# RED EARTH GOOD LIVING AND HOSPITALITY PVT LTD

**CIN: U55100KA2004PTC034447**

**REG. ADDRESS: NO 6-A, ALPS ESTATE, SARJAPUR ROAD, BANGALORE 560035**

## NOTICE OF AGM ON SHORTER NOTICE

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**NOTICE IS HEREBY GIVEN THAT THE TWENTIETH (20TH) ANNUAL GENERAL MEETING (AGM) OF RED EARTH GOOD LIVING AND HOSPITALITY PRIVATE LIMITED WILL BE HELD ON MONDAY, 30TH DAY OF SEPTEMBER, 2024 AT 11:00 A.M, AT 121, FIRST FLOOR, RAHEJA ARCADE , 80 FEET ROAD, KORAMANGALA , BENGALURU AND ALSO THROUGH VIDEO CONFERENCING ("VC") / OTHER AUDIO-VISUAL MEANS ("OAVM"), TO TRANSACT THE FOLLOWING BUSINESS: -**

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**ORDINARY BUSINESS: -**

To consider and if thought fit to pass, the following as Ordinary Resolutions:-

1) **Adoption of Financial Statement:**

   To consider, approve and adopt the audited financial statements of the Company for the financial year ended March 31, 2024 and the reports of the Board of Directors ('the Board') and auditors thereon. To consider and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:

   "**RESOLVED THAT** the audited financial statements of the Company for the financial year ended March 31, 2024 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

2) **To Re-appoint M/s. Gnanoba & Bhatt, Chartered Accountants, Firm Registration No: 000939S, Bangalore as Statutory Auditors of the Company.**

   To consider and, if thought fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution:

   **"RESOLVED THAT** pursuant to provision of section 139 of the Companies Act 2013 (as amended or re-enacted from time to time) and other applicable provision of the companies Act 2013 and the consent of the Board be and is hereby recommends M/s. Gnanoba & Bhatt, Chartered Accountants, Firm Registration No: 000939S, Bangalore for re-appointment as the statutory auditor of the company for the term of five year, to hold their office from the conclusion of the 20th Annual General Meeting till the conclusion of 25th Annual General Meeting (i.e. Financial year 01/04/2024 to 31/03/2029).

**"RESOLVED FURTHER THAT** the Board of Directors be authorized to fix the remuneration for the Statutory Auditors and plus taxes and reimbursement of out of pocket expenses as may be incurred by them in connection with audit of accounts of the Company, as may be mutually agreed upon between the Board of Directors and the Statutory Auditors

**RESOLVED FURTHER THAT** Mrs. Ravi Rachel, Managing Director of the Company is authorized to file e-Form, that may arise and to do all such acts, deeds and things as may be necessary, proper or expedient for the purpose of giving effect to this Resolution"

**By order of the Board**
**For RED EARTH GOOD LIVING AND HOSPITALITY PVT LTD.**



**RACHEL RAVI**
**Managing Director**
**DIN: 02576160**

**Place: Bengaluru.**
**Date: 9th September 2024.**

**NOTES:**

a) **AS THE ANNUAL GENERAL MEETING OF THE COMPANY HAS BEEN CALLED ON A SHORTER NOTICE, THE COMPANY HAS RECEIVED THE REQUIRED PERCENTAGE OF CONSENT FROM MEMBERS AS PER THE PROVISIONS OF THE COMPANIES ACT, 2013. AS PER SUCH PROVISIONS THE MEMBERS OF THE COMPANY HAVE GIVEN THEIR CONSENT TO CONDUCT THE 20TH ANNUAL GENERAL MEETING ON 30TH SEPTEMBER 2023 AT 11.00 A.M.**

b) **THE MINISTRY OF CORPORATE AFFAIRS ("MCA") INTER-ALIA VIDE ITS GENERAL CIRCULAR NOS. 14/ 2020 DATED APRIL 8, 2020 AND 17/2020 DATED APRIL 13, 2020, FOLLOWED BY GENERAL CIRCULAR NOS. 20/2020 DATED MAY 5, 2020, AND SUBSEQUENT CIRCULARS ISSUED IN THIS REGARD, THE LATEST BEING 10/2022 DATED DECEMBER 28, 2022 (COLLECTIVELY REFERRED TO AS "MCA CIRCULARS") HAS PERMITTED THE HOLDING OF THE ANNUAL GENERAL MEETING THROUGH VIDEO CONFERENCING ("VC") OR THROUGH OTHER AUDIO-VISUAL MEANS ("OAVM"), WITHOUT THE PHYSICAL PRESENCE OF THE MEMBERS AT A COMMON VENUE. IN COMPLIANCE WITH THE PROVISIONS OF THE COMPANIES ACT, 2013 ("ACT") AND MCA CIRCULARS, THE AGM OF THE COMPANY IS BEING HELD THROUGH VC / OAVM. THE PROCEEDINGS OF THE AGM ARE DEEMED TO BE CONDUCTED AT THE REGISTERED OFFICE OF THE COMPANY.**

c) **IN COMPLIANCE WITH THE AFORESAID MCA CIRCULARS, NOTICE OF THE AGM IS BEING SENT ONLY THROUGH ELECTRONIC MODE TO THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE REGISTERED WITH THE COMPANY.**

d) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY THE PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

e) **A FORM OF PROXY IS ENCLOSED FOR THE USE OF SHAREHOLDERS.**

f) **THE MEMBERS ARE REQUESTED TO NOTIFY CHANGES (IF ANY, IN THEIR ADDRESS, EMAIL ID, NOMINATIONS ETC.) IN THEIR ADDRESS IF ANY TO THE COMPANY.**

g) **FOR JOINING VIRTUAL MEETING :-**

**Red Earth is inviting you to a scheduled Microsoft Teams meeting.**

**Topic: AGM OF RED EARTH GOOD LIVING AND HOSPITALITY PRIVATE LIMITED**
**Time: Sep 30, 2022 11:00 AM**
**Join Teams Meeting : Redearth**
**Meeting Id: 448 596 410 81**
**Password: BUmwat**

# RED EARTH GOOD LIVING AND HOSPITALITY PVT LTD

**CIN: U55100KA2004PTC034447**

**REG. ADDRESS: NO 6-A, ALPS ESTATE, SARJAPUR ROAD, BANGALORE 560035**

Red earth
Kabini

## DIRECTORS REPORT

Dear Members,
M/s. Red Earth Good Living and Hospitality Private Limited
Bengaluru.

Your directors have pleasure in presenting the 20th Annual Report together with the Audited Statement of Accounts of your Company for the Year ended March 31, 2024.

**Financial Summary:** Rule 8 of Companies (Account) Rules, 2014. Sub-rule 5(i) of the said rules.

The Company's financial performance, for the year ended March 31, 2024:

| Particulars | For the year ended March 31, 2024 (Rs) | For the year ended March 31, 2023 (Rs) |
|---|---|---|
| Revenue from Operations : | 14,18,36,585 | 12,55,11,496 |
| Total Expenditure : | 11,21,66,677 | 10,80,86,253 |
| Net Profit or (Loss) Before Deprecation and Tax | 4,44,24,285 | 3,00,06,391 |
| Depreciation and Amortisation Expense | 1,45,75,450 | 1,24,40,525 |
| Net Profit or (Loss) Before Tax | 2,98,48,835 | 1,75,65,866 |
| Exceptional Items:-<br>* Prior Period Item | - | <br>(2,44,762) |
| Extraordinary Items (Insurance Claim) | - | 75,17,434 |
| Net Profit or (Loss) For the Year before Tax | 2,98,48,835 | 2,53,28,062 |
| Less: Current Tax<br>Less: MAT Tax | 57,63,928<br>- | 46,30,715<br>(42,27,760) |
| Prior year tax | 5,487 | 0 |
| Deferred Tax Liability/ (Asset) | - | (51,74,800) |
| Net Profit or (Loss) For the Year after Tax | 2,40,79,420 | 1,97,50,307 |
| Earnings per Equity Shares (Basic/Diluted) | 2.58 | 2.13 |

**Transfer to Reserves: -**

During the year under review, the Company has profit Rs. 2,40,79,420/-. The amount has been transferred to Reserves and Surplus.

**Share Capital of the Company: -**

Share Capital of the Company as on 31/03/2024.

| Particulars | No. of Equity Shares | Face Value (Rs.) | Amount (Rs.) |
|---|---|---|---|
| Authorized Share Capital | 1,00,00,000 | 10/- | 10,00,00,000 |
| Issued, Subscribed & Paid-up Share Capital | 93,30,897 | 10/- | 9,33,08,970 |

**Company's Performance & Operations: -**

- Credit to the team for a good performance inspite of the first quarter being poor as result of the Assembly elections in Karnataka causing severe disruption at both Kabini and Gokarna.
- In spite of the above, turnover increased by 13%
- Profit before tax and depreciation stood at Rs 4.44 crores an increase of 48%
- Profit after depreciation and tax stood at Rs 2.41 crores, an increase of 21.8%
- Depreciation and tax were higher than the previous year
- Expenditure remained well in control, in spite of higher energy costs
- Slowly Red Earth has a good team of staff at all levels ready to take on higher responsibilities.
- Brand Red Earth is now acknowledged in the trade for its sustainable practices
- Your Board is considering expansion and is looking at various options

**Events during the Financial Year: -**

- Upgrading the cottages in all the three properties continued.
- Staff training is an ongoing process. As a result of our local empowerment, we have seen minimal attrition Naturalists are beginning to play a key role in all the properties of Red Earth
- The much-awaited bridge linking our resort to Gokarna finally took shape and vehicles are able to ply on this road, greatly reducing the travelling time to Gokarna. This should see improved footfalls in the coming season
- Sightings have improved at all the gates near our resort at Tadoba. And we are beginning to see footfalls from large overseas tour operators

**State of Company's Affairs: -**

The affairs of your Company are managed in a fair and transparent manner. The efforts of top management of Mr. Ravi Parameswaran, Mrs. Rachel Ravi and Mr. Aditya Raman supported by a team of dedicated employees is responsible for the improved performances during the year

**No Changes in the Business:-**

Your directors would like to inform that Company is doing its regular business without any deviation to other objects.

**DIVIDEND: -**

**Interim Dividend**

The Company has paid a an interim dividend of 7% amounting to Rs. 65,31,627.90/- during the the FY 2023-24 to the equity shareholders whose names appear in the Register of Members of the Company on 04th April 2023 with approval of the Board."

**Details of Subsidiary, Joint Venture and Associate Companies (Rule 8(5)(iv):**

Your Company does not have any subsidiaries, Joint Venture or associate company.

**Particulars of Loan and Investments Section 134(3)(g):**

During the year, the company has not provided any loans or guarantee or security to any person or body corporate covered under the provisions of section 186 of the Companies Act, 2013.

**Details Relating to Deposits:**

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of deposits) Rules 2014.

**Orders Passed by Regulators/Courts/Tribunals: -**

There is no such order passed by the Regulators/Courts/Tribunals in respect to the Company during the financial year.

