



APAS & Co.
CHARTERED ACCOUNTANTS

606, 6th FLOOR, PP CITY CENTRE
ROAD NO. 44, PITAMPURA
DELHI - 110034
TEL.: 011-49058720
E-MAIL : apas.delhi@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the Members of
Valerian Management Services Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the Ind AS financial statements of Valerian Management Services Private Limited ("the Company"), which comprise the balance sheet as at March 31, 2020, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements, give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note No. 20 to the Ind AS Financial Statements, which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management. The actual results may differ from such estimates depending on future developments. Our opinion is not modified in respect of this matter.

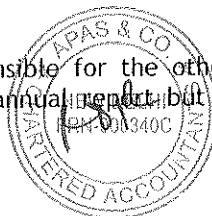
Basis for Opinion

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 Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the Ind AS financial





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statements and our auditor's report thereon.

Our opinion on the Ind AS 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the IND AS 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 IND AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error

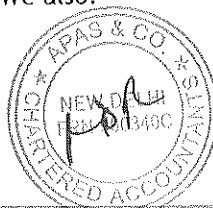
In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to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

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

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





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- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have 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.





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- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) In view of notification of ministry of corporate affairs dated 13th June 2017, read with notification no. GSR 464E) dated 5th June 2015, clause (i) of section 143(3) of the Companies Act in respect of internal financial controls is not applicable to the Company during the year.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company does not have any pending litigations which would impact its financial position in its financial statements.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

For APAS & CO.
CHARTERED ACCOUNTANTS
Firm Regn No. 000340C

Rajeev Ranjan

(RAJEEV RANJAN)
PARTNER
M No. 535395

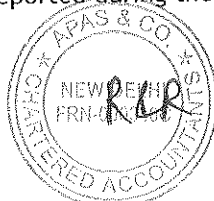
PLACE : NEW DELHI
DATED : May 26, 2020
UDIN : 20535395AAAABD5057





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

- (i) a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
b) The Company has physically verified the fixed assets at reasonable intervals, there were no material discrepancy during the physical verification of fixed assets.
c) The provision of clause 3(i) (c) of the order are not applicable as the company does not own any immovable property.
- (ii) The Company does not have any inventories as on the date of Balance Sheet. Therefore, requirements under clause 3(ii) are not applicable to the Company.
- (iii) The Company has not granted any loan to a company covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, provisions of, clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) We are informed that the company has not made any investment or given any loans or guarantees or provided any security during the year. Hence provision of section 185 and 186 are not applicable to the Company during the year.
- (v) The Company has not accepted any deposits from the public in terms of directive issued by Reserve Bank of India and provision of section 73 to 76 of the Companies Act, 2013.
- (vi) To the best of our knowledge and as explained, the central government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act 2013.
- (vii) As per information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other statutory dues with the appropriate authorities. As informed to us there are no outstanding statutory dues in arrears as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
- (viii) The Company does not have any borrowings from banks, financial institutions, the government or debenture holders as on the date of Balance Sheet. Therefore, requirements under clause 3(viii) are not applicable to the Company.
- (ix) The Company has not raised any moneys by way of initial public offer or further public offer and term loan during the year.
- (x) Based upon the audit procedures and information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.





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- (xi) Managerial remuneration is not payable by the Company during the year. Hence reporting under clause 3(xi) is not applicable
- (xii) The company is not a Nidhi Company so Nidhi Rules, 2014 are not applicable to the company.
- (xiii) According to information and explanations given to us by the management, all related party transactions are in compliance with the Section 188 of Companies Act 2013. Necessary disclosures has been made in the financial statements as required by the applicable accounting Standards. Further, provisions of section 177 of the Companies Act 2013 are not applicable to the company as the paid up capital, turnover and borrowings are below the limit specified.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- (xv) The Company has not entered into any non-cash transaction with the director or person connected with director as required under section 192 of The Companies Act, 2013.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India, 1934.

