement		
	<u>Component of Cash and Cash Equivalents Includes:</u>		
	Bank Balances		
	In Current Accounts	123,071	270,615

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash Flow .
- Figures in bracket indicates cash outflow.

As Per Our Report of Even Date

For Amit Desai & Co

Chartered Accountants

ICAI Firm Regn. No.130710W

Amit Desai

(Amit N. Desai)

Partner

Membership no. 032926

Mumbai : 16th May, 2020



For and on behalf of Board of Directors

Manoj Jain

(Manoj Jain)

Director

DIN: 03102614

Anil Malani

(Anil Malani)

Director

DIN : 00504804

Goa : 16th May, 2020

Notes to the Standalone Financial Statements for the Year Ended 31st March, 2020

1 Statement of Significant Accounting Policies

Company Overview

Caravella Entertainment Private Limited (Formerly known as Caravela Casino Goa Private Limited), incorporated in the year 2010 under the Companies Act applicable in India. The Company is engaged in Gaming Segment. The Company is subsidiary of Delta Corp Limited.

a) Basis for Preparation of Financial Statements

i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereafter referred to as the "Ind AS") as notified by the Ministry of Corporate Affairs pursuant to Section 133 of Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards (Ind AS) Rules, 2015 as amended and other relevant provisions of the Act and rules framed there under.

ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities which are measured at fair values.

iii) 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 (twelve months) and other criteria set out in the Schedule III to the Act

b) Property, Plant and Equipment (including Capital work-in-progress)

There are no items of Property, Plant and Equipment in the Company

c) Investments in Subsidiary

The Company has accounted for its investments in subsidiary company at cost less impairments, if any.

d) Inventories

There is no Inventories in the Company

e) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief decision maker. Based on the "management approach" as defined in Ind AS 108 – Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along with Business Segments. The Company is Operating in only one segment, i.e. Gaming Segment.

f) Borrowings

Borrowing are initially recognized at net of transaction costs incurred and measured at amortised cost. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expenses over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payment (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.

g) Revenue Recognition

Effective April 1, 2018, the Company has applied Ind AS 115: Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue. There is no impact of the adoption of the standard on the financial statements of the Company.

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations.

Income from services rendered is recognised based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.

Interest income is recognized using the effective interest rate (EIR) method.

Dividend income on investments is recognised when the right to receive dividend is established.



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2020

h) Employee Benefits

There is no Employee in the Company.

i) Foreign currency transactions

- i. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the year-end are restated at the closing rate of exchange prevailing on the reporting date.
- ii. Any exchange difference arising on account of settlement of foreign currency transactions and restatement of monetary assets and liabilities denominated in foreign currency is recognized in the Statement of Profit and Loss.
- iii. Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or Statement of Profit and Loss are also recognized in OCI or Statement of Profit and Loss, respectively).
- iv. Assets and liabilities of entities with functional currency other than presentation currency have been translated to the presentation currency using exchange rates prevailing on the balance sheet date. Statement of profit loss has been translated using weighted average exchange rate. Translation adjustments have been reported as foreign currency translation reserve in the statement of changes in equity.

j) Income Tax

The tax expense for the period comprises current and deferred tax. Tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in the comprehensive income or in equity. In which case, the tax is also recognized in other comprehensive income or equity.

Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

Deferred Tax

Deferred tax is recognized on temporary differences arising between the tax bases of assets and liabilities used in the computation of taxable profit and their carrying amount in the financial statement. Deferred tax assets and liabilities are measured using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Minimum Alternate Tax (MAT)

Minimum Alternate Tax credit is recognized as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

k) Earnings Per Share

Basic Earnings per Share

Basic earnings per share is calculated by dividing the profit attributable to owners of the company by the weighted average number of equity shares outstanding during the financial year. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period.

Diluted earnings per share

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 is adjusted for the effects of all dilutive potential equity shares.



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2020

i) Financial instruments

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

(i) Financial Assets

A. Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognized using trade date accounting.

B. Subsequent measurement

a) Financial assets carried at amortized cost (AC)

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold the asset 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.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model 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.

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

A financial asset which is not classified in any of the above categories are measured at FVTPL.

C. Impairment of Financial Assets

In accordance with Ind AS 109, the company applies the expected credit loss model for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

The twelve months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognized from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analyzed.

For other assets, the Company uses 12 months ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

(ii) Financial Liabilities

A. Initial Recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans, net of directly attributable transaction costs.

B. Subsequent measurement

a) Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization. Amortization is recognized as finance income in the Statement of Profit and Loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short term maturity of these instruments.

b) Financial liabilities at amortized cost

After initial recognition, interest-bearing loans are subsequently measured at amortized cost using the effective interest rate method.