**Meetings of Board of Directors:** Number of Board Meeting Section 134(3)(b)

Eleven (11) Board Meetings were held during the Financial Year 2023-24, in compliance with provisions of Section 173. The intervening gap between the two meetings was within the period as prescribed under the Companies Act, 2013. The maximum interval between two meetings did not exceeds 120 days.

| Sr No | Date of Board Meeting | No of Directors |
|---|---|---|
| 01 | 05-04-2023 | 08 Director's |
| 02 | 07-04-2023 | 08 Director's |
| 03 | 12-06-2023 | 06 Director's |
| 04 | 15-06-2023 | 06 Director's |
| 05 | 05-08-2023 | 0 Director's |
| 06 | 31-08-2023 | 07 Director's |
| 07 | 08-09-2023 | 04 Director's |
| 08 | 20-11-2023 | 04 Director's |
| 09 | 10-01-2024 | 06 Director's |
| 10 | 09-02-2024 | 06 Director's |
| 11 | 27-03-2024 | 06 Director's |

Further, the names of members of the Board, their attendance at the Board Meetings are as under:

| Sr. No | Name of Directors | Number of Total Meetings held during the F.Y. 2023-24 | Number of Meetings attended during the F.Y. 2023-24 |
|---|---|---|---|
| 01 | Rachel Ravi | 11 Meeting's | 11 Meeting's |
| 02 | Bopanna Chonira Ponappa | 02 Meeting's | 02 Meeting's |
| 03 | Chitimi Srinivasa Reddy | 11 Meeting's | 09 Meeting's |
| 04 | Chirag Agarwal | 11 Meeting's | 06 Meeting's |
| 05 | Roopa Mohandas | 11 Meeting's | 11 Meeting's |
| 06 | Parameswaran Raman Kuthanur | 11 Meeting's | 11 Meeting's |
| 07 | Rishi Agarwal | 11 Meeting's | 06 Meeting's |
| 08 | Aditya Raman | 11 Meeting's | 11 Meeting's |

**General Meeting during the year 2023-24:**

The Previous Annual General Meeting of the Company was held on 30th September 2023.

**Details of Directors and Key Managerial Personnel Appointed or have resigned during the year, Rule 8(5)(iii):**

**Resignation of Director's**

During the Financial Year 2023-24 Mr. Bopanna Chonira Ponappa (DIN: 02577772) One of the Director of the Company had resigned from the Board due to personal reasons and the same has been approved by the Board on 01st June 2023 and updated with the Registrar of Companies, Karnataka.

The Board of Directors of the Company is duly constituted. None of the Directors is disqualified from being appointed as such under the provision of Section 164 of the Companies Act, 2013. Present Board Consist of below mentioned Directors:

| DIN No. | Name of the Director's | Designation |
|---|---|---|
| 02576160 | Rachel Ravi | Managing Director |
| 02731285 | Chitimi Srinivasa Reddy | Director |
| 03058232 | Chirag Agarwal | Director |
| 05133279 | Roopa Mohandas | Director |
| 05148671 | Parameswaran Raman Kuthanur | Director |
| 08033371 | Rishi Agarwal | Director |
| 09121987 | Aditya Raman | Director |

**Directors' Responsibility Statement:-**

Pursuant to Section 134 of the Companies Act, 2013, the Directors, to the best of their knowledge and belief, confirm that:

a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The Directors had prepared the annual accounts on a going concern basis; and

e) Clause (e) of section 134(5) is not applicable as the Company is not a listed Company

f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**Board's Comment on the Auditors' Report:-**

The observations of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies are self-explanatory and do not call for any further comment.

**Share Transfer / Transmission during the year 2023-24.**

**During the Financial Year 2023-24 the Share Transfer as Followings: -**

| Date of Transfer | LF No. | Name of Transferor | LF No. | Name of Transferee | No. of Shares | Distinctive Number | | Certificate No's |
|---|---|---|---|---|---|---|---|---|
| | | | | | | From | To | |
| 05-04-2023 | 5 | BOPANNA CHONIRA PONAPPA | 21 | PRATHISH MUTHAIAHNAIDU | 2,500 | 5001 | 7500 | Cert. No : 12 |
| | 5 | BOPANNA CHONIRA PONAPPA | 21 | PRATHISH MUTHAIAHNAIDU | 50,000 | 307501 | 357500 | Cert. No : 20 |
| | 5 | BOPANNA CHONIRA PONAPPA | 21 | PRATHISH MUTHAIAHNAIDU | 50,000 | 357501 | 407500 | Cert. No : 21 |
| | 5 | BOPANNA CHONIRA PONAPPA | 21 | PRATHISH MUTHAIAHNAIDU | 50,000 | 407501 | 457500 | Cert. No : 22 |
| | 5 | BOPANNA CHONIRA | 21 | PRATHISH MUTHAIAHNAIDU | 50,000 | 457501 | 507500 | Cert. No : 23 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | PONAPPA | | | | | | |
| | 5 | BOPANNA CHONIRA PONAPPA | 21 | PRATHISH MUTHAIAHNAIDU | 50,000 | 507501 | 557500 | Cert. No : 24 |
| | 5 | BOPANNA CHONIRA PONAPPA | 21 | PRATHISH MUTHAIAHNAIDU | 50,000 | 557501 | 607500 | Cert. No : 25 |
| | 5 | BOPANNA CHONIRA PONAPPA | 21 | PRATHISH MUTHAIAHNAIDU | 50,000 | 607501 | 657500 | Cert. No : 26 |
| | 5 | BOPANNA CHONIRA PONAPPA | 21 | PRATHISH MUTHAIAHNAIDU | 50,000 | 657501 | 707500 | Cert. No : 27 |
| | 5 | BOPANNA CHONIRA PONAPPA | 21 | PRATHISH MUTHAIAHNAIDU | 22,650 | 707501 | 730150 | Cert. No : 28 |
| | 5 | BOPANNA CHONIRA PONAPPA | 21 | PRATHISH MUTHAIAHNAIDU | 17,737 | 3408951 | 3426687 | Cert. No : 99 |
| 05-08-2023 | 37 | KUSUM PONNAPPA | 21 | PRATHISH MUTHAIAHNAIDU | 28,000 | 8104873 | 8132872 | Cert. No : 155 |
| | 39 | RENUKA R PARVANGADA | 21 | PRATHISH MUTHAIAHNAIDU | 28,000 | 8271763 | 8299762 | Cert. No : 159 |
| 09-02-2024 | 28 | SUBRAMANIA M | 31 | VED SAPRU | 5,000 | 4882679 | 4887678 | Cert. No : 190 |
| | 28 | SUBRAMANIA M | 32 | ADITYA RAMAN | 5,000 | 4887679 | 4892678 | Cert. No : 191 |
| **TOTAL NUMBER OF SHARES TRANSFERRED :** | | | | | **5,08,887 No of Equity Shares** | | | |

**Conservation of energy, Technology Absorption and Foreign Exchange Outgo:**

**Conservation of energy:**

Steps taken / impact on conservation of energy, with special reference to the following:

a) Being a Company engaged in Hotels; camping sites and other provision of short-stay accommodation [Restaurant facilities operated in connection with the provision of lodging remain classified in this group. Also included are the operation of sleeping cars when carried on by separate units], the operations of the Company require energy consumption. However, the Company has been taking adequate measure to conserve energy.

**Technology absorption:**

The Company has a proven track record of in-house design and development using modern state of the art technologies. The Company therefore continues to absorb new technologies as and when available and implement the same in the development of new products and services. Solar energy plants have been commissioned wherever possible

**Foreign exchange earnings and Outgo:**

During the year under the review the Foreign exchange earnings and Foreign out flow:-

| | |
|---|---|
| a) Earnings in Foreign Exchange: | NIL |
| b) Expenditure in Foreign Currency: | NIL |

**Statutory Auditors:-**

**Re-Appointment of Auditor**

Pursuant to provisions of Section 139 and other applicable provisions and relevant rules of the Companies Act, 2013, M/s. M/s. Gnanoba & Bhatt, Chartered Accountants, Firm Registration No: 000939S, Bangalore, was appointed from the conclusion of 15th Annual General Meeting till the conclusion of 20th Annual General Meeting held on 30/09/2019 (i.e FY 01-04-2019 to 31-03-2024).

Further, the Board of Directors of the Company has recommended to re-appoint the retiring auditors M/s. Gnanoba & Bhatt, Chartered Accountants, Firm Registration No: 000939S, Bangalore, for a term of five consecutive years from the conclusion ensuing 20th Annual General Meeting till the conclusion of 25th Annual General Meeting to be held in the year 2029 (i.e FY from 01-04-2024 to 31-03-2029) with subject to the approval of Members at the ensuing Annual General Meeting and with the Consent of the Statutory Auditor.

The Company has received from M/s. Gnanoba & Bhatt, Chartered Accountants, Bangalore, the consent confirming the willingness and eligibility to be appointed as the Auditors of the Company as per the provisions of Section 141 of the Companies Act, 2013.

**The Auditors Qualification for the financial year ended 31st March 2023.**

Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made by the statutory auditor in his report: **No Qualifications.**

**Cost Auditors: -**

The Cost audit of the Company has not been conducted for the financial year 2023-24 as provisions of Section 148 of the Companies Act, 2013 are **not applicable** on the Company.

**Internal Financial Controls: -**

The Company has maintained adequate financial control system, commensurate with the size, scale and complexity of its operations and ensures compliance with various policies, practices and statutes in keeping with the organization's pace of growth and increasing complexity of operations.

**Compliance with Secretarial Standard:**

The Company has complied with the applicable Secretarial Standards (as amended from time to time) on meetings of the Board of Directors and Shareholders issued by The Institute of Company Secretaries of India and approved by Central Government under section 118(10) of the Companies Act, 2013.

**Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) act, 2013:**

Your Company has always believed in providing a safe and harassment free workplace for every woman working in its premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

In accordance with "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013", to provide for the effective enforcement of the basic human right of gender equality and guarantee against sexual harassment and abuse, more particularly against sexual harassment at work places, measures are laid down by the Company.

During the year, there was no complaint lodged with the Company.

**Risk Management Policy:**

The Company has not identified any element of risk, which may threaten the existence of the company.

**Corporate Social Responsibility Policy:**

The provisions of Section 135 do not apply to the Company.

**Particulars of Contract and Arrangement with Related Parties Section 188:**

Details of all Related party transactions that were entered into during the financial year were in ordinary course of business. Details of related party transactions are given in Form AOC-2.

**Acknowledgement:**

Your directors place on the record their appreciation of the Contribution made by employees, consultants at all levels, who with their competence, diligence, solidarity, co-operation and support have enabled the Company to achieve the desired results. The board of Directors gratefully acknowledge the assistance and co-operation received from the Central and State Governments Departments, Shareholders and Stakeholders.

