



**SANDEEP AGARWAL**  
Chartered Accountants

19/1, Ashutosh Bose Lane

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### **Independent Auditor's Report**

TO THE MEMBERS OF DREAM GATEWAY HOTELS LIMITED

#### **Report on the Financial Statements**

I have audited the accompanying Standalone financial statements **DREAM GATEWAY HOTELS LIMITED ("the Company")** which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone 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 provisions 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.

#### **Auditor's Responsibility**

My responsibility is to express an opinion on these Standalone financial statements based on my audit.

I have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

I conducted my audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone financial statements.

### **Opinion**

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid Standalone financial statements give the Information required by 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, and its Profit and its Cash Flow for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, I give in the "**Annexure - A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, I report that:
  - a. I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit;
  - b. In my opinion proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books;



- c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
- d. In my opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to my separate Report in "**Annexure - B**".
- 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 my opinion and to the best of my information and according to the explanations given to me:
  - i. The Company does not have any pending litigations which would impact 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 and on behalf of

**SANDEEP AGARWAL**  
*Chartered Accountants*

**CA SANDEEP AGARWAL**  
M. No.: 304371

Place: Kolkata

Date: 30.11.2021

## **"Annexure A" to the Independent Auditors' Report**

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of my report of even date to the financial statements of the Company for the year ended March 31,2021:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;  
  
(b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.  
  
© The title deeds of immovable properties are held in the name of the company.
- 2) (a) The management has conducted the physical verification of inventory at reasonable intervals.  
  
b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) The Company has not granted unsecured loans, to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- 4) In my opinion and according to the information and explanations given to me, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.



- 6) As informed to me, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to me and on the basis of my examination of the books of accounts and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Goods & Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to me, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2021 for a period of more than six months from the date on when they become payable.
- b) According to the information and explanation given to me, there are no dues of income tax, sales tax, Goods & Service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute except the following :-

NAME OF STATUE	NATURE OF DUES	FORUM WHERE DISPUTE IS DUE	PERIOD TO WHICH IT RELATES	AMOUNT INVOLVED
Income Tax Act, 1961	Income Tax	CIT ( Appeals)	A.Y. 2012-13	45261867/-

- 8) In my opinion and according to the information and explanations given to me, the Company has not defaulted in the repayment of dues to banks.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, I report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In my opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.



- 13) In my opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not a NBFC company under section 45 IA of the Reserve Bank of India Act, 1934.

For and on behalf of

**SANDEEP AGARWAL**  
*Chartered Accountants*



**CA SANDEEP AGARWAL**

M. No.: 304371

Place: Kolkata

**Date: 30.11.2021**

**"Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of DREAM GATEWAY HOTELS LIMITED**

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

I have audited the internal financial controls over financial reporting of **DREAM GATEWAY HOTELS LIMITED** ("the Company") as of March 31, 2021 in conjunction with my audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I conducted my audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that I 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.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Company's internal financial controls system over financial reporting.

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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


### **Opinion**

In my opinion, 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.