For APAS & CO.
CHARTERED ACCOUNTANTS
Firm Regn No. 000340C

Rajeev Ranjan

(RAJEEV RANJAN)
PARTNER
M No. 535395

PLACE : NEW DELHI
DATED : May 26, 2020
UDIN : 20535395AAAABD5057



Valerian Management Services Private Limited
Statement of Profit and Loss for the year ended March 31, 2020

	Note	March 31, 2020 Rs in lakhs	March 31, 2019 Rs in lakhs
Revenue from operations	11	75.05	60.50
Total Income		75.05	60.50
Expenses			
Employee benefits expense	12	-	2.28
Other expenses	13	69.34	71.82
Total expenses		69.34	74.10
Earnings before interest, tax, depreciation and amortisation (EBITDA)		5.71	(13.60)
Finance costs	14	20.34	21.20
Depreciation and amortization expense	15	1.57	2.04
Finance income	16	(1.46)	(2.07)
Loss before tax		(14.74)	(34.77)
Tax expense:			
(1) Current tax		-	-
(2) Adjustment of tax relating to earlier periods		-	-
(3) Deferred tax		-	-
Loss for the year		(14.74)	(34.77)
Other comprehensive income		(14.74)	(34.77)
Total Comprehensive Income for the year		(14.74)	(34.77)
Earnings per equity share:			
(1) Basic	17	(14.74)	(34.77)
(2) Diluted	17	(14.74)	(34.77)

Summary of significant accounting policies 2.2

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

As per our report of even date

For APAS & Co.
Firm Registration No. 000340C
Chartered Accountants

Rajeev Ranjan

Rajeev Ranjan
Partner
Membership No. 535395

For and on behalf of the Board of Directors of
Valerian Management Services Private Limited

Cyrus Mehernosh Madan

Cyrus Mehernosh Madan
Director
DIN: 02695031

Rajesh Kumar

Rajesh Kumar
Director
DIN: 05251730

Place : New Delhi
Date: May 26, 2020



Valerian Management Services Private Limited
Statement of Changes in Equity

A. Equity Share Capital

Equity shares of INR 1 each issued, subscribed and fully paid	No. of shares	Amount (Rs in lakhs)
As at April 1, 2018	100,000	1.00
Issue of share capital	-	-
As at March 31, 2019	100,000	1.00
Issue of share capital	-	-
As at March 31, 2020	100,000	1.00

B. Other Equity

For the year ended March 31, 2020

Rs. in lakhs

	Reserves and Surplus	
	Retained Earnings	Other equity
Balance at April 1, 2018	(224.32)	(224.32)
Total Comprehensive Income for the year	(34.77)	(34.77)
Balance at March 31, 2019	(259.09)	(259.09)
Total Comprehensive Income for the year	(14.74)	(14.74)
Balance at March 31, 2020	(273.83)	(273.83)

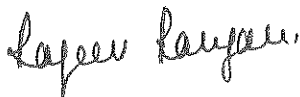
Summary of significant accounting policies

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

As per our report of even date

For APAS & Co.
Firm Registration No. 000340C
Chartered Accountants



Rajeev Ranjan
Partner
Membership No. 535395

For and on behalf of the Board of Directors of
Valerian Management Services Private Limited



Cyrus Mehernosh Madan
Director
DIN: 02695031



Rajesh Kumar
Director
DIN: 05251730

Place : New Delhi
Date: May 26, 2020



Valerian Management Services Private Limited
Cash flow statement for the year ended March 31, 2020