**On behalf of the Board of**
**For RED EARTH GOOD LIVING AND HOSPITALITY PVT LTD**





**RACHEL RAVI**
**Managing Director**
**DIN: 02576160**

**K.R.PARAMESWARAN**
**Director**
**DIN: 05148671**

**Place: Bengaluru.**
**Date: 9th September 2024.**

# FORM NO. MGT-9

## EXTRACT OF ANNUAL RETURN AS ON FINANCIAL YEAR ENDED ON 31ST MARCH 2024.

**Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014.**

### I. REGISTRATION & OTHER DETAILS:

| | | |
|---|---|---|
| 1. | CIN | U55100KA2004PTC034447 |
| 2. | Registration Date | 06/08/2004 |
| 3. | Name of the Company | **RED EARTH GOOD LIVING AND HOSPITALITY PRIVATE LIMITED** |
| 4. | Category/Sub-category of the Company | Indian non-Government Company / Company Limited by Shares |
| 5. | Address of the Registered office & contact details | NO 6C, ALPS ESTATE, SARJAPUR ROAD, BANGALORE 560 035. |
| 6. | Whether listed company | **No** |
| 7. | Name, Address & contact details of the Registrar & Transfer Agent, if any. | **Not Applicable** |

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

| Si. No. | Name and Description of main products / services | NIC Code of the Product/ Service | Total turnover of the company |
|---|---|---|---|
| 1 | Hospitality Services | 55101 | **12,60,80,212/-** |
| 2 | Sale of Products (Hospitality) | 1079 | **1,57,56,374/-** |

### III. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### (A) CATEGORY-WISE SHARE HOLDING

| Category of Shareholders | No. of Shares held at the beginning of the year [As on 1-April-2023] | | | | No. of Shares held at the end of the year [As on 31-March-2024] | | | | % Change during the year |
|---|---|---|---|---|---|---|---|---|---|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| **A. Promoter s** | | | | | | | | | |
| (1) **Indian** | | | | | | | | | |
| a) Individual/ HUF | NA | NA | NA | NA | NA | NA | NA | NA | **0.00%** |
| b) Central Govt | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| c) State Govt(s) | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| d) Bodies | NA | NA | NA | NA | NA | NA | NA | NA | NA |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Corp. | | | | | | | | | |
| e) Banks / FI | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| f) Any other | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| **Total shareholding of Promoter (A)** | **NA** | **NA** | **NA** | **NA** | **NA** | **NA** | **NA** | **NA** | **0.00%** |
| | | | | | | | | | |
| **B. Public Shareholding** | | | | | | | | | |
| 1. Institutions | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| a) Mutual Funds | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| b) Banks / FI | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| c) Central Govt | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| d) State Govt(s) | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| e) Venture Capital Funds | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| f) Insurance Companies | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| g) FIIs | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| h) Foreign Venture Capital Funds | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| i) Others (specify) | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| **Sub-total (B)(1):-** | **NA** | **NA** | **NA** | **NA** | **NA** | **NA** | **NA** | **NA** | **NA** |
| | | | | | | | | | |
| **2. Non-Institutions** | | | | | | | | | |
| a) Bodies Corp. | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| i) Indian | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| ii) Overseas | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| b) Individuals | NA | NA | NA | NA | NA | NA | NA | NA | NA |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | NA | 8755097 | 8755097 | 93.83% | NA | 8755097 | 8755097 | 93.83% | **0.00%** |
| c) Others (specify) | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| Non Resident Indians | NA | 575800 | 575800 | 6.17% | NA | 575800 | 575800 | 6.17% | NA |
| Overseas Corporate Bodies | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| Foreign Nationals | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| Clearing Members | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| Trusts | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| Foreign Bodies - D R | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| **Sub-total (B)(2):-** | **NA** | **9330897** | **9330897** | **100%** | **NA** | **9330897** | **9330897** | **100%** | **0.00%** |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | NA | 9330897 | 9330897 | 100% | NA | 9330897 | 9330897 | 100% | 0.00% |
| **C. Shares held by Custodian for GDRs & ADRs** | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| **Grand Total (A+B+C)** | **NA** | **9330897** | **9330897** | **100%** | **NA** | **9330897** | **9330897** | **100%** | **0.00%** |

**(B) SHAREHOLDING OF PROMOTER:**

| SN | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in shareholding during the year |
|---|---|---|---|---|---|---|---|---|
| | | No. of Shares | % of total Shares of the company | %of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | %of Shares Pledged / encumbered to total shares | |
| 1 | -NA- | | | | | | | |

**(C) CHANGE IN PROMOTERS' SHAREHOLDING**
**(Please specify, if there is no change)**

| SN | Particulars | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | 0.00 | 0.00% | 0.00 | 0.00% |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): | No Changes in shareholding during the year | No Changes in shareholding during the year | No Changes in shareholding during the year | No Changes in shareholding during the year |
| | **At the end of the year** | **0.00** | **0.00%** | **0.00** | **0.00%** |

**(D) SHAREHOLDING OF DIRECTOR'S AND KEY MANAGERIAL PERSONNEL:**

| **SN** | **Shareholding of each Director and each Key Managerial Personnel** | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | 5542683 | 59.40% | 5542683 | 59.40% |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | Shares Transfer during the year | Shares Transfer during the year | Shares Transfer during the year | Shares Transfer during the year |
| | At the end of the year | **5104796** | **54.71%** | **5104796** | **54.71%** |

**(E) INDEBTEDNESS-Indebtedness of the Company including interest outstanding/ accrued but not due for payment.**

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|---|---|---|---|
| **Indebtedness at the beginning of the financial year** | | | | |
| i) Principal Amount | 5,31,27,329 | 0 | 0 | 5,31,27,329 |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | | | | |

| | | | | |
|---|---|---|---|---|
| **Total (i+ii+iii)** | **5,31,27,329** | **0** | **0** | **5,31,27,329** |
| **Change in Indebtedness during the financial year** | | | | |
| * Addition | 0 | 0 | 0 | 0 |
| * Reduction | 3,44,60,828 | | | 3,44,60,828 |
| **Net Change** | **3,44,60,828** | **0** | **0** | **3,44,60,828** |
| **Indebtedness at the end of the financial year** | | | | |
| i) Principal Amount | 1,86,66,500 | 0 | 0 | 1,86,66,500 |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | | | | |
| **Total (i+ii+iii)** | **1,86,66,500** | **0** | **0** | **1,86,66,500** |

## IV. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

### (A) REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

| SN | Particulars of Remuneration | Name of MD/WTD/ Manager | Total Amount |
|---|---|---|---|
| | | RAVI RACHEL (Managing Director) | |
| 1 | Gross salary | 24,00,000 | 24,00,000 |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | | |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | | |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | | |
| 2 | Stock Option | | |
| 3 | Sweat Equity | | |
| 4 | Commission<br>- as % of profit<br>- others, specify | | |
| 5 | Others, please specify | | |
| | Total (A) | **24,00,000** | **24,00,000** |
| | Ceiling as per the Act | | |

### (B) REMUNERATION TO OTHER DIRECTORS.

| SN | Particulars of Remuneration | Name of Directors | | | Total Amount |
|---|---|---|---|---|---|
| | | K R Parameshwaran (Director) | Aditya Raman (Director) | Roopa Mohandas (Director) | |
| 1 | Independent Directors | | | | |
| | Fee for attending board committee meetings | | | | |
| | Commission | | | | |
| | Others, please specify | | | | |
| | Total (1) | | | | |

| | | | | | |
|---|---|---|---|---|---|
| 2 | Other Non-Executive Directors | | | | |
| | Remuneration Paid | 24,00,000 | 9,00,000 | 0 | 33,00,000 |
| | Commission | | | | |
| | Others, please specify | | | | |
| | Total (2) | | | | |
| | Total (B)=(1+2) | | | | |
| | Total Managerial Remuneration | **24,00,000** | **9,00,000** | **0** | **33,00,000** |
| | Overall Ceiling as per the Act | | | | |

**(C) REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ MANAGER/ WTD**

| SN | Particulars of Remuneration | Key Managerial Personnel | | | |
|---|---|---|---|---|---|
| | | CEO | CS | CFO | Total |
| 1 | Gross salary | 0 | 0 | 0 | 0 |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | | | | |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | | | | |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | | | | |
| 2 | Stock Option | | | | |
| 3 | Sweat Equity | | | | |
| 4 | Commission | | | | |
| | - as % of profit | | | | |
| | others, specify… | | | | |
| 5 | Others, please specify | | | | |
| | Total | **0** | **0** | **0** | **0** |

**V. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT/ COURT] | Appeal made, if any (give Details) |
|---|---|---|---|---|---|
| **A. COMPANY** | | | | | |
| Penalty | **NA** | **NA** | **NA** | **NA** | **NA** |
| Punishment | **NA** | **NA** | **NA** | **NA** | **NA** |
| Compounding | **NA** | **NA** | **NA** | **NA** | **NA** |
| **B. DIRECTORS** | | | | | |
| Penalty | **NA** | **NA** | **NA** | **NA** | **NA** |
| Punishment | **NA** | **NA** | **NA** | **NA** | **NA** |

| | | | | | |
|---|---|---|---|---|---|
| Compounding | NA | NA | NA | NA | NA |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | NA | NA | NA | NA | NA |
| Punishment | NA | NA | NA | NA | NA |
| Compounding | NA | NA | NA | NA | NA |

On behalf of the Board of
For RED EARTH GOOD LIVING AND HOSPITALITY PVT LTD

RACHEL RAVI
Managing Director
DIN: 02576160

K.R.PARAMESWARAN
Director
DIN: 05148671

Place: Bengaluru.
Date: 9th September 2024.

K. R. GNANOBA B.Com., F.C.A.
R. UMESH B.Com., F.C.A.
PHALGUNA. B. N. B.Com., F.C.A., D.I.S.A [ICAI]
BASAVANA GOUD. K. R. F.C.A.

GNANOBA & BHAT
CHARTERED ACCOUNTANTS

# INDEPENDENT AUDITOR'S REPORT

## To the Members of M/s Red Earth Good Living And Hospitality Private Limited

### Report on the Audit of Financial Statements

### Opinion

We have audited the accompanying financial statements of **M/s Red Earth Good Living And Hospitality Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and the best of our information and according to the explanations given to us, the aforesaid 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 31st March, 2024 its profit and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Information other than the Financial Statements and Auditor's Report thereon

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

The Board's Report is expected to be made available to us after the date of this Auditors' Report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance / conclusion thereon.

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

When we read Board's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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**Responsibilities of the Management for 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 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. 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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

A further description of our responsibilities for the audit of the financial statements is included in "**Annexure - A**" of this auditor's report.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **Annexure - B** a statement on the matters specified in paragraphs 3 and 4 of the order.