For and on behalf of

**SANDEEP AGARWAL**

Chartered Accountants

  
Kolkata

**CA SANDEEP AGARWAL**

M. No.: 304371

Place: Kolkata

Date: 30.11.2021



**DREAM GATEWAY HOTELS LIMITED**

**BALANCE SHEET AS AT 31st Mar, 2021**

Particulars	Note No.	As at	As at
		31 Mar, 2021	31 Mar, 2020
		Rs.	Rs.
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
(a) Share capital	2	8,10,26,000	8,10,26,000
(b) Reserves and surplus	3	21,57,89,588	21,06,83,166
<b>Total Shareholder' Fund</b>		<b>29,68,15,588</b>	<b>29,17,09,166</b>
<b>Non Current Liabilities</b>			
(a) Deferred Tax Liability (Net)	4	70,39,297	50,11,608
(b) Long Term Borrowings	5	94,90,20,568	90,40,72,203
<b>Total Non Current Liabilities</b>		<b>95,60,59,865</b>	<b>90,90,83,811</b>
<b>Current Liabilities</b>			
(a) Short-term borrowings	6	1,47,48,158	6,99,38,823
(b) Trade payables	7	9,60,59,482	10,91,49,610
(c) Other current liabilities	8	36,06,11,891	30,84,06,203
<b>Total Current Liabilities</b>		<b>47,14,19,536</b>	<b>48,74,94,636</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,72,42,94,989</b>	<b>1,68,82,87,614</b>
<b>ASSETS</b>			
<b>Non-current Assets</b>			
(a) Fixed assets			
Tangible & Intangible assets	9	83,95,88,038	90,27,68,781
(b) Non-current investments	10	10,00,000	10,00,000
(c) Long Term Loans & Advances	11	1,00,29,948	1,93,13,298
<b>Total Non-current Assets</b>		<b>85,06,17,985</b>	<b>92,30,82,079</b>
<b>Current Assets</b>			
(a) Inventories	12	56,34,37,708	48,13,50,846
(b) Trade Receivables	13	27,02,10,786	22,29,37,129
(c) Cash and cash equivalents	14	3,09,35,421	5,09,92,197
(d) Short-term loans and advances	15	62,74,649	63,51,956
(e) Other current assets	16	28,18,441	35,73,407
<b>Total Current Assets</b>		<b>87,36,77,004</b>	<b>76,52,05,535</b>
<b>TOTAL ASSETS</b>		<b>1,72,42,94,989</b>	<b>1,68,82,87,614</b>
Significant Accounting Policies	1		
See accompanying notes forming part of the financial			
In terms of our attached report of even date			

For SANDEEP AGARWAL  
Chartered Accountants

  
(SANDEEP AGARWAL)

M. No.: 304371


Place: Kolkata

Dt: 30-11-2021

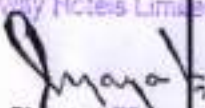
For and on behalf of the Board of Directors Dream Gateway Hotels Limited

Dream Gateway Hotels Limited

  
Gyan Prakash Sah  
CFO Chief Financial Officer

  
Rishi Jain  
Director

Dream Gateway Hotels Limited

  
Shrayans Jain  
Director

**DREAM GATEWAY HOTELS LIMITED**  
Statement of Profit and Loss for the year ended 31-03-2021

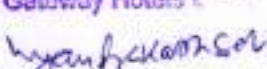
Particulars	Note No.	For the year ended	For the year ended
		31 March, 2021	31 March, 2020
		Rs.	Rs.
<b>Revenue</b>			
Income from Operations	17	33,77,17,967	46,76,56,818
Other income	18	34,37,085	69,35,204
<b>Total Revenue</b>		<b>34,11,55,051</b>	<b>47,45,92,022</b>
<b>Expenses</b>			
(a) Purchases, Construction & Operational Expenses	19	24,79,58,931	36,38,40,839
(b) Changes in Inventories	20	72,59,985	(6,09,16,405)
(c) Changes in Work in Progress	21	(8,93,46,847)	(5,98,65,547)
(d) Employees Benefit expenses	22	2,37,66,070	6,35,62,555
(e) Finance costs	23	7,85,12,868	7,62,32,724
(f) Depreciation and amortisation expense	9	6,31,80,743	7,32,05,064
(g) Other expenses	24	9,89,582	41,95,474
<b>Total Expenses</b>		<b>33,23,21,333</b>	<b>46,02,54,704</b>
<b>Profit / (Loss) before tax</b>		<b>88,33,718</b>	<b>1,43,37,319</b>
<b>Less: Tax expense:</b>			
(a) Current tax expense for current year		16,99,607	29,51,595
(b) Mat Credit Entitlement		(16,99,607)	(29,51,595)
(c) Deferred tax		37,27,296	39,32,389
		<b>37,27,296</b>	<b>39,32,389</b>
<b>Profit after tax</b>		<b>51,06,422</b>	<b>1,04,04,929</b>
<b>Earnings per share (of ₹ 10/- each):</b>			
(a) Basic		0.63	1.28
(b) Diluted		0.63	1.28
<b>Significant Accounting Policies</b>	1		
See accompanying notes forming part of the financial statements			