	For the year ended March 31, 2020 (Rs in lakhs)	For the year ended March 31, 2019 (Rs in lakhs)
A. Cash flow from operating activities		
Loss before tax	(14.74)	(34.77)
Non-cash adjustments to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortisation expenses	1.57	2.04
Finance income (including fair value change in financial instruments)	20.33	21.19
Finance costs (including fair value change in financial instruments)	7.16	(11.54)
Operating profit before working capital changes:		
Movements in working capital:		
Change in trade receivables	(4.97)	-
Change in loans and advances and other current assets	1.04	0.13
Change in liabilities and provisions	18.52	23.23
Cash Generated from Operations	21.75	11.82
Direct taxes paid (net of refunds)	5.69	4.84
Net cash flow from operating activities (A)	27.44	16.66
B. Cash flows used in investing activities		
Purchase of property plant & equipment	(0.40)	-
Net Cash flow used in investing activities (B)	(0.40)	-
C. Cash flows from/(used in) financing activities		
Proceeds from long term borrowings	-	5.00
Interest paid	(20.33)	(21.19)
Net Cash from/(used in) financing activities (C)	(20.33)	(16.19)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	6.71	0.47
Cash and cash equivalents at the beginning of the year	1.82	1.35
Cash and cash equivalents at the end of the year	8.53	1.82
Components of cash and cash equivalents		
Cash on Hand	0.40	0.40
Balances with Scheduled Banks in - Current accounts	8.13	1.42
Total cash and cash equivalents	8.53	1.82

Summary of significant accounting policies
As per our report of even date

2.2

For APAS & Co.
Firm Registration No. 000340C
Chartered Accountants

Rajeev Ranjan

Rajeev Ranjan
Partner
Membership No. 535395

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Rajesh Kumar
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DIN: 05251730

Place : New Delhi
Date: May 26, 2020



Valerian Management Services Private Limited
Notes to financial statements for the year ended March 31, 2020

1. Corporate Information

Valerian Management Services Private Limited (the Company) is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at Asset No.6, Aerocity Hospitality District, New Delhi-110037.

The principal activities of the Company is to provide all types of specialized services for project management, supervision, implementation, improvement, renovations, development, construction consultancy of any type of land, buildings, commercial complexes, hotels, motels, restaurants, banquets, malls etc.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 26, 2020.

2 Basis of preparation

2.1 Significant accounting policies

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities which are measured at fair value/ amortised cost.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing account standard required a change to the accounting policy hitherto to in use.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, except where otherwise indicated.

2.2 Summary of significant accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.



Valerian Management Services Private Limited
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Valerian Management Services Private Limited
Notes to financial statements for the year ended March 31, 2020

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 19)
- Quantitative disclosures of fair value measurement (note 21)
- Financial instruments (including those carried at amortised cost) (note 21)

(d) Revenue recognition

Effective April 1, 2018, the Company has applied Ind AS 115 "Revenue from Contracts with Customers" which establishes a comprehensive framework to depict timing and amount of revenue to be recognised. The Company has adopted Ind AS 115 using cumulative catch-up transition method, where any effect arising upon application of this standard is recognised as at the date of initial application (i.e April 1, 2018). The standard is applied only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated - i.e. the comparative information continues to be reported under previous standards on revenue i.e. Ind AS 18 and Ind AS 11. There was no impact on adoption of Ind AS 115 to the financial statements of the Company.

In arrangements for room revenue and related services, the Company has applied the guidance in Ind AS 115 for recognition of Revenue from contract with customer, by applying the revenue recognition



Valerian Management Services Private Limited
Notes to financial statements for the year ended March 31, 2020

criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering room revenue and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognized.

Sales tax/ value added tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Interest income

For all financial instruments measured at amortized cost and interest bearing financial assets classified as available for sale, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the income statement.

Dividends

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

(e) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of



Valerian Management Services Private Limited
Notes to financial statements for the year ended March 31, 2020

assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date.

If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.



Valerian Management Services Private Limited
Notes to financial statements for the year ended March 31, 2020

(f) Property, plant and equipment

Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on fixed assets is provided as per Schedule II of Companies Act, 2013 on Straight Line Method over its economic useful life of fixed assets as follows:

Fixed Assets	Useful life considered (SLM)
Office Equipment's	5 Years
Computers	3 Years

The Company, based on management estimates, depreciates certain items of building, plant and equipment over estimated useful lives which are lower than the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

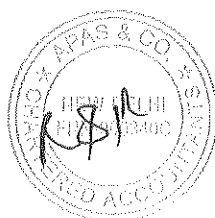
An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal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

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

(g) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Intangible assets are amortized on a straight line basis over the estimated useful economic life. All intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.