2. As required by Section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by Law have been kept by the Company so far as it appears from our examination of those books.



c. The Balance Sheet, the Statement of Profit & Loss, and the Cash Flow Statement dealt with by this report are in agreement with the books of account.

d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021.

e. On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f. 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 has disclosed the impact of pending litigations on its financial position in its financial statements – *Refer Note no. 25* to the financial statements;

ii. The Company did not have any long-term contracts including derivative contracts which require any provision to be made for material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that causes us to believe that the representation given by the Management contain any material misstatement.

v. The final dividend for the previous year declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

GNANOBA & BHAT ★ BANGALORE ★ CHARTERED ACCOUNTANTS

vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year [except for the period from 01-04-2023 to 11-07-2023] for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2024, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024

**For GNANOBA & BHAT,**
**Chartered Accountants,**
**Firm Regn No. 000939S**




**K R GNANOBA**
**Partner**
**M.No. 023137**
**UDIN : 24023137BKGXBA8799**

**Place: Bangalore**
**Date : 9th September, 2024**

## ANNEXURE-A TO THE AUDITOR'S REPORT

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

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

**For GNANOBA & BHAT,**
**Chartered Accountants,**
**Firm Regn No. 000939S**




**K R GNANOBA**
**Partner**
**M.No. 023137**
**UDIN : 24023137BKGXBA8799**

**Place: Bangalore**
**Date : 9th September, 2024**

## ANNEXURE-B TO AUDITOR'S REPORT REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE

(i) In respect of Property, Plant and Equipment:

a) i. The Company has maintained proper records showing full particulars including quantitative details and situation of the Property, Plant and Equipment;

ii. The Company has maintained proper records showing full particulars of the intangible assets;

b) Property, Plant and Equipment have been physically verified during the year by the Management in line with an internal programme of verification. According to the information and explanations given to us, no material discrepancies were noticed on such verification. In our opinion, the periodicity of verification is reasonable having regard to size of the Company and the nature of its assets;

c) The title deeds of all the immovable properties disclosed in the financial statements are held in the name of the company.

d) The company has not revalued its Property, Plant and Equipment and intangible assets and hence clause (i)(d) of the order is not applicable;

e) According to the information and explanations given to us and based on our examination of the relevant records, no proceedings have been initiated or are pending against the company for holding any benami property under Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, and hence clause (i)(e) of the order is not applicable.

(ii) (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(b) During the year Company has not availed of working capital limits from a bank on the basis of security of current assets. Accordingly, clause (b) of the order is not applicable.

(iii) According to the information and explanations given to us and based on our examination of the relevant records, the Company has not granted loans or advances in the nature of loans or provided any guarantee or security to any entity. Accordingly, reporting under clause (iii) is not applicable.

(iv) In our opinion and according to the information and explanations given to us and based on our examination of the relevant books and records produced before us, the Company has not entered into any transactions which come under the purview of Section 185 and 186 of the Companies Act, 2013 and hence clause (iv) of the Order is not applicable.

(v) In our opinion and according to the information and explanations given to us and based on our examination of the relevant books and records produced before us, the Company has accepted deposits which is in contravention in terms of Chapter-V the Companies Act, 2013 read with The Companies (Acceptance of Deposits) Rules, 2014. However, no order has been passed by Company Law Board or National Company Law Tribunal or any other Tribunal.



(vi) To the best of our knowledge and as explained to us, the Central Government has not specified the maintenance of cost records under sub-section 1 of section 148 of the Companies Act, 2013.

(vii) According to the information and explanations given to us and on the basis of examination of the books and records as produced before us, in respect of statutory dues and other dues:

a. The Company has been generally regular (with few delays in remitting) in depositing undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Custom Duty, Cess and other statutory dues with the appropriate authorities during the period wherever applicable. There were no material undisputed amounts in respect of the above statutory dues, which were in arrears as at 31st March 2024, for a period more than six months from the date they became due.

b. As explained to us, there are following disputed statutory payments due as on the balance sheet date.

| Statute | Nature of dues | Amt. (Rs. In lacs) | Period to which dues relate | Forum where the dispute is pending |
|---|---|---|---|---|
| Income Tax Act, 1961 | Demand u/s 156 | 85.88 | A-Y 2017-18 | CIT-Appeals |

(viii) According to the information and explanation given to us and based on our verification of the records and relevant documents, the Company has not surrendered or disclosed additional income during the year in the tax assessments under Income Tax Act, 1961. Hence reporting under this clause is not applicable.

(ix) (a) The company has not default in repayment of loans or other borrowings or in the payment of interest thereon.

(b) According to the information and explanation given to us the company is not declared wilful defaulter by any bank or financial institution or any other lender.

(c) According to the information and explanation given to us and based on the documents verified by us, the term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanation given to us and based on the documents verified by us, the Company has not raised any funds on short term basis. Consequently, reporting under this clause (d) is not applicable.

(e) A Company does not have any subsidiary, associate or joint venture and accordingly reporting under this clause is not applicable.

(f) A Company does not have any subsidiary, associate or joint venture and accordingly reporting under this clause is not applicable

(x) In respect of moneys raised by way of initial public offer, further public offer, preferential allotment and private placement of shares / convertible debentures:

a. The Company has not raised moneys by way of initial public offer or further public offer during the year.



b. The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

(xi) In respect of fraud:

a. To the best of our knowledge and belief, according to the information and explanations given to us by the Management and the records produced before us, no frauds were noticed or reported during the year.

b. As reported above, no frauds were noticed or reported during the year and hence report under sub-section (12) of section 143 is not applicable.

c. As represented to us by the management, the Company is not required to implement a whistle-blower policy under the provisions of sub-section 9 of section 177 of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014.

(xii) The Company is not a Nidhi Company and hence this clause is not applicable.

(xiii) In our opinion and according to the information and explanation given to us and based on our verification of the records and relevant documents, all transactions with related parties entered into by the Company are in compliance with section 188 of the Companies Act where applicable, and details of the same have been disclosed in the financial statements as required by the applicable accounting standards. The provisions of Section 177 are not applicable to the Company.

(xiv) In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the companies act 2013. Accordingly reporting under this is not applicable.

(xv) According to the information and explanation given to us by the Management and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him and hence this clause is not applicable.

(xvi) In our opinion and according to the information and explanation given to us,

a. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

b. The Company has not conducted any Non-Banking Financial or Housing Finance activities.

c. The Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India.

d. The company does not have any group entities and reporting under this sub-clause is not applicable.

(xvii) The company has not incurred cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and hence reporting under this clause is not applicable.



(xix) According to the information and explanations given to us and on the basis of the financial ratios, aging and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) According to the information and explanations given to us and based on our examination of the records of the Company, the provisions of sec 135 of the Companies Act, 2013 are not applicable to the company during the year. Hence reporting under this clause is not applicable.

(xxi) Since the company is not required to present consolidated financial statements, reporting under this clause is not applicable.

**For GNANOBA & BHAT,**
**Chartered Accountants,**
**Firm Regn No. 000939S**

GNANOBA & BHAT ★ BANGALORE ★ CHARTERED ACCOUNTANTS

**K R GNANOBA**
**Partner**
**M.No. 023137**
**UDIN : 24023137BKGXBA8799**

**Place: Bangalore**
**Date : 9th September, 2024**

RED EARTH GOOD LIVING AND HOSPITALITY PRIVATE LIMITED
BALANCE SHEET AS AT 31st MARCH 2024

| PARTICULARS | Note | As at 31st March, 2024 | | As at 31st March, 2023 | |
|---|---|---|---|---|---|
| I. EQUITY AND LIABILITIES | | | | | |
| **(1) Shareholders Fund** | | | | | |
| (a) Share Capital | 1 | 93,309 | | 93,309 | |
| (b) Reserves and Surplus | 2 | 82,533 | | 67,814 | |
| | | | 1,75,842 | | 1,61,123 |
| **(2) Non Current Liabilities** | | | | | |
| (a) Long Term Borrowings | 3 | 18,667 | | 53,127 | |
| (b) Deferred Tax Liability | 4 | 11,094 | | 9,937 | |
| (c) Long term provisions | 5 | 3,185 | | 5,379 | |
| | | | 32,946 | | 68,443 |
| **(3) Current Liabilities** | | | | | |
| (a) Short-term borrowings | 6 | 37,822 | | 35,735 | |
| (b) Trade Payables | 7 | | | | |
| - total outstanding dues of micro enterprises and small enterprises; and | | 487 | | 942 | |
| - total outstanding dues of creditors other than micro enterprises and small enterprises | | 9,792 | | 6,629 | |
| (c) Other Current Liabilities | 8 | 13,304 | | 14,592 | |
| (d) Short term provisions | 9 | 6,661 | | 5,224 | |
| | | | 68,067 | | 63,123 |
| **TOTAL** | | | **2,76,854** | | **2,92,689** |
| **II. ASSETS** | | | | | |
| **(1) Non Current Assets** | | | | | |
| (a) Property, Plant & Equipment & Intangible Assets | 10 | | | | |
| (i) Property, Plant & Equipment | | 2,46,706 | | 2,57,427 | |
| (ii) Intangible Assets | | 2,397 | | 2,779 | |
| (iii) Capital Work In progress | | 2,946 | | 2,709 | |
| (iv) Intangible assets under development | | 2,294 | | - | |
| (b) Long Term Loans and Advances | 11 | 10,453 | | 10,795 | |
| (c) Other non current assets | 12 | 5,545 | | 5,545 | |
| | | | 2,70,342 | | 2,79,256 |
| **(2) Current Assets** | | | | | |
| (a) Inventories | 13 | 2,258 | | 2,950 | |
| (b) Trade Receivables | 14 | 622 | | 202 | |
| (c) Cash and Cash Equivalents | 15 | 2,073 | | 8,581 | |
| (d) Short Term Loans and Advances | 16 | 681 | | 851 | |
| (e) Other Current Assets | 17 | 877 | | 849 | |
| | | | 6,512 | | 13,433 |
| **TOTAL** | | | **2,76,854** | | **2,92,689** |

**See Accompanying Notes (1 to 33) to the financials statements**

In terms of our report attached to the Balance Sheet

**for Gnanoba & Bhat**
Chartered Accountants
Firm Registration no. 000935S

**K R Gnanoba**
Partner
M.No. 023137

Place :Bangalore
Date : 9th September, 2024

**For and on behalf of the Board**

**K R Parameswaran**
Director
DIN : 05148671

**Rachel Ravi**
Managing Director
DIN : 02576160

RED EARTH GOOD LIVING AND HOSPITALITY PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2024

Amounts in Rs.'000

| PARTICULARS | Note | For the Year ended | |
|---|---|---|---|
| | | 31st March, 2024 | 31st March, 2023 |
| 1. Revenue from operations | 18 | 1,41,837 | 1,25,511 |
| 2. Other Income | 19 | 179 | 141 |
| **3. Total Income (1 + 2)** | | **1,42,016** | **1,25,652** |
| **4. Expenses:** | | | |
| Cost of Food and Beverages, Other materials Consumed | 20 | 17,340 | 14,280 |
| Employee Benefit Expenses | 21 | 34,074 | 31,082 |
| Finance Costs | 22 | 8,150 | 11,824 |
| Depreciation and Amortization Expense | 10 | 14,575 | 12,441 |
| Other Expenses | 23 | 38,278 | 38,460 |
| **Total expenses** | | **1,12,417** | **1,08,086** |
| 5. Profit before Exceptional, Extraordinary items and Tax (3 - 4) | | 29,599 | 17,566 |
| 6. Exceptional Items | | | |
| Prior Period Item | | - | (245) |
| 7. Profit before Extraordinaryand Tax (5 - 6) | | 29,599 | 17,811 |
| 8. Extraordinary Items | | - | 7,517 |
| 9. Profit before Prior Year Items and Tax (7 - 8) | | 29,599 | 25,328 |
| 9.Profit before Tax (7 - 8) | | 29,599 | 25,328 |
| **10.Tax expense:** | | | |
| (a) Current tax | | 7,185 | 4,631 |
| Less: MAT Credit | | - | (4,228) |
| (b) Prior year tax | | 5 | - |
| (b) Deferred tax Liability / (Asset) | | 1,158 | 5,175 |
| **11.Profit (Loss) for the period (9 - 10)** | | **21,250** | **19,750** |
| **12.Earnings per equity share:** | | | |
| Basic & Diluted Earning per equity share | | 2.28 | 2.12 |
| **13. Weighted Average Number of shares used in computing Basic & Diluted earning per share** | | **93,30,897** | **93,30,897** |