In terms of our attached report of even date

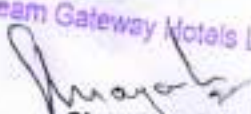
For SANDEEP AGARWAL  
Chartered Accountants

  
(SANDEEP AGARWAL)  
M. No.: 304371  
Place: Kolkata  
Dt: 30-11-2021

For and on behalf of the Board of Directors

  
Gyan Prakash Sah  
CFO Chief Financial Officer

  
Rishi Jain  
Director

  
Shrayans Jain  
Director

**CASH FLOW STATEMENT**

PARTICULARS	For the Year Ended	For the Year Ended
	31-03-2021	31-03-2020
<b>A. Cash flow from operating activities :</b>		
Profit/ (Loss) before tax	88,33,718	1,43,37,319
<b>Adjustments for :</b>		
Depreciation	6,31,80,743	7,32,05,064
Interest received	(27,01,833)	(44,41,588)
Other Income	(3,73,816)	(18,62,208)
Finance Costs	7,85,12,868	7,62,32,724
<b>Operating Profit before working capital changes</b>	<b>14,74,51,681</b>	<b>15,74,71,311</b>
<b>Adjustments for :-</b>		
(Increase)/ Decrease in Inventories	(8,20,86,862)	(12,07,81,952)
(Increase)/Decrease in Trade Receivables	(4,72,73,657)	(7,82,52,362)
(Increase)/Decrease in Short Term Loans and Advances	77,307	(8,59,599)
(Increase)/Decrease in Long Term Loans and Advances	92,83,350	2,52,20,567
(Increase)/Decrease in Other Current Assets/ Non-Current Assets	7,54,967	(10,02,642)
Increase/(Decrease) in Trade Payables	(1,30,90,128)	4,53,24,640
Increase/(Decrease) in Other Current Liabilities	5,22,05,688	12,25,94,700
<b>Cash generated from operations</b>	<b>6,73,22,346</b>	<b>14,97,14,662</b>
Income Tax	(16,99,607)	(25,27,831)
<b>Net cash from operating activities (A)</b>	<b>6,56,22,739</b>	<b>14,71,86,831</b>
<b>B. Cash flow from investing activities :</b>		
Capital Expenditure on Fixed Assets	-	(71,429)
Investment in Fixed Deposit	1,94,61,171	(42,26,950)
Other Income	3,73,816	18,62,208
Interest Income	27,01,833	44,41,588
<b>Net Cash (used in) / from investing activities (B)</b>	<b>2,25,36,819</b>	<b>20,05,416</b>
<b>C. Cash flow from financing activities :</b>		
Net increase / (decrease) in short Term Borrowing	(5,51,90,665)	(8,02,75,496)
Net increase / (decrease) in Term Loan	4,49,48,365	15,11,400
Finance Costs paid	(7,85,12,868)	(7,62,32,724)
<b>Net Cash used in financing activities ( C )</b>	<b>(8,87,55,168)</b>	<b>(15,49,96,820)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(5,95,606)</b>	<b>(58,04,574)</b>
Cash and cash equivalents (Opening Balance)	37,37,165	95,41,739
<b>Cash and cash equivalents(Closing Balance)</b>	<b>31,41,559</b>	<b>37,37,165</b>
<b>Components of Cash &amp; Cash Equivalent</b>		
a) Cash in Hand	4,88,381	5,47,018
b) Balance with Banks		
In Current Account	26,53,179	31,90,147
<b>Cash and cash equivalents(Closing Balance)</b>	<b>31,41,559</b>	<b>37,37,165</b>

In terms of our attached report of even date

For and on behalf of the Board of Directors

For SANDEEP AGARWAL  
Chartered Accountants  
Kolkata  
*Sandeep Agarwal*  
(SANDEEP AGARWAL)

Dream Gateway Hotels Limited  
*Gyan Prakash Sah*  
Gyan Prakash Sah  
Chief Financial Officer  
CFO