Valerian Management Services Private Limited
Notes to financial statements for the year ended March 31, 2020

Costs relating to acquisition of initial software license fee and installation costs are capitalized in the year of purchase.

Software costs are amortized using the straight line method over their useful lives estimated by the management at six years.

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

(h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(i) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair valueless costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.



Valerian Management Services Private Limited
Notes to financial statements for the year ended March 31, 2020

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(j) Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(k) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent



Valerian Management Services Private Limited
Notes to financial statements for the year ended March 31, 2020

periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

The company treats leaves expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

(I) Financial instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- Equity instruments in subsidiaries carried at cost

Debt instruments at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and



Valerian Management Services Private Limited
Notes to financial statements for the year ended March 31, 2020

- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables, loans to subsidiaries etc. For more information on receivables, refer to Note 5.

Debt instrument at FVTOCI

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and



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Notes to financial statements for the year ended March 31, 2020

rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Lease receivables under Ind AS 17
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 (referred to as 'contractual revenue receivables' in these illustrative financial statements)
- e) Loan commitments which are not measured as at FVTPL
- f) Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from



Valerian Management Services Private Limited
Notes to financial statements for the year ended March 31, 2020

3 Property, plant and equipment

Rs. In lakhs

Particulars	Office equipments	Computers	Total
Cost or valuation			
As at April 1, 2018	1.24	5.50	6.74
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2019	1.24	5.50	6.74
Additions	-	0.40	0.40
Disposals	-	-	-
As at March 31, 2020	1.24	5.90	7.14
Depreciation			
As at April 1, 2018	0.58	5.50	6.08
Charge for the year	0.12	0.13	0.25
Disposals	-	-	-
As at March 31, 2019	0.69	5.63	6.33
Charge for the year	0.19	0.13	0.32
Disposals	-	-	-
As at March 31, 2020	0.88	5.77	6.65
Net Book value			
As at March 31, 2020	0.36	0.13	0.49
As at March 31, 2019	0.54	(0.13)	0.42

4 Intangible Assets

Rs. In lakhs

Particulars	Software	Total
Cost or valuation		
As at April 1, 2018	8.66	8.66
Additions	-	-
As at March 31, 2019	8.66	8.66
Additions	-	-
Disposals	-	-
As at March 31, 2020	8.66	8.66
Amortisation		
As at April 1, 2018	5.15	5.15
Amortisation	1.79	1.79
Disposals	-	-
As at March 31, 2019	6.94	6.94
Amortisation	1.25	1.25
Disposals	-	-
As at March 31, 2020	8.19	8.19
Net Block		
As at March 31, 2020	0.47	0.47
As at March 31, 2019	1.71	1.71



Valerian Management Services Private Limited
Notes to financial statements for the year ended March 31, 2020

5 Financial assets	As at March 31, 2020 Rs in lakhs	As at March 31, 2019 Rs in lakhs
(i) Trade receivables		
Others		
Unsecured-considered good	4.97	-
	<u>4.97</u>	<u>-</u>
(ii) Cash and cash equivalents		
Balance with banks		
On current accounts	8.13	1.42
Cash on hand	0.40	0.40
	<u>8.53</u>	<u>1.82</u>
6 Other current assets	As at March 31, 2020 Rs in lakhs	As at March 31, 2019 Rs in lakhs
Security deposits	0.10	0.10
Advances recoverable in cash or kind		
- Employee Advance	-	0.04
- Others	0.95	1.71
Balance with statutory/ government authorities	-	0.24
Prepaid Expenses	<u>1.05</u>	<u>2.09</u>
Total		



Valerian Management Services Private Limited
Notes to financial statements for the year ended March 31, 2020

7 Share capital

Authorised Share Capital

	Equity shares	
	No. of shares	Rs in lakhs
As at April 1, 2018	1,000,000	10.00
Increase/(decrease) during the year	-	-
As at March 31, 2019	1,000,000	10.00
Increase/(decrease) during the year	-	-
As at March 31, 2020	1,000,000	10.00