**See Accompanying Notes (1 to 33) to the financials statements**

In terms of our report attached to the Balance Sheet

**for Gnanoba & Bhat**
Chartered Accountants
Firm Registration no. 000939S

**K R Gnanoba**
Partner
M.No. 023137

Place :Bangalore
Date : 9th September, 2024

**For and on behalf of the Board**

**K R Parameswaran**
Director
**DIN : 05148671**

**Rachel Ravi**
Managing Director
DIN : 02576160

RED EARTH GOOD LIVING AND HOSPITALITY PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

Amounts in Rs.'000

| Particulars | For the year ended 31 March, 2024 | | For the year ended 31 March, 2023 | |
|---|---|---|---|---|
| **A. Cash flow from operating activities** | | | | |
| Net Profit / (Loss) before extraordinary items and tax | | 29,599 | | 17,566 |
| Adjustments for: | | | | |
| Depreciation and amortization | 14,575 | | 12,441 | |
| (Profit)/Loss on Sale / Write off of Assets | - | | 2,731 | |
| Finance costs | 8,150 | | 11,824 | |
| | - | | - | |
| | | 22,725 | | 26,995 |
| Operating profit / (loss) before working capital changes | | 52,324 | | 44,561 |
| Changes in working capital: | | | | |
| Adjustments for (increase) / decrease in operating assets: | | | | |
| Inventories | 692 | | -1,379 | |
| Trade receivables | (420) | | 14 | |
| Short-term loans and advances | 170 | | -810 | |
| Long-term loans and advances | 342 | | (4,592) | |
| Other current assets | (28) | | (551) | |
| Other Non-current assets | - | | 17 | |
| Adjustments for increase / (decrease) in operating liabilities: | | | | |
| Trade payables | 2,708 | | 3,060 | |
| Other current liabilities | (1,288) | | 1,071 | |
| Short-term provisions | (250) | | 4,358 | |
| Long Term Provisions | (2,194) | | 816 | |
| | | (268) | | 2,003 |
| **Cash generated from operations** | | 52,056 | | 46,564 |
| Net income tax (paid) / refunds | | (5,504) | | (1,545) |
| **Cashflow before extra ordinary items** | | 46,552 | | 45,019 |
| Insurance claim received | | - | | 7,517 |
| Prior Period Items | | - | | 245 |
| **Net cash flow from / (used in) operating activities (A)** | | **46,552** | | **52,781** |
| **B. Cash flow from investing activities** | | | | |
| Capital expenditure on fixed assets, including capital advances | (6,004) | | (18,097) | |
| Sale of Fixed Assets | - | | - | |
| Interest income | - | | - | |
| | | (6,004) | | (18,097) |
| **Net cash flow from / (used in) investing activities (B)** | | **(6,004)** | | **(18,097)** |
| **C. Cash flow from financing activities** | | | | |
| Repayment/ (proceeds) of long-term borrowings | (34,461) | | (25,113) | |
| Repayment/ (proceeds) of short-term borrowings | 2,087 | | -1,364 | |
| Finance cost | (8,150) | | (11,824) | |
| Dividend paid | (6,532) | | - | |
| | | (47,056) | | (38,300) |
| **Net cash flow from / (used in) financing activities (C)** | | **(47,056)** | | **(38,300)** |
| **Net increase / (decrease) in Cash and cash equivalents (A+B+C)** | | **(6,508)** | | **(3,616)** |
| Cash and cash equivalents at the beginning of the year | | 8,581 | | 12,198 |
| **Cash and cash equivalents at the end of the year** | | **2,073** | | **8,581** |
| **Cash and cash equivalents at the end of the year *** | | | | |
| * Comprises: | | | | |
| (a) Cash on hand | | 315 | | 271 |
| (b) Balances with banks - in current accounts and deposits with maturity period of 3 months | | 1,759 | | 8,310 |
| | | **2,073** | | **8,581** |

**See Accompanying Notes (1 to 33) to the financials statements**

In terms of our report attached to the Balance Sheet

**for Gnanoba & Bhat**
Chartered Accountants
Firm Registration no. 000938S

**K.L.Gnanoba**
Partner
M.No. 023137

Place :Bangalore
Date : 9th September, 2024

**For and on behalf of the Board**

**K R Parameswaran**
Director
DIN : 05148671

**Rachel Ravi**
Managing Director
DIN : 02576160

RED EARTH GOOD LIVING AND HOSPITALITY PRIVATE LIMITED
NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2024

| 1. Share Capital | | Amounts in Rs.'000 |
|---|---|---|
| PARTICULARS | As at 31st March 2024 | As at 31st March 2023 |
| **Authorised Share Capital** | | |
| 1,00,00,000 (Previous Period 1,00,00,000) Equity Shares of Rs.10/- each | 1,00,000 | 1,00,000 |
| **Issued, Subscribed and Paid Up Share Capital** | | |
| 93,30,897 (Previous Period 93,30,897) Equity Shares of Rs.10/- each fully paid | 93,309 | 93,309 |
| (Of the above 740,000 shares of Rs.10/- each were issued for consideration other than cash) | | |
| TOTAL | 93,309 | 93,309 |

| 1.(a). The reconciliation of number of shares outstanding is set out below: | | | | |
|---|---|---|---|---|
| PARTICULARS | As at 31st March 2024 | | As at 31st March 2023 | |
| | No. of shares | Amounts in Rs.'000 | No. of shares | Amounts in Rs.'000 |
| Number of shares at the beginning | 93,30,897 | 93,309 | 93,30,897 | 93,309 |
| Add/(Less) : Number of shares issued/(bought back) during the period | - | - | - | - |
| Number of shares at the end | 93,30,897 | 93,309 | 93,30,897 | 93,309 |

| 1.(b). The details of shareholding more than 5% is set out below. | | | | |
|---|---|---|---|---|
| Name of the Shareholder | As at 31st March 2024 | | As at 31st March 2023 | |
| | No. of shares | % Held | No. of shares | % Held |
| Rachel Ravi | 9,46,249 | 10.14 | 9,46,249 | 10.14 |
| Jayashree Saluja | 5,75,800 | 6.17 | 5,75,800 | 6.17 |
| Kesavprasad | 10,29,032 | 11.03 | 10,29,032 | 11.03 |
| K R Parameswaran | 13,83,683 | 14.83 | 13,83,683 | 14.83 |
| Roopa Mohan Das | 5,48,776 | 5.88 | 5,48,776 | 5.88 |
| Srinivas Reddy | 17,44,110 | 18.69 | 17,44,110 | 18.69 |
| Prathish | 5,95,055 | 6.38 | - | - |
| Vishnu Nischal Rajkumar | 5,14,184 | 5.51 | 5,14,184 | 5.51 |
| Total | 73,36,889 | 78.63 | 67,41,834 | 72.25 |

**1.(c). Detail of the rights, preferences and restrictions attaching to each Class of Shares outstanding Equity Shares of Rs. 10/- each:**

The Company has only one class of equity shares, having a par value of Rs.10/-. The holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval by the shareholders at the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution to all other parties concerned. The distribution will be in proportion to number of equity shares held by the shareholders.

| 2. Reserves and Surplus | | Amounts in Rs.'000 |
|---|---|---|
| PARTICULARS | As at 31st March 2024 | As at 31st March 2023 |
| **a) Capital Reserves:** | | |
| As per last Balance Sheet | 3,500 | 3,500 |
| Additions during the year -Capital Subsidy from Government of Karnataka | - | - |
| | 3,500 | 3,500 |
| **b) Securities Premium Account:** | | |
| As per last Balance Sheet | 30,748 | 30,748 |
| Additions on shares issued during the year | - | - |
| | 30,748 | 30,748 |
| **c) Surplus / (Deficit) in Statement of Profit and Loss** | | |
| **Balance at the beginning of the year** | 33,566 | 13,816 |
| Less : Interim Dividend paid | (6,532) | - |
| Add : Transfer of surplus / (deficit) from Statement of Profit and Loss | 21,250 | 19,750 |
| | 48,285 | 33,566 |
| **Balance at the end of the year** | 82,533 | 67,814 |



RED EARTH GOOD LIVING AND HOSPITALITY PRIVATE LIMITED
NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2024

| 3.Long Term Borrowings | Amounts in Rs.'000 | |
|---|---|---|
| PARTICULARS | As at 31st March 2024 | As at 31st March 2023 |
| Secured loan from Banks | 18,667 | 53,127 |
| TOTAL | 18,667 | 53,127 |

**Security :**
Secured against Land with Resort Building (Kabini) - Red Earth Good Living And Hospitality Pvt Ltd and Land & Building to be constructed (Tadoba) Red Earth Good Living And Hospitality Pvt Ltd
Hypothecation of all movable assets and Plant & Machinery (except vehicle) of present and future.
Hypothecation of stock and book debts of the company

**Guarantee:**
Personal guarantee issued by all the directors

**Repayment terms**

3(a). Details of Repayment of Loans

| Lender and Nature of Facility | Terms of repayment |
|---|---|
| CSB Loan - 665003 | Repayable in 72 EMIs Rs.22.8lakhs per EMI from February 2019 to November 2020, from December 2020 to May2021 Rs.25.00Lacs per EMI and Then from June2021 onwards Rs.23.00Lacs per EMI. |
| CSB- Loan -665004 | Repayable in 60 EMIs Rs.2,36,000 per EMI from April 2020 |
| CSB- Loan -664601 | Repayable in 36 EMIs Rs.5,55,600 per EMI from July 2021 after repayment holiday of 12 months from the date of disbursement |
| CSB- Loan -664602 | Repayable in 48 EMIs Rs.3,12,500 per EMI from July 2023 after repayment holiday of 24 months from the date of disbursement |
| **The above -term loans were taken over by Bank of Baroda on 05.07.2022** | |
| Bank of Baroda - Car Loan | Repayable in 84 EMIs Rs.47812 per EMI from March 2023 |
| Bank of Baoda - BGECL 1 | Repayable in 25 Monthly Principal Installments starting from July 2022 of Rs.5,55,520/- |
| Bank of Baoda - BGECL 2 | Repayable in 48 Monthly Principal Installments starting from 24months after first disbursal, having 47 monthly principal installments of Rs.1,54,600 & last principal installment of Rs.1,57,800/- |
| Bank of Baoda - BGECL 3 | Repayable in 48 Monthly Principal Installments starting from 24months after first disbursal, having 47 monthly principal installments of Rs.1.67 Lakhs & last principal installment of Rs.1.51 Lakhs. |
| Bank of Baoda - Term Loan 1 | Repayable in 37 EMIs Rs.21,75,433 per EMI from July 2022 |
| Bank of Baoda - Term Loan 2 | Repayable in 37 EMIs Rs.2,29,565 per EMI from July 2022 |

| 4. Deferred Tax Liability - (Net) | Amounts in Rs.'000 | |
|---|---|---|
| PARTICULARS | As at 31st March 2024 | As at 31st March 2023 |
| **(i) Deferred Tax Liability** | | |
| - Provision for Depreciation | 12,332 | 11,686 |
| **Total** | **12,332** | **11,686** |
| **(ii) Deferred Tax Asset** | | |
| - Unabsorbed Losses | - | 309 |
| - Disallowance u/s 40(a)(ia) | 289 | 331 |
| - Disallowance u/s 43B | 466 | 259 |
| - Provision for Gratuity | 483 | 850 |
| **Total** | **1,238** | **1,749** |
| **(iii) Deferred Tax Asset / (Liability) - Net** | **11,094** | **9,937** |

| 5.Long Term Provisions | Amounts in Rs.'000 | |
|---|---|---|
| PARTICULARS | As at 31st March 2024 | As at 31st March 2023 |
| Provision for Employee Benefits - Gratuity | 3,185 | 5,380 |
| TOTAL | 3,185 | 5,380 |