Dream Gateway Hotels Limited  
*Rishi Jain*  
Rishi Jain  
Director

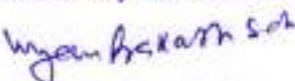
M. No.: 304371  
Place: Kolkata  
Dt: 30-11-2021

Dream Gateway Hotels Limited  
*Shrayans Jain*  
Shrayans Jain  
Director

**DREAM GATEWAY HOTELS LIMITED**  
Notes forming part of the financial statements as on 31-03-2021

Note	Particulars
1	<b>Significant Accounting Policies</b>
a)	<p><b>Basis of accounting and preparation of financial statements</b> The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.</p>
b)	<p><b>Inventories</b> Stock is valued at cost or Net Realizable Value whichever is lower. The expenditure incurred in connection with the construction of residential projects is shown as Stock Work in Progress.</p>
c)	<p><b>Fixed Assets</b> Fixed assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.  Cost also includes the interest paid/payable during the period of construction in respect of borrowed funds pertaining to construction/acquisition of qualifying assets."</p>
d)	<p><b>Depreciation</b> "Depreciation on fixed assets is calculated on a WDV basis based on the rates prescribed under the Schedule XIV to the Companies Act 1956, up to March 31, 2014. During the year ended March 31, 2015, pursuant to Companies Act, 2013 applicable from April 1, 2014, management evaluated the estimates of useful lives of its fixed assets as per the requirements of Schedule II of the Companies Act, 2013 and depreciation has been provided as per WDV basis in accordance therewith." Due to change in evaluation or estimates during the financial year ended March, 2015, the company has recorded Rs. 763,976.00 extra on account of depreciation.</p>
e)	<p><b>Revenue recognition</b> Revenue is recognized to the extent that it can be reliably measured and is probable that the economic benefit will flow to the Company. Revenue from hospitality services is recognized when the services are rendered and same becomes chargeable.</p>
f)	<p><b>Other income</b> Interest income and all other income are accounted on accrual basis.</p>
g)	<p><b>Foreign Currency Transaction</b> Transactions in foreign currency are recorded at the exchange rates prevalent at the time of payment. Foreign currency assets and liabilities are stated at the exchange rates prevailing at the date of balance sheet. Realised gains or losses on foreign exchange transactions are recognized in the Profit &amp; Loss Account.</p>
h)	<p><b>Retirement Benefits</b> Provisions for liabilities in respect of gratuity &amp; pension benefits are provided based on management estimates. However, it will be paid at the time of retirement as per Actuarial valuation according to AS 15, issued by ICAI. Contribution in respect of provident and superannuation fund are made by the company and charged to profit &amp; loss account.</p>
i)	<p><b>Earnings per share</b> The Company reports basic and diluted Earnings Per Share in accordance with the Accounting Standard 20 on Earnings Per Share.</p>



Dream Gateway Hotels Limited  
  
 Chief Financial Officer

Dream Gateway Hotels Limited  
  
 Director

Dream Gateway Hotels Limited  
  
 Director

**DREAM GATEWAY HOTELS LIMITED**  
Notes forming part of the financial statements as on 31-03-2021

**j) Taxes on income**

Current tax is the amount payable on the taxable income for the year determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on timing difference between the accounting income and the taxable income for the year that originates in one period and are capable of reversal in one or more subsequent periods. Such deferred tax is quantified using tax rates and laws enacted or substantively enacted as on balance sheet date.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

**k) Intangible Assets (AS 26):**

Intangible Assets are recognised at consideration paid for acquisition and other direct costs that can be directly attributed or allocated on a reasonable and consistent basis.

**l) Current Assets, loans & advances:**

In the opinion of the Board of Directors, the Current Assets, Loans & Advances are approximately of the value stated if realized in ordinary course of business. Provisions for known liabilities are made & not in excess of the amount reasonably necessary.

**m) Investments:**

Investments that are readily realizable and intended to be held for not more than year are classified as current investments. All other investments are classified as long-term investments. Long Term Investments are stated at cost.