Terms/rights attached to equity shares

The company has only one class of equity shares having par value of Rs. 1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Issued equity capital

Equity shares of INR 1 each issued, subscribed and fully paid

	No. of shares	Rs in lakhs
	As at April 1, 2018	100,000
Increase/(decrease) during the year	-	-
As at March 31, 2019	100,000	1.00
Increase/(decrease) during the year	-	-
As at March 31, 2020	100,000	1.00

Shares held by holding company

	As at March 31, 2020		As At March 31, 2019	
	No. of shares	Rs in lakhs	No. of shares	Rs in lakhs
Equity shares of Rs. 1 each fully paid up Grey Fox Project Management Company Private Limited	100,000	1.00	100,000	1.00

Details of shareholders holding more than 5% shares in the company

	As at March 31, 2020		As at March 31, 2019	
	No. of shares	% held	No. of shares	% held
Equity shares of Rs. 1 each fully paid up Grey Fox Project Management Company Private Limited	100,000	100.00%	100,000	100.00%

The Company has not issued Bonus Share, Share for consideration other than Cash and has not bought back shares during the period of five years immediately preceding the reporting date.

8 Other equity

Retained Earnings

	Rs in lakhs
As at April 1, 2018	(224.32)
Profit/(loss) for the year	(34.77)
As at March 31, 2019	(259.09)
Profit/(loss) for the year	(14.74)
As at March 31, 2020	(273.83)

	As at March 31, 2020	As at March 31, 2019
	Rs in lakhs	Rs in lakhs
Other reserves	(273.83)	(259.09)
Retained Earnings	(273.83)	(259.09)



Valerian Management Services Private Limited
Notes to financial statements for the year ended March 31, 2020

9 Financial liabilities

(i) Borrowings

10.00% (Previous Year: 10.25%) loan from Grey Fox Project Management Company Pvt. Ltd.
(Holding company)

	As at March 31, 2020 Rs in lakhs	As at March 31, 2019 Rs in lakhs
	202.70	202.70
	<u>202.70</u>	<u>202.70</u>

(ii) Other current financial liabilities

Interest accrued but not due on borrowings
Outstanding dues of other creditors

	As at March 31, 2020 Rs in lakhs	As at March 31, 2019 Rs in lakhs
	92.60	74.27
	4.71	4.11
	<u>97.31</u>	<u>78.38</u>

10 Other current liabilities

Statutory Dues

	As at March 31, 2020 Rs in lakhs	As at March 31, 2019 Rs in lakhs
	3.34	3.74
	<u>3.34</u>	<u>3.74</u>



Valerian Management Services Private Limited
Notes to financial statements for the year ended March 31, 2020

11 Revenue from operations	March 31, 2020 Rs in lakhs	March 31, 2019 Rs in lakhs
<u>Revenue from operations</u>		
Sale of products and services	75.05	60.50
- Architectural fee		
Revenue from operations (gross)	75.05	60.50

12 Employee benefit expense	March 31, 2020 Rs in lakhs	March 31, 2019 Rs in lakhs
Salaries, wages and bonus	-	1.81
Staff welfare expenses	-	0.47
Total	-	2.28

13 Other expenses	March 31, 2020 Rs in lakhs	March 31, 2019 Rs in lakhs
Repair and maintenance	0.33	0.64
Rates and taxes	0.04	0.02
Insurance	0.91	0.00
Printing and stationery	0.43	0.48
Traveling and conveyance	-	0.01
Advertisement and business promotion	0.11	0.19
Legal and professional fees	67.37	70.38
Payment to auditors	0.09	0.09
Miscellaneous expenses	0.04	0.01
Total	69.34	71.82
<u>Payment to auditor</u>	<u>0.09</u>	<u>0.09</u>
As auditor	0.09	0.09