Where the terms of a financial liability is re-negotiated and the Company issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognized in the Statement of Profit and Loss; measured as a difference between the carrying amount of the financial liability and the fair value of equity instrument issued.



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2020

(iii) **Offsetting financial instruments**

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

m) **Significant management judgments in applying accounting policies and estimation uncertainty**

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Difference between actual results and estimates are recognized in the period in which the results are known/ realized.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing on the reporting date.

Impairment of non-financial assets

Assessment is done at each Balance Sheet date to evaluate whether there is any indication that a non-financial asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a 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 pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

Recoverability of trade receivable

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

Provisions and Contingent Liabilities

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

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.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Fair value measurement

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

n) **Recent Accounting Pronouncements**

The company does not have operating leases hence Ind AS 116 is not applicable to the company for the current year. Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1st April, 2020.



Caravella Entertainment Private Limited
Notes to the Standalone Financial Statement for the Year Ended 31st March, 2020

(Amount in Rupees)					
2	Investment (Non Current)	Current Year Nos.	Previous Year Nos.	Face Value (in Rs. unless stated otherwise)	As at
					31.03.2020
	Investment in Subsidiary Company measured at Cost, Unquoted Equity Shares, Fully paid up Delta Nepal Private Limited	2,500,000	2,500,000	NPR 100	156,328,438
	Total				156,328,438

			(Amount in Rupees)	
			31st March, 2020	31st March, 2019
Particulars			Book Value	Book Value
Aggregate Amount of Quoted Investments				
Aggregate Amount of Unquoted Investments			156,328,437.50	156,250,000.00
Aggregate Provision for Diminution in the value of Investments				

			(Amount in Rupees)	
			As At	
3 Cash and Cash Equivalents			31.03.2020	31.03.2019
Balance with Banks			123,071	270,615
In Current Accounts				
Total			123,071	270,615

			(Amount in Rupees)	
			As at	As at
4 Loans			31.03.2020	31.03.2019
Unsecured Considered Good				
Loans and Advances to Others			90,000,000	-
Total			90,000,000	-

			(Amount in Rupees)	
			As at	As at
5 Other Current Assets			31.03.2020	31.03.2019
Advance TDS paid			118,649	-
Total			118,649	-

(Amount in Rupees)				
6	Equity Share Capital:	As at 31st March, 2020		As at 31st March, 2019
		No.	Rs.	No.
	Authorised:			
	Equity Shares of Rs.10/- Each	10,000	100,000	10,000
	Total		100,000	100,000
	Issued, Subscribed And Fully Paid-Up:			
	Equity Shares of Rs. 10/- Each	10,000	100,000	10,000
	Total		100,000	100,000

a) Reconciliation of the Equity Shares at the Beginning and at the End of the Reporting Period

(Amount in Rupees)				
Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Equity shares		Equity shares	
	No.	Rs.	No.	Rs.
At the Beginning of the period	10,000	10,000	100,000	100,000
Issued During the period	-	-	-	-
Bought Back During the period	-	-	-	-
Outstanding at the End of the period	10,000	10,000	100,000	100,000

b) 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 Shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

c) Details of Equity Shareholders Holding More Than 5% Shares in the Company

(Amount in Rupees)				
Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
Delta Corp Limited - Holding company	10,000	100.00	10,000	100.00

			(Amount in Rupees)	
			As At	
7 Other Equity			31.03.2020	31.03.2019
Surplus / (Deficit) as per Statement of Profit and Loss				
Opening Balance			(1,713,255)	(634,083)
(-) Net Profit/(Net Loss) For the Current year			(580,688)	(1,059,172)
Total			(2,293,943)	(1,713,255)

			(Amount in Rupees)	
			As At	
8 Borrowings			31.03.2020	31.03.2019
Unsecured Borrowings				
Repayment on Demand and interest free From Holding Company			248,720,000	158,120,000
Total			248,720,000	158,120,000



Caravella Entertainment Private Limited
Notes to the Standalone Financial Statement For the Year Ended 31st March, 2020

		(Amount in Rupees)	
9	Trade Payables	As At	
		31.03.2020	31.03.2019
	Micro and Small Enterprises	-	-
	Others	33,600	8,870
	Total	33,600	8,870

Data is of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006.