Current investments are carried at lower of cost and fair value as on the Balance Sheet date.

Provision for diminution in value of long-term investments is made if the diminution is other than temporary.

**n) Borrowing Cost:**

Interest and other related costs, including amortized costs of borrowings related to the project or acquisition of qualifying assets are capitalized as part of the respective assets. All the other borrowing costs are charged to revenue.

A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

**o) Provisions Contingent Liabilities and Contingent Assets:**

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. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent Assets are neither recognized nor disclosed in the financial statements.



**Dream Gateway Hotels Limited**

*Ujjwal Prakash Sah*  
Chief Financial Officer

**Dream Gateway Hotels Limited**

*Prithvi Jain*  
Director

**Dream Gateway Hotels Limited**

*[Signature]*

# DREAM GATEWAY HOTELS LIMITED

Notes forming part of the financial statements as on 31-03-2021

Note	Particulars	As at 31 Mar, 2021		As at 31 Mar, 2020	
		Number of shares	Rs.	Number of shares	Rs.
2	<b>Share Capital</b>				
	a) Authorised, Issued, Subscribed & Paid-Up Share capital				
	<b>Authorised Capital</b>				
	Equity shares of ₹ 10/- each with voting rights	1,20,00,000	12,00,00,000	1,20,00,000	12,00,00,000
	<b>Total Authorised Capital</b>	<b>1,20,00,000</b>	<b>12,00,00,000</b>	<b>1,20,00,000</b>	<b>1,00,00,000</b>
	<b>Issued Capital</b>				
	Equity shares of ₹ 10/- each with voting rights	81,02,600	8,10,26,000	81,02,600	8,10,26,000
	<b>Subscribed and fully paid up</b>				
	Equity shares of ₹ 10/- each with voting rights	81,02,600	8,10,26,000	81,02,600	8,10,26,000
	<b>Total Issued &amp; Subscribed Capital</b>	<b>81,02,600</b>	<b>8,10,26,000</b>	<b>81,02,600</b>	<b>8,10,26,000</b>
	<b>Particulars</b>	<b>Opening Balance</b>	<b>Fresh issue</b>		
	Equity shares with voting rights				
	Year ended 31 Mar, 2021				
	- Number of shares	81,02,600	-	81,02,600	
	- Amount (Rs.)	8,10,26,000	-	8,10,26,000	
	Year ended 31 March, 2020				
	- Number of shares	81,02,600	-	81,02,600	
	- Amount (Rs.)	8,10,26,000	-	8,10,26,000	
<p><b>Terms/Rights attached to equity shares :</b>                      The Company has only class of equity shares having a par value of ₹ 10 per share. Each holder of the equity is entitled to one vote per share.                      In the event of liquidation of the Company, the holders of equity shares are 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.</p>					
<p>Details of shares held by each shareholder holding more than 5% shares:</p>					
	<b>Name of equity shareholders</b>	<b>As at 31 Mar, 2021</b>	<b>As at 31 Mar, 2020</b>		
		<b>Number of shares</b>	<b>Number of shares</b>		
	Shrayans Jain	22,46,200	22,46,200		
	Rishi Jain	9,54,800	9,54,800		
	Prem lal Jain	18,04,000	18,04,000		
	Pramila Jain	20,96,600	20,96,600		
	<b>Particulars</b>	<b>As at 31 Mar, 2021</b>	<b>As at 31 Mar, 2020</b>		
		<b>Rs.</b>	<b>Rs.</b>		
3	<b>Reserves and Surplus</b>				
	(a) Securities premium account				
	Opening Balance	9,70,88,000	9,70,88,000		
	Less: Utilisation during the year	-	-		
	Closing Balance	9,70,88,000	9,70,88,000		
	(b) Revaluation reserve				
	Opening balance	6,71,74,728	6,71,74,728		
	Closing balance	6,71,74,728	6,71,74,728		
	(c) Surplus / (Deficit) in Statement of Profit and Loss A/c				
	Opening balance	4,64,20,438	3,60,15,509		
Add: Profit / (Loss) for the year	51,06,422	1,04,04,929			
Closing balance	5,15,26,860	4,64,20,438			
	<b>Dream Gateway Hotels Limited</b>	<b>21,57,89,588</b>	<b>21,06,83,166</b>		