GHANA RA & BHAT CHARTERED ACCOUNTANTS BANGALORE

RED EARTH GOOD LIVING AND HOSPITALITY PRIVATE LIMITED
NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2024

| 6.Short-term borrowings | Amounts in Rs.'000 | |
|---|---|---|
| PARTICULARS | As at 31st March 2024 | As at 31st March 2023 |
| Current Maturities of Long Term debt | 37,822 | 35,735 |
| TOTAL | 37,822 | 35,735 |

| 7. Trade Payables | Amounts in Rs.'000 | |
|---|---|---|
| PARTICULARS | As at 31st March 2024 | As at 31st March 2023 |
| (a) Total outstanding dues of micro enterprises and small enterprises | 487 | 942 |
| (b) Total outstanding dues of creditors other than micro enterprises and small enterprises | 9,792 | 6,629 |
| TOTAL | 10,280 | 7,572 |

| Trade Payables ageing schedule for the Year ended 31, March 2024 | | | | | | Amounts in Rs.'000 |
|---|---|---|---|---|---|---|
| Particulars | Not due | Outstanding for the following periods from the due date | | | | Total |
| | | < 1 year | 1-2 years | 2-3 years | > 3 years | |
| Undisputed | | | | | | |
| - MSME | - | 487 | - | - | - | 487 |
| - Others | 675 | 6,800 | 2,317 | - | - | 9,792 |
| Disputed | | | | | | |
| - MSME | - | - | - | - | - | - |
| - Others | - | - | - | - | - | - |
| Total | 675 | 7,288 | 2,317 | - | - | 10,280 |

| Trade Payables ageing schedule for the Year ended 31, March 2023 | | | | | | Amounts in Rs.'000 |
|---|---|---|---|---|---|---|
| Particulars | Not due | Outstanding for the following periods from the due date | | | | Total |
| | | < 1 year | 1-2 years | 2-3 years | > 3 years | |
| Undisputed | | | | | | |
| - MSME | - | 942 | - | - | - | 942 |
| - Others | 2,113 | 4,398 | - | 119 | - | 6,629 |
| Disputed | | | | | | |
| - MSME | - | - | - | - | - | - |
| - Others | - | - | - | - | - | - |
| Total | 2,113 | 5,340 | - | 119 | - | 7,572 |

Note:

*(i) Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.*

Amounts in Rs.'000'

| PARTICULARS | As at 31st March 2024 | As at 31st March 2023 |
|---|---|---|
| (i) Principal amount remaining unpaid as at the end of the accounting year | 487 | 942 |
| (ii) Interest due on the above remaining unpaid as at the end of the accounting year | 63 | - |
| (iii) The amount of interest paid along with the amounts of the payment made beyond the appointed day | - | - |
| (iv) The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the MSMED Act, 2006; | - | - |
| (v) The amount of interest accrued and remaining unpaid at the end of the accounting year | 63 | - |
| (vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid | - | - |

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

*Note: Previous year figures are not disclosed since no provision had been made during that year and there were no claims from vendors.*

| 8. Other Current Liabilities | Amounts in Rs.'000 | |
|---|---|---|
| PARTICULARS | As at 31st March 2024 | As at 31st March 2023 |
| Other Payables | | |
| Advance from customers | 3,916 | 9,174 |
| Payable towards Capital Goods | 181 | 821 |
| Statutory Dues | 3,066 | 1,920 |
| Payable to Related Parties | 5,557 | 2,317 |
| Interest Payable to MSME | 63 | - |
| Other Payables | 521 | 361 |
| TOTAL | 13,304 | 14,592 |



RED EARTH GOOD LIVING AND HOSPITALITY PRIVATE LIMITED
NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2024

| 9. Short term provisions | | Amounts in Rs.'000 |
|---|---|---|
| PARTICULARS | As at 31st March 2024 | As at 31st March 2023 |
| Provision for Employee benefits | 1,008 | 924 |
| Provision for Income tax (Net) | 5,653 | 4,301 |
| TOTAL | 6,661 | 5,224 |

| 11. Long Term Loans and Advances | | Amounts in Rs.'000 |
|---|---|---|
| PARTICULARS | As at 31st March 2024 | As at 31st March 2023 |
| Unsecured, Considered good | | |
| Taxes paid in advance less provisions | 10,453 | 10,795 |
| TOTAL | 10,453 | 10,795 |

| 12. Other non current assets | | Amounts in Rs.'000 |
|---|---|---|
| PARTICULARS | As at 31st March 2024 | As at 31st March 2023 |
| Security Deposit | | |
| Unsecured, Considered Good | 5,545 | 5,545 |
| TOTAL | 5,545 | 5,545 |

| 13. Inventories | | Amounts in Rs.'000 |
|---|---|---|
| PARTICULARS | As at 31st March 2024 | As at 31st March 2023 |
| Stock of Food , Beverages and Trading goods (Valued at lower of cost or net realisable value) | 2,258 | 2,950 |
| TOTAL | 2,258 | 2,950 |

| 14. Trade Receivables | | Amounts in Rs.'000 |
|---|---|---|
| PARTICULARS | As at 31st March 2024 | As at 31st March 2023 |
| Unsecured: | | |
| considered good | 623 | 202 |
| | 623 | 202 |
| Less: Allowance for doubtful receivables | - | - |
| | - | - |
| TOTAL | 623 | 202 |

| Trade Receivables ageing schedule for the year ended 31, March 2024 | | | | | | | Amounts in Rs.'000 |
|---|---|---|---|---|---|---|---|
| Particulars | Not due | Outstanding for the following periods from the due date | | | | | Total |
| | | Less than 6 months | 6 months-1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed trade receivables | | | | | | | |
| - considered good | - | 534 | - | 88.04 | - | - | 622 |
| - considered doubtful | - | - | - | - | - | - | - |
| Disputed Trade Receivables | | - | - | - | - | - | - |
| - considered good | - | - | - | - | - | - | - |
| - considered doubtful | - | - | - | - | - | - | - |
| Total | - | 534 | - | 88.04 | - | - | 622 |

| Trade Receivables ageing schedule for the year ended 31, March 2023 | | | | | | | Amounts in Rs.'000 |
|---|---|---|---|---|---|---|---|
| Particulars | Not due | Outstanding for the following periods from the due date | | | | | Total |
| | | Less than 6 months | 6 months-1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed trace receivables | | | | | | | |
| - considered good | - | 153 | 50 | - | - | - | 202 |
| - considered doubtful | - | - | - | - | - | - | - |
| Disputed Trade Receivables | | - | - | - | - | - | - |
| - considered good | - | - | - | - | - | - | - |
| - considered doubtful | - | - | - | - | - | - | - |
| Total | - | 153 | 50 | - | - | - | 202 |

GNANOBA & BHAT CHARTERED ACCOUNTANTS BANGALORE

RED EARTH GOOD LIVING AND HOSPITALITY PRIVATE LIMITED
NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2024

| 15. Cash and Cash Equivalents | | Amounts in Rs.'000 |
|---|---|---|
| PARTICULARS | As at 31st March 2024 | As at 31st March 2023 |
| Cash | | |
| Cash in Hand | 315 | 271 |
| Balance with Banks | | |
| In Current Accounts | 1,525 | 8,310 |
| In Deposit deposits | 233 | - |
| TOTAL | 2,073 | 8,581 |

| 16. Short Term Loans and Advances | | Amounts in Rs.'000 |
|---|---|---|
| PARTICULARS | As at 31st March 2024 | As at 31st March 2023 |
| Unsecured, Considered good | | |
| - Trade and Other Advances | 327 | 294 |
| - Balance with Govt authorities | 354 | 557 |
| TOTAL | 681 | 851 |

| 17. Other Current Assets | | Amounts in Rs.'000 |
|---|---|---|
| PARTICULARS | As at 31st March 2024 | As at 31st March 2023 |
| Other Current Assets | | |
| - Prepaid Expenses | 877 | 849 |
| - Interest accured on fixed deposits | - | - |
| TOTAL | 877 | 849 |