The Company has sent letters to suppliers to confirm whether they are covered under the Micro, Small and Medium Enterprises Development Act, 2006 as well as whether they have file required memorandum with the prescribed authorities. Based on the confirmation received, if any, the detail of outstanding are as under:

		(Amount in Rupees)	
Particulars		As At	
		31.03.2020	31.03.2019
The principal amount remaining unpaid at the end of the period		-	-
The interest amount remaining unpaid at the end of the period		-	-
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the period		-	-
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 period) but without adding the interest specified under the MSMED Act, 2006		-	-
The amount of interest accrued and remaining unpaid at the end of each accounting period		-	-
The amount of further interest remaining due and payable even in the succeeding periods, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006		-	-

		(Amount in Rupees)	
10	Other Current Liabilities	As At	
		31.03.2020	31.03.2019
	Duties & Taxes Payable	10,500	5,000
	Total	10,500	5,000

		(Amount in Rupees)	
11	Finance Costs	Year Ended	Year Ended
		31.03.2020	31.03.2019
	Interest Expenses	-	208
	Other Borrowing Costs	203,258	2,360
	Total	203,258	2,568

		(Amount in Rupees)	
12	Other Expenses	Year Ended	Year Ended
		31.03.2020	31.03.2019
	<u>Payment to Auditors</u>		
	- Audit Fees	55,495	43,610
	- Other Services	231,430	61,124
	- Out of Pocket Expenses	-	699
	Filing Fees	286,925	105,433
	Legal & Professional Fees	2,874	4,047
	Rates and Taxes	85,091	94,624
	Total	2,500	2,500
	Total	377,350	1,056,604



Caravella Entertainment Private Limited.
Notes to the Standalone Financial Statement For the Year Ended 31st March, 2020

Note 13: Other Notes to the Financial Statements

- a. In the opinion of the Directors there were no contingent liabilities as at the balance sheet date.
- b. **Segment Disclosures**
 Since there is only one segment in which Company is operating, segment reporting as required under the Ind AS 108 on "Operating Segment" is not applicable.
- c. Various Debt and Credit balances are subject to confirmation/reconciliation and consequent adjustments, if any. The Company is of the view that reconciliation(s), if any, arising out of final settlement of accounts with these parties is not likely to have any material impact on the accounts. The Current Assets, Loan & Advances are stated in the balance sheet at the amounts which are at least realizable in ordinary course of business.
- d. The Net Worth of the Company is completely eroded, however, the Management has confirmed to provide the financial support to the Company.
- e. **Related Party Disclosures**
 Information in accordance with the requirements of Indian Accounting Standard 24 on Related Party Disclosures:
 (A) Related parties and transactions with them during the year as identified by the Management are given below:
 (i) **Holding Company**
 Delta Corp Limited (DCL)
 (ii) **Subsidiary Company**
 Delta Nepal Private Limited (DNPL) - Country - Nepal, Ownership - 100% (W.F.F. 30.08.2018)
 (i) **Key Management Personnel (KMPs)**
 Mr. Sunil Nar (SN) - Director
 Mr. Manoj Jan (MJ) - Director
 (ii) **Persons who have significant influence directly or indirectly**
 Mr. Jaydev Mody (JM) - Chairman of Holding Company
 (iv) **Enterprises over which individuals mentioned in (i) above exercise significant influence or control directly or indirectly**
 Freedom Registry Limited (FRL)

(B) Details of transactions carried out with Related Parties :

Particulars of Transactions	Holding Company		Subsidiary Company		Enterprises over which individuals mentioned in (iv) above exercise significant influence or control directly or indirectly		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Unsecured Loan Taken / (Given)								
DCL	90,600,000	157,550,000	-	-	-	-	90,600,000	157,550,000
DNPL	-	-	(90,000,000)	-	-	-	(90,000,000)	-
Total :	90,600,000	157,550,000	(90,000,000)	-	-	-	600,000	157,550,000
Professional Fees								
FRL	-	-	-	-	2,950	5,900	2,950	5,900
Total :	-	-	-	-	2,950	5,900	2,950	5,900
Investment								
DNPL	-	-	78,438	156,250,000	-	-	78,438	156,250,000
Total :	-	-	78,438	156,250,000	-	-	78,438	156,250,000
Closing Balance as on								
Unsecured Loan Taken								
DCL	248,720,000	158,120,000	-	-	-	-	248,720,000	158,120,000
Total :	248,720,000	158,120,000	-	-	-	-	248,720,000	158,120,000
Loan Given								
DNPL	-	-	90,000,000	-	-	-	90,000,000	-
Total :	-	-	90,000,000	-	-	-	90,000,000	-

* Transactions are of non-monetary consideration.

f. Earnings Per Share:

Particulars	(Amount in Rupees)	
	2019-20	2018-19
Net loss After Tax	(580,688)	(1,039,172)
Numerator Used for Calculating Earnings Per Share	(580,688)	(1,039,172)
Weighted Average Number of Equity Shares Used as Denominator for Calculating Basic & Diluted Earnings Per Share	10,900	13,600
Basic and Diluted Earnings Per Share	(58.07)	(139.92)
Normal Value Per Equity Share	10.00	10.00

g. Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to ease out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

Maturity Profile of Financial Liabilities as on:

Maturities of Financial Liabilities	(Amount in Rupees)		
	31st March, 2020		
	0 to 1 year	1 to 5 years	5 years & above
Borrowings	248,720,000	-	-
Trade Payables	33,400	-	-
	248,753,400	-	-
Maturities of Financial Liabilities	(Amount in Rupees)		
	March 31, 2019		
	0 to 1 year	1 to 5 years	5 years & above
Borrowings	158,120,000	-	-
Trade Payables	8,870	-	-
	158,128,870	-	-



Caravella Entertainment Private Limited
Notes to the Standalone Financial Statement For the Year Ended 31st March, 2020

h Fair Value Disclosures

(Amount in Rupees)

Categories of Financial Instruments:	March 31, 2020			March 31, 2019		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets						
Investment	-	-	156,328,438	-	-	156,250,000
Cash and Cash Equivalents	-	-	123,071	-	-	270,615
	-	-	156,451,509	-	-	156,520,615
Financial liabilities						
Borrowings	-	-	248,720,000	-	-	158,120,000
Trade Payables	-	-	33,600	-	-	8,870
	-	-	248,753,600	-	-	158,128,870



Caravela Entertainment Private Limited-
Notes to the Standalone Financial Statement For the Year Ended 31st March, 2020

- i There is no liability for Income Tax as Company has incurred losses during Current year and Previous Year

Deferred income tax assets have not been recognised on unused Tax losses of Rs. 22.19 Lakhs as at 31st March, 2020 (31st March 2019 - Rs. 15.39 Lakhs) as it is probable that future taxable profit will be not available against which the unused tax losses can be utilized in the foreseeable future

The following table provides details of exhaustion of unused tax losses as at 31st March, 2020:

Year	Business Loss	
	As at 31st March, 2020	As at 31st March, 2019
2021	0.33	0.53
2022	0.10	0.40
2023	1.06	1.06
2024	0.59	0.69
2025	0.34	0.84
Subsequent years	13.68	12.87
Total	22.19	16.39

Capital Risk Management

The Company manages its capital to ensure that it will be able to continue as going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the Company consists of net debt borrowings as detailed in notes 6 and offset by Cash & Cash Equivalents and total equity of the Company.

The Company determines the amount of capital required on the basis of annual as well as long term operating plans and other strategic investment plans. The funding requirements are met through long-term and short-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company

Particulars	(Rs. In Lakhs)	
	31st March, 2020	March 31, 2019
The capital components of the Company are as given below:		
Total Equity	(2,193,943)	(1,613,255)
Short Term Borrowings	248,720,000	158,120,000
Total Debt	248,720,000	158,120,000
Cash & Cash Equivalents	113,021	220,615
Net Debt	248,596,979	157,899,385
Debt Equity Ratio	(113.31)	(57.85)

Other Risks

The Company is not significantly exposed to Credit Risk, Equity Price Risk & Other Price Risk

- j Due to COVID-19 pandemic and the consequent lock down announced by the Government of India, the operations of the Company have been suspended since the third week of March 2020. The Government has also been announcing phased lifting of lock down and the general expectations are that normalcy could be gradually restored during the financial year ending 31st March, 2021. The management has also evaluated the possible impact of this pandemic on the business operations and the financial position of the company and based on its initial assessment of the current indicators of the future economic conditions, believes that there is no significant impact on the financial results of the Company, as at and for the year ended 31st March, 2020. The management has assessed that the financial results for the year ending 31st March, 2021 may not have any material adverse impact on the net worth of the Company as at 31st March, 2021. Further, the Company would have adequate liquidity available to honour its liabilities and obligations, as and when due. The management will continue to monitor any material changes to its COVID-19 impact assessment, resulting from the future economic conditions and future uncertainty, if any.

- k The Financial Statements were authorised for issue by the directors on 16th May, 2020.

For Amit Desai & Co
Chartered Accountants
ICAI Firm Regn. No.130710W

Amit Desai
(Amit N. Desai)
Partner

Membership no. 032926

Mumbai: 16th May, 2020



For and on behalf of the Board of Directors

(Mono) Jain

Director

DIN: 03102614

Goa: 16th May, 2020

(Anil Malani)

Director

DIN: 00504804