Dream Gateway Hotels Limited

Chief Financial Officer

Director

# DREAM GATEWAY HOTELS LIMITED

Notes forming part of the financial statements as on 31-03-2021

Note	Particulars	As at 31 Mar, 2021	As at 31 Mar, 2020
		Rs.	Rs.
4	<b><u>Deferred tax Liabilities (Net)</u></b>		
	<b>Deferred Tax Liability</b>		
	<u>Tax effect of items constituting deferred tax liability</u>		
	On difference between book balance and tax balance of fixed assets	1,88,55,776	1,51,28,479
	Less: MAT Credit Entitlement	1,18,16,479	1,01,16,871
		<b>70,39,297</b>	<b>50,11,608</b>
5	<b><u>Long Term Borrowings</u></b>		
	<b><u>(Details of the Loan are as per Annexure-A)</u></b>		
	<u>Secured Loans :</u>		
	<u>a) Rupee Term Loans From Banks</u>		
	Principal	94,61,72,052	89,97,32,513
	Total (a)	94,61,72,052	89,97,32,513
	Amount disclosed under the head other current liabilities		
	<u>b) Vehicle Loan</u>		
	Principal	28,48,516	43,39,691
	Total (b)	28,48,516	43,39,691
	Amount disclosed under the head other current liabilities		
		<b>94,90,20,568</b>	<b>90,40,72,203</b>
6	<b><u>Short Term Borrowings:</u></b>		
	Availed Overdraft facility	1,47,48,158	6,69,38,822
	<b><u>Unsecured Loan</u></b>		
	From Others	-	30,00,001
		<b>1,47,48,158</b>	<b>6,99,38,823</b>
7	<b><u>Trade payables:</u></b>		
	Sundry Creditors	9,60,59,482	10,91,49,610
		<b>9,60,59,482</b>	<b>10,91,49,610</b>
8	<b><u>Other current liabilities</u></b>		
	Advance from Customers	23,57,69,324	22,24,94,652
	From Bodies Corporate	4,13,02,749	1,45,60,503
	Statutory Dues Payable	69,08,174	1,18,49,525
	Liabilities for Expenses	6,08,56,879	4,62,77,934
	Retention Deposits	1,57,74,766	1,32,23,589
		<b>36,06,11,891</b>	<b>30,84,06,203</b>



Dream Gateway Hotels Limited

*Hyman Bravansoh*

Chief Financial Officer

Dream Gateway Hotels Limited

*Pratik Jain*

Director

Dream Gateway Hotels Limited

*Pratik Jain*

Director

**DREAM GATEWAY HOTELS LIMITED**

**FIXED ASSETS AS AT 31st March 2021**

Note - 9

(AMOUNT IN Rs.)

DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	AS AT 01/04/2020	ADDITIONS DURING THE YEAR	AS AT 31/03/2021	AS AT 01/04/2020	FOR THE YEAR	UPTO 31/03/2021	AS AT 31/03/2021	AS AT 31/03/2020
LAND	11,04,81,553	-	11,04,81,553	-	-	-	11,04,81,553	11,04,81,553
BUILDING	92,12,64,390	-	92,12,64,390	19,33,16,346	4,79,32,682	24,12,49,028	68,00,15,351	72,79,48,043
PLANT & MACHINERY	10,79,21,784		10,79,21,784	5,76,35,491	1,08,27,169	6,84,62,660	3,94,59,124	5,02,86,292
FURNITURE AND FIXTURE	3,50,39,999		3,50,39,999	2,64,92,742	30,11,571	2,95,04,312	55,35,686	85,47,257
OFFICE EQUIPMENTS	12,62,900		12,62,900	10,61,421	91,590	11,53,011	1,09,889	2,01,479
COMPUTERS	2,22,28,459		2,22,28,459	2,09,68,838	961	2,09,69,799	12,58,660	12,59,621
COMPUTER SOFTWARES	55,55,209		55,55,209	52,77,449	-	52,77,449	2,77,760	2,77,760
CAR	98,48,787		98,48,787	61,55,073	12,98,466	74,53,539	23,95,248	36,93,714
GENERATOR	10,32,500		10,32,500	9,59,440	18,304	9,77,744	54,756	73,060
<b>TOTAL</b>	<b>1,21,46,35,580</b>	<b>-</b>	<b>1,21,46,35,580</b>	<b>31,18,66,799</b>	<b>6,31,80,743</b>	<b>37,60,47,542</b>	<b>83,95,88,038</b>	<b>90,27,68,781</b>
<b>PREVIOUS YEAR</b>	<b>1,21,45,64,153</b>	<b>71,427</b>	<b>1,21,46,35,580</b>	<b>23,86,61,735</b>	<b>7,32,05,064</b>	<b>31,18,66,799</b>	<b>90,27,68,781</b>	<b>97,59,02,418</b>