RED EARTH GOOD LIVING AND HOSPITALITY PRIVATE LIMITED
NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH 2024

FY 2023-24

**10. Property, Plant & Equipment & Intangible Assets** — Amounts in Rs.'000

| PARTICULARS | GROSS BLOCK - COST | | | | DEPRECIATION / IMPAIRMENT | | | | | | NET BLOCK | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | As at 01.04.2023 | Additions | Deductions /Adjustments | As at 31.03.2024 | As at 01.04.2023 | For the Year * | Deductions / Adjustments | Adjusted to Retained Earnings | Impairment loss | As at 31.03.2024 | As at 31.03.2024 | As at 31.03.2023 |
| **Property, Plant & Equipment (A)** | | | | | | | | | | | | |
| Land - Freehold | 33,492 | - | - | 33,492 | - | - | - | - | - | - | 33,492 | 33,492 |
| Buildings | 2,37,606 | 1,476 | - | 2,39,082 | 46,082 | 7,975 | - | - | - | 54,057 | 1,85,025 | 1,91,524 |
| Plant and Machinery | 22,567 | 642 | - | 23,209 | 8,902 | 1,613 | - | - | - | 10,516 | 12,693 | 13,664 |
| Boat | 2,630 | - | - | 2,630 | 1,567 | 199 | - | - | - | 1,766 | 864 | 1,063 |
| Furniture and Fixtures | 16,295 | 267 | - | 16,562 | 10,306 | 1,587 | - | - | - | 11,893 | 4,669 | 5,988 |
| Vehicles | 8,702 | - | - | 8,702 | 3,145 | 792 | - | - | - | 3,937 | 4,765 | 5,557 |
| Office equipment | 1,401 | 179 | - | 1,580 | 547 | 286 | - | - | - | 833 | 748 | 854 |
| Electrical Equipment | 9,523 | 795 | - | 10,318 | 4,539 | 1,571 | - | - | - | 6,110 | 4,209 | 4,984 |
| Computers | 547 | 79 | - | 626 | 248 | 137 | - | - | - | 384 | 242 | 300 |
| Road | 1,712 | - | - | 1,712 | 1,712 | - | - | - | - | 1,712 | - | - |
| **Total (A)** | **3,34,475** | **3,438** | **-** | **3,37,913** | **77,048** | **14,159** | **-** | **-** | **-** | **91,207** | **2,46,706** | **2,57,427** |
| **Intangible Assets (B)** | | | | | | | | | | | | |
| Software | 60 | 34 | - | 95 | 50 | 16 | - | - | - | 65 | 29 | 11 |
| Trademark | 118 | - | - | 118 | 118 | - | - | - | - | 118 | - | - |
| Brand | 2,769 | - | - | 2,769 | 1 | 401 | - | - | - | 402 | 2,368 | 2,769 |
| Webdesign | 427 | - | - | 427 | 427 | - | - | - | - | 427 | - | - |
| **Total (B)** | **3,375** | **34** | **-** | **3,409** | **595** | **417** | **-** | **-** | **-** | **1,012** | **2,397** | **2,779** |
| | | | | | | | | | | | | |
| **Total (A) +(B)** | **3,37,850** | **3,472** | **-** | **3,41,322** | **77,643** | **14,575** | **-** | **-** | **-** | **92,219** | **2,49,103** | **2,60,206** |
| | | | | | | | | | | | | |
| **Capital Work-in-Progress** | **2,709** | **1,653** | **1,416** | **2,946** | - | - | - | - | - | - | **2,946** | **2,709** |
| | | | | | | | | | | | | |
| **Intangible assets under development** | - | **2,294** | - | **2,294** | - | - | - | - | - | - | 2,294 | - |
| | | | | | | | | | | | | |
| **Grand Total** | **3,40,558** | **7,420** | **1,416** | **3,46,562** | **77,643** | **14,575** | **-** | **-** | **-** | **92,219** | **2,54,344** | **2,62,915** |



RED EARTH GOOD LIVING AND HOSPITALITY PRIVATE LIMITED
NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH 2024

FY 2022-23

**10. Property, Plant & Equipment & Intangible Assets**

Amounts in Rs.'000

| PARTICULARS | GROSS BLOCK - COST | | | | DEPRECIATION / IMPAIRMENT | | | | | | NET BLOCK | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | As at 01.04.2022 | Additions | Deductions /Adjustments | As at 31.03.2023 | As at 01.04.2022 | For the Year * | Deductions / Adjustments | Adjusted to Retained Earnings | Impairment loss | As at 31.03.2023 | As at 31.03.2023 | As at 31.03.2022 |
| **Property, Plant & Equipment (A)** | | | | | | | | | | | | |
| Land - Freehold | 33,492 | - | - | 33,492 | - | - | - | - | - | - | 33,492 | 33,492 |
| Buildings | 2,28,669 | 8,937 | - | 2,37,606 | 38,374 | 7,708 | - | - | - | 46,082 | 1,91,524 | 1,90,295 |
| Plant and Machinery | 22,914 | 344 | 691 | 22,567 | 7,766 | 1,509 | 373 | - | - | 8,902 | 13,664 | 15,148 |
| Boat | 2,630 | - | - | 2,630 | 1,365 | 202 | - | - | - | 1,567 | 1,063 | 1,265 |
| Furniture and Fixtures | 17,353 | 1,992 | 3,051 | 16,295 | 11,391 | 1,402 | 2,486 | - | - | 10,306 | 5,988 | 5,962 |
| Vehicles | 3,711 | 5,028 | 37 | 8,702 | 2,743 | 439 | 37 | - | - | 3,145 | 5,557 | 967 |
| Office equipment | 1,596 | 385 | 580 | 1,401 | 870 | 232 | 555 | - | - | 547 | 854 | 726 |
| Electrical Equipment | 12,640 | 1,450 | 4,566 | 9,523 | 6,239 | 855 | 2,556 | - | - | 4,539 | 4,984 | 6,400 |
| Computers | 691 | 318 | 462 | 547 | 632 | 74 | 458 | - | - | 248 | 300 | 60 |
| Road | 1,712 | - | - | 1,712 | 1,712 | - | - | - | - | 1,712 | - | - |
| **Total (A)** | **3,25,408** | **18,454** | **9,387** | **3,34,475** | **71,092** | **12,420** | **6,465** | **-** | **-** | **77,048** | **2,57,427** | **2,54,316** |
| **Intangible Assets (B)** | | | | | | | | | | | | |
| Software | 114 | - | 53 | 60 | 93 | 10 | 53 | - | - | 50 | 11 | - |
| Trademark | 442 | - | 325 | 118 | 433 | 10 | 325 | - | - | 118 | - | 20 |
| Brand | - | 2,769 | - | 2,769 | - | 1 | - | - | - | 1 | 2,769 | - |
| Webdesign | 427 | - | - | 427 | 427 | - | - | - | - | 427 | - | 10 |
| **Total (B)** | **983** | **2,769** | **378** | **3,375** | **953** | **20** | **378** | **-** | **-** | **595** | **2,779** | **30** |
| **Total (A) +(B)** | **3,26,391** | **21,223** | **9,765** | **3,37,850** | **72,045** | **12,441** | **6,843** | **-** | **-** | **77,643** | **2,60,206** | **2,54,346** |
| **Capital Work-in-Progress** | **4,776** | **6,834** | **8,901** | **2,709** | **-** | **-** | **-** | **-** | **-** | **-** | **2,709** | **4,776** |
| **Intangible assets under development** | **1,059** | **1,710** | **2,769** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **1,059** |
| **Grand Total** | **3,32,226** | **29,768** | **21,435** | **3,40,558** | **72,045** | **12,441** | **6,843** | **-** | **-** | **77,643** | **2,62,915** | **2,60,181** |



RED EARTH GOOD LIVING AND HOSPITALITY PRIVATE LIMITED

NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2024

**18. Revenue from Operations** — Amounts in Rs.'000

| PARTICULARS | Year ended 31-Mar-24 | Year ended 31-Mar-23 |
|---|---|---|
| a) Sale of Products | 15,756 | 23,973 |
| b) Sale of Services | 1,26,080 | 1,01,538 |
| TOTAL | 1,41,837 | 1,25,511 |

**19. Other Income** — Amounts in Rs.'000

| PARTICULARS | Year ended 31-Mar-24 | Year ended 31-Mar-23 |
|---|---|---|
| Interest income | 126 | 124 |
| Forex gain | - | 0 |
| Miscellaneous income | 53 | 16 |
| TOTAL | 179 | 141 |

**20. Cost of Food, Beverages and Gift shop items consumed**

**20.(a).Consumption of Food ,Beverages and Gift shop items**

| PARTICULARS | 31-Mar-24 Value Rs. | 31-Mar-24 % | 31-Mar-23 Value Rs. | 31-Mar-23 % |
|---|---|---|---|---|
| Imported | - | 0.00% | - | 0.00% |
| Indigenously Procured | 17,339.64 | 100.00% | 14,280 | 100.00% |
| TOTAL | 17339.64 | 100.00% | 14,280 | 100.00% |

**20.(b). Food,Beverages and Gift shop items under broad heads** — Amounts in Rs.'000

| PARTICULARS | Year ended 31-Mar-24 | Year ended 31-Mar-23 |
|---|---|---|
| Opening Stock of Food and Beverages | 2,950 | 1,571 |
| Add: Purchases of Food and Beverages | 16,647 | 15,659 |
| | 19,598 | 17,230 |
| Closing Stock of Food and Beverages | 2,258 | 2,950 |
| TOTAL | 17,340 | 14,280 |

**21. Employee Benefits Expense** — Amounts in Rs.'000

| PARTICULARS | Year ended 31-Mar-24 | Year ended 31-Mar-23 |
|---|---|---|
| a) Salaries and Wages | 32,657 | 29,416 |
| b) Contribution to Provident and other Funds | 1,156 | 977 |
| c) Staff welfare Expenses | 261 | 689 |
| TOTAL | 34,074 | 31,082 |

**22. Finance Costs** — Amounts in Rs.'000

| PARTICULARS | Year ended 31-Mar-24 | Year ended 31-Mar-23 |
|---|---|---|
| a) Interest on Term Loan | 7,014 | 11,026 |
| b) Interest on MSME Dues | 63 | - |
| c) Other Financial Costs | 53 | 325 |
| d) Bank Charges | 8 | 1 |
| e)Merchant payment commission | 1,011 | 471 |
| TOTAL | 8,150 | 11,824 |

GHOSH & DUTT BANGALORE CHARTERED ACCOUNTANTS

RED EARTH GOOD LIVING AND HOSPITALITY PRIVATE LIMITED

NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2024

| 23. Other Expenses | | Amounts in Rs.'000 |
|---|---|---|
| PARTICULARS | Year ended | |
| | 31-Mar-24 | 31-Mar-23 |
| Power and Fuel | 7,950 | 7,439 |
| Rent | 3,071 | 3,056 |
| **Repairs and Maintenance** | | |
| - Buildings | 1,442 | 5,824 |
| - Plant & Machinery | 524 | 802 |
| - Others | 1,437 | 1,266 |
| Insurance | 220 | 197 |
| Rates and Taxes | 1,361 | 1,751 |
| Travelling and Conveyance | 1,118 | 1,036 |
| Travel Agency Commission | 7,198 | 3,974 |
| Sales Promotion Expenses | 579 | 574 |
| Donations and Contributions | 8 | 21 |
| Legal and Professional | 481 | 538 |
| Advertising and Marketing | 467 | 456 |
| Housekeeping Stores | 1,963 | 1,431 |
| Gas Refill Expenses | 287 | - |
| Safari Expenses | 8,725 | 5,752 |
| Miscellaneous Expenses | 123 | 107 |
| Printing & stationery | 98 | 155 |
| Telephone and Internet Charges | 582 | 601 |
| Up Keep Garden | 175 | 115 |
| Office expenses | 299 | 239 |
| Water Charges | 45 | 185 |
| Freight Charge | 125 | 141 |
| Assets writtenoff | - | 2,731 |
| Balances writtenoff | - | 68 |
| TOTAL | 38,278 | 38,460 |

| Payment to Auditors (Exclusive of Taxes) | 31-Mar-24 | 31-Mar-23 |
|---|---|---|
| - Statutory Audit | 180 | 150 |
| - Tax audit | 70 | 50 |
| - Tax Representation Services | - | 10 |

**24. Additional disclosures to the financial statements**

Foreign Currency Exposure that has not been hedged by a derivative instrument or otherwise -

| | Amount | Foreign Currency |
|---|---|---|
| **Due From** | | |
| - Debtors against export of goods | - | - |
| - Advances paid towards capital goods | - | - |
| - Advances paid towards materials | - | - |
| **Due To** | | |
| - Creditors against import of goods | | |