Dream Gateway Hotels Limited  
*Nayan Bhattacharya*  
 Chief Financial Officer

Dream Gateway Hotels Limited  
*Pratik Jain*  
 Director

Dream Gateway Hotels Limited  
*Pratik Jain*  
 Director



## DREAM GATEWAY HOTELS LIMITED

Notes forming part of the financial statements as on 31-03-2021

Note	Particulars	As at 31 Mar, 2021	As at 31 Mar, 2020
		Rs.	Rs.
10	<b><u>Non-current investments</u></b> <u>Investment in Unquoted Equity Shares</u> Dream Plaza Private Limited (2500 equity shares of Rs. 10 each)	10,00,000	10,00,000
		<b>10,00,000</b>	<b>10,00,000</b>
11	<b><u>Long Term Loans &amp; Advances</u></b> <b><u>Unsecured, considered good(unless otherwise stated)</u></b> Related Parties Advance against land Security Deposit Others	4,09,234 7,05,000 79,15,714 10,00,000	89,42,584 7,05,000 79,15,714 17,50,000
		<b>1,00,29,948</b>	<b>1,93,13,298</b>
12	<b><u>Inventories (As valued,taken &amp; certified by Management)</u></b> <b><u>(At lower of cost or net realisable value)</u></b> Inventory - Flat Construction Work in Progress - Others	5,91,23,502 50,43,14,206	6,63,83,487 41,49,67,359
		<b>56,34,37,708</b>	<b>48,13,50,846</b>
13	<b><u>Trade Receivables</u></b> Unsecured, considered good Doubtful	27,02,10,786 -	22,29,37,129 -
		<b>27,02,10,786</b>	<b>22,29,37,129</b>
14	<b><u>Cash and cash equivalents</u></b> <b><u>( As Certified by the management)</u></b> Cash in hand <u>Balances with banks</u> In Current Account In Fixed Deposit Account (Maturity date more than 3 months) (Under lien for facilities enjoyed from the bank)	4,88,381 26,53,179 2,77,93,861	5,47,018 31,90,147 4,72,55,033
		<b>3,09,35,421</b>	<b>5,09,92,197</b>