Note: Figures in brackets denote previous year's figures

| PARTICULARS | Year ended | |
|---|---|---|
| | 31-Mar-24 | 31-Mar-23 |
| Expenditure in foreign currency | | |
| - Capital goods | - | - |
| - Materials | - | - |
| - Travel | - | - |
| - Commission | - | - |
| Earnings in foreign currency | - | - |
| Estimated amount of contracts remaining to be executed on capital account and not provided for | - | - |

RED EARTH GOOD LIVING AND HOSPITALITY PRIVATE LIMITED

NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2024

**25. Contingent Liability** — **Amounts in Rs.'000**

| Particulars | As at | |
|---|---|---|
| | 31-Mar-24 | 31-Mar-23 |
| Claims against the Company not acknowledged as debts | - | - |
| Income tax matters | 8,571.28 | 8,571.28 |
| Total | 8,571.28 | 8,571.28 |

**26. Additional disclosures as per Accounting Standards** — **Amounts in Rs.'000**

| PARTICULARS | Year ended | |
|---|---|---|
| | 31-Mar-24 | 31-Mar-23 |
| **Related Party Transactions** | | |
| **Description of relationship** | **Name of related party** | |
| Directors | Chitimi Srinivasa Reddy<br>Roopa Mohandas<br>Deepak Thimaya (upto 11.05.2025)<br>Bopanna Chonira Ponappa (upto 01.06.2023)<br>Chirag Agarwal<br>Rishi Agarwal | |
| Relative of director | Vishnu Nischal rajkumar | |
| Firm where the director is a partner | Grassroots Wayanad | |
| Key Management Personnel | Rachel Ravi<br>K R Parameswaran<br>Aditya Raman | |
| **Details of Transactions** | | |
| **Loan taken during the year** | | |
| Srinivasa Reddy | - | 6,000 |
| Roopa Mohandas | - | 500 |
| Vishnu Nischal rajkumar | - | - |
| **Loan repaid during the year** | | |
| Srinivasa Reddy | - | 6,000 |
| Roopa Mohandas | - | 500 |
| **Dividend Paid during the year** | | |
| Rachel Ravi | 662 | - |
| K R Parameswaran | 969 | - |
| Aditya Raman | 75 | - |
| Roopa Mohandas | 384 | - |
| Vishnu Nischal Rajkumar | 360 | - |
| Chirag Agarwal | 156 | - |
| Rishi Agarwal | 103 | - |
| Chitimi Srinivasa Reddy | 1,221 | - |
| Bopanna Chonira Ponappa | 310 | - |
| **Remuneration Paid** | | |
| Rachel Ravi | 2,400 | 2,400 |
| K R Parameswaran | 2,400 | 2,400 |
| Aditya Raman | 900 | 900 |
| **Sale / Service provided** | | |
| Chitimi Srinivasa Reddy | - | 30 |
| **Expenses incurred / Payments made on behalf of the Company** | | |
| K.R Parameswaran | 11,416 | 4,016 |
| Rachel Ravi | 2,615 | 2,380 |
| Aditya Raman | 868 | 601 |

GNANOBA & BHAT CHARTERED ACCOUNTANTS BANGALORE

RED EARTH GOOD LIVING AND HOSPITALITY PRIVATE LIMITED

NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2024

| Particulars | As at | |
|---|---|---|
| | 31-Mar-24 | 31-Mar-23 |
| **Balances Outstanding at the end of the year** | Dr / (CR) | Dr / (CR) |
| K.R Parameswaran | 3,524 | 619 |
| Rachel Ravi | 1,878 | 1,211 |
| Aditya Raman | 154 | 363 |
| Chitimi Srinivasa Reddy | - | (30) |

**27. RECONCILIATION :**

*Debtors, Creditors and Loans and Advances are subject to confirmation and reconciliation. Necessary adjustments will be made as and when the accounts are reconciled.*

**28. PRIOR PERIOD COMPARATIVES**

*The previous year's figures have been accordingly re-grouped / re-classified to confirm to the current year's classification.*

**29. Disclosure on Quantitative Details**

*Inventories and consumables - It is not feasible to maintain the quantitative details of the pantry material consumed at restaurants during the year.*

GNANOBA & BHAT * BANGALORE * CHARTERED ACCOUNTANTS

**30(i).Capital work-in-progress (CWIP) ageing schedule / completion schedule for the year ended 31, March 2024**

Amounts in Rs.'000

| Capital work-in-progress (CWIP) | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| I.Projects in progress | | | | | |
| (i) CWIP Buildings | 1,653 | 1,293 | - | - | 2,946 |
| II.Projects temporarily suspended | - | - | - | - | - |

**Capital work-in-progress (CWIP) ageing schedule / completion schedule for the year ended 31, March 2023**

Amounts in Rs.'000

| Capital work-in-progress (CWIP) | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| I.Projects in progress | | | | | |
| (i) CWIP Buildings | 2,709 | - | - | - | 2,709 |
| II.Projects temporarily suspended | - | - | - | - | - |

30(ii). The entity is not maintaining budget relating to capital expenditure.The accounting is done based on actual expenditure incurred during the year.

Amounts in Rs.'000

**31(i).Intangible assets under development aging schedule for the year ended 31, March 2024**

| Intangible assets under development | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| I.Projects in progress | | | | | |
| (i) Trademark | 2,295 | - | - | - | 2,295 |
| II.Projects temporarily suspended | - | - | - | - | - |

Amounts in Rs.'000

**Intangible assets under development aging schedule for the year ended 31, March 2023**

| Intangible assets under development | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| I.Projects in progress | | | | | |
| (i) Trademark | - | - | - | - | - |
| II.Projects temporarily suspended | - | - | - | - | - |

31(ii). The entity is not maintaining budget relating to capital expenditure.The accounting is done based on actual expenditure incurred during the year.

**32.Other Information**

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

(ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

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

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

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

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

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

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(v) The company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

(vi) The company has not entered transactions with companies struck off under Sec.248 of the companies act.2013 or Sec.560 of the Companies act,1956.

GNANOJA & BHAT BANGALORE CHARTERED ACCOUNTANTS

**RED EARTH GOOD LIVING AND HOSPITALITY PRIVATE LIMITED**

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

**32.Ratios for the Years ended March 31, 2024 and March 31, 2023**

| Sl.no | Particulars | Numerator | Denominator | As at March 31 | | Variance | Reasons for Variance in excess of 25% |
|---|---|---|---|---|---|---|---|
| | | | | 2023 | 2022 | | |
| 1 | Current Ratio (in times) | Current Assets | Current Liabilities | 0.10 | 0.21 | -55% | Decrease in current Assets |
| 2 | Debt Equity Ratio (in times) | Total Debt | Shareholders' Equity | 0.32 | 0.55 | -42% | Decrease on Long term borrowings on account of repayment |
| 3 | Debt Service Coverage Ratio (in times) | Earnings available for Debt Service | Debt Service | 0.72 | 0.89 | -20% | Not Applicable |
| 4 | Return on Equity (in %) | Net Profits after Taxes | Average shareholder's equity | 13% | 14% | -12% | Not Applicable |
| 5 | Inventory Turunover Ratio (in times) | Cost of Goods Sold | Average Inventory | 54.47 | 78.54 | -31% | Increase in cost of goods sold |
| 6 | Trade receivable turnover ratio (in times) | Net credit sales | Average trade receivables | 343.92 | 599.09 | -43% | Decrease in credit turnover |
| 7 | Trade payable turnover ratio (in times) | Net purchases | Average trade payable | 7.24 | 13.39 | -46% | Increase in credit purchase |
| 8 | Net capital turnover ratio (in times) | Net Sales | Working Capital | -2.30 | -2.53 | -9% | Not Applicable |
| 9 | Net Profit Ratio (in %) | Net Profit | Net Sales | 15% | 16% | -5% | Not Applicable |
| 10 | Return on capital employed (in %) | Earnings before interest and taxes | Capital employed | 21% | 23% | -7% | Not Applicable |



## NOTE.32- SIGNIFICANT ACCOUNTING POLICIES:

1. **METHOD OF ACCOUNTING:**
The accounts have been prepared under the historical cost convention and on the basis of the going concern, with revenues recognized and expenses accounted on their accrual, including provisions/adjustments for committed obligations and amounts determined as payable or receivable during the year.

The preparation of financial statements in conformity with Generally Accepted Accounting Practices requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of financial statements, and the reported amounts of revenue and expenses during the reported year. Actual results could differ from those estimates.

The financial statements generally prepared in accordance with 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.

2. **PROPERTY, PLANT & EQUIPMENT:**
Fixed Assets are stated at historical cost of acquisition less depreciation. Attributable interest and expenses of bringing the respective assets to working condition for their intended use are capitalized.

3. **DEPREICIATION:**
Depreciation on Fixed Assets provided in the accounts is on Straight Line Method and the life of the assets adopted is as per the life prescribed under Schedule - II to the Companies Act, 2013. Accordingly, the life of the assets is determined as under.

| Particulars of Asset | Life of the Assets (in Years) |
|---|---|
| Plant & Machinery | 15 |
| Buildings | 30 |
| Office Equipment | 5 |
| Computers & Laptops | 3 |
| Software | 3 |
| Furniture & Fixtures | 8 |
| Ships | 13 |
| Vehicles | 10 |
| Electrical Equipment | 10 |
| Road | 3 |

4. **INVENTORY:**
Stock of food and beverages, stores and other operating supplies are carried at the lower of cost (computed on weighted average basis) or net realizable value.

5. **RETIREMENT BENEFITS:**
Short term employee benefits are recognized as expenses at the undiscounted amounts in the profit & loss account of the year in which the related service is rendered.

6. **BORROWING COST:**
Borrowing cost that is attributable to the acquisition /construction of fixed assets is capitalized as part of cost of respective assets. Other borrowing costs are recognized as expenses in the year in which they arise.



7. **TAXATION:**
The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the Company. Deferred tax assets and liabilities are recognized for future tax consequences attributable to the timing differences that result between the profit offered for income tax and the profit as per financial statements. Deferred tax assets and liabilities are measured as per the tax rates / laws that have been enacted or substantively enacted by the Balance Sheet Date.

8. **REVENUE RECOGNITION:**
Revenue is recognized to the extent that it can be reliably measured and is probable that the economic benefits will flow to the company. Income from services rendered is booked based on agreement/arrangement with the concerned parties.

9. **EXPENDITURE:**
Expenses are accounted for on the accrual basis and provisions are made for all known losses and liabilities.

10. **PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:**
A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. 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 current liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation, in respect of which the likelihood of outflow of resources are remote, no provision or disclosure is made.

**For GNANOBA & BHAT**
Chartered Accountants,
Firm Regn No. 000939S

**K R GNANOBA**
Partner
M. No. 023137

**For and on behalf of the Board**

**K R Parameshwaran**
Director
DIN: 05148671

**Rachel Ravi**
Managing Director
DIN: 02576160

**Place: Bangalore**
**Date : 9th September, 2024**

GNANOBA & BHAT BANGALORE CHARTERED ACCOUNTANTS