Dream Gateway Hotels Limited

*Ujjwal Chakraborty*  
Chief Financial Officer

Dream Gateway Hotels Limited

*Pinku Jain*  
Director

Dream Gateway Hotels Limited

*Muqabir*  
Director

**DREAM GATEWAY HOTELS LIMITED**  
Notes forming part of the financial statements as on 31-03-2021

Note	Particulars	As at	As at
		31 Mar, 2021	31 Mar, 2020
		Rs.	Rs.
15	<b>Short-term loans and advances</b> (Unsecured Considered good)		
	Balances with government authorities TDS & Income Tax (Net of Provisions)	55,18,325	59,95,038
	GST	-	-
	(A)	<b>55,18,325</b>	<b>59,95,038</b>
	<b>Other Advances</b> - for Expenses - to Employees	7,56,324	3,56,918
	(B)	<b>7,56,324</b>	<b>3,56,918</b>
	<b>Total -A+B</b>	<b>62,74,649</b>	<b>63,51,956</b>
16	<b>Other Current Assets</b>		
	Prepaid Expenses	28,06,279	35,61,245
	Other Receivable	12,162	12,162
		<b>28,18,441</b>	<b>35,73,407</b>
17	<b>Revenue from Operations</b>		
	Revenue from Hotel Operations	13,01,19,149	31,63,20,956
	Revenue from Sale of Flats	20,75,98,818	15,13,35,862
		<b>33,77,17,967</b>	<b>46,76,56,818</b>
18	<b>Other Income</b>		
	Interest on Fixed Deposits	27,01,833	44,41,588
	Cancellation & Nomination Charges	3,61,436	6,31,408
	Miscellaneous Income	3,73,816	18,62,208
		<b>34,37,085</b>	<b>69,35,204</b>
19	<b>Purchases, Construction &amp; Operational Expenses</b>		
	Land	-	-
	WIP added to Closing Stock -Exotica	-	-
	Cost of Sales	-	-
	Maintenance Expenses	-	-
	Materials & Expenses for Construction	8,93,46,847	5,98,65,547
	Cost of Sales-Dream One	7,83,89,081	13,34,07,756
	Cost of Sales-Dream Exotica	-	1,56,90,642
	Hotel Operational Expenses	8,02,23,004	15,48,76,894
		<b>24,79,58,931</b>	<b>36,38,40,839</b>
20	<b>Changes in Inventories</b>		
	Opening Stock in Trade	6,63,83,487	54,67,081
	Less: Closing Stock in Trade	5,91,23,502	6,63,83,487
	<b>Net (Increase) / decrease</b>	<b>72,59,985</b>	<b>(6,09,16,405)</b>
21	<b>Changes in Work in Progress</b>		
	Opening Stock of WIP	41,49,67,359	35,51,01,812
	Less: Closing Stock of WIP	50,43,14,206	41,49,67,359
	<b>Net (Increase) / decrease</b>	<b>(8,93,46,847)</b>	<b>(5,98,65,547)</b>
22	<b>Employees Benefit Expenses</b>		
	Salary & Bonus	2,37,66,070	6,35,62,555
		<b>2,37,66,070</b>	<b>6,35,62,555</b>
23	<b>Finance costs</b>		
	Interest	7,85,12,868	7,62,32,724
		<b>7,85,12,868</b>	<b>7,62,32,724</b>



Dream Gateway Hotels Limited

*Uyan Anandhok*  
Chief Financial Officer

Dream Gateway Hotels Limited

*Prinbir Singh*  
Director  
Dream Gateway Hotels Limited

*Pranayali*

**DREAM GATEWAY HOTELS LIMITED**

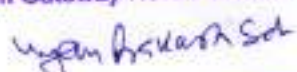
Notes forming part of the financial statements for the year ended 31-03-2021

Note	Particulars	For the year ended	For the year ended
		31 March, 2021	31 March, 2020
		Rs.	Rs.
24	<b>Other expenses</b>		
	Auditors Remuneration	75,000	95,571
	Bank Charges	1,67,129	67,254
	Filing Fees	1,200	6,000
	Legal Expenses	700	2,63,552
	Donation	32,100	11,000
	General Expenses	1,27,503	4,45,553
	Printing & Stationery	2,909	59,480
	Rates and Taxes	1,99,657	73,610
	Repairs & Maintenance	34,283	38,175
	Subscription & Membership Fees	10,620	1,17,635
	Telephone & Mobile expenses	72,576	1,26,028
	Travelling and Conveyance	2,65,906	28,91,635
		<b>9,89,582</b>	<b>41,95,474</b>

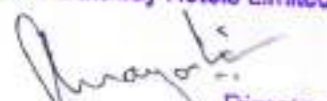
Dream Gateway Hotels Limited

  
Director

Dream Gateway Hotels Limited

  
Chief Financial Officer

Dream Gateway Hotels Limited

  
Director