14 Finance costs	March 31, 2020 Rs in lakhs	March 31, 2019 Rs in lakhs
Interest	20.33	21.19
- on others	0.01	0.01
Bank charges		
Total	20.34	21.20



Valerian Management Services Private Limited
Notes to financial statements for the year ended March 31, 2020

15 Depreciation and amortization expense

	March 31, 2020 Rs in lakhs	March 31, 2019 Rs in lakhs
Depreciation of tangible assets	0.32	0.25
Amortization of intangible assets	1.25	1.79
Total	1.57	2.04

16 Finance income

	March 31, 2020 Rs in lakhs	March 31, 2019 Rs in lakhs
Interest income on :		
- Interest on income tax refund	1.46	2.07
	1.46	2.07

17 Earnings per share (Basic and Diluted)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the company (after adjusting for interest on the The following reflects the income and share data used in the basic and diluted EPS computations:

	March 31, 2020	March 31, 2019
Loss after Tax (Rs. Lakhs)	(14.74)	(34.77)
Weighted Average Number of Equity Shares	100,000	100,000
Basic & Diluted EPS	(14.74)	(34.77)

The weighted average number of shares takes into account the weighted average effect of changes in share transactions during the year. There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.



Valerian Management Services Private Limited
 Notes to financial statements for the year ended March 31, 2020

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year

Transactions with Related party	Year Ended	Holding Company	Ultimate Holding Company	Key Management Personnel
<u>Loan Taken</u>				
Grey Fox Project Management Company Pvt. Ltd.	31-Mar-20	-	-	-
	31-Mar-19	16.00	-	-
<u>Loan Repaid</u>				
Grey Fox Project Management Company Pvt. Ltd.	31-Mar-20	-	-	-
	31-Mar-19	11.00	-	-
<u>Professional Charges Received</u>				
Lemon Tree Hotels Ltd.	31-Mar-20	-	75.05	-
	31-Mar-19	-	60.50	-
<u>Interest Paid</u>				
Grey Fox Project Management Company Pvt. Ltd.	31-Mar-20	20.33	-	-
	31-Mar-19	21.19	-	-
<u>Outstanding at year end</u>				
Lemon Tree Hotels Limited	31-Mar-20	-	4.97	-
	31-Mar-19	-	-	-
<u>Balance in Unsecured loan A/c at the year end</u>				
Grey Fox Project Management Company Pvt. Ltd.	31-Mar-20	202.70	-	-
	31-Mar-19	202.70	-	-
<u>Balance in other current liabilities as at year end</u>				
Interest payable to Grey Fox Project Management Company Pvt. Ltd.	31-Mar-20	92.60	-	-
	31-Mar-19	74.27	-	-



Valerian Management Services Private Limited
Notes to financial statements for the year ended March 31, 2020

20. Fair value measurement

This section gives an overview of the significance of financial instruments for the company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument

a. Financial Assets

Rs. In Lakhs

	March 31, 2020		March 31, 2019	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets				
Trade Receivables	-	4.97	-	-
Cash and Cash Equivalents	-	8.53	-	1.82
Total Financial Assets	-	13.50	-	1.82

b. Financial Liabilities

Rs. In Lakhs

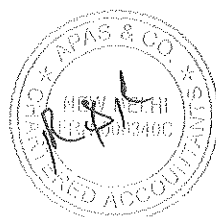
	March 31, 2020		March 31, 2019	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Liabilities				
Borrowings	-	202.70	-	202.70
Other Current Financial Liabilities	-	97.31	-	78.38
Total Financial Liabilities	-	300.01	-	281.08

c. Fair value measurement hierarchy for assets and liabilities

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:



Valerian Management Services Private Limited
Notes to financial statements for the year ended March 31, 2020

i) Level 1

Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

ii) Level 2

Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

iii) Level 3

Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

Financial assets and liabilities measured at fair value

Rs. in lakhs

	March 31, 2020			
	Level 1	Level 2	Level 3	Total
Financial investments as FVTPL	-	-	-	-
Total	-	-	-	-

	March 31, 2019			
	Level 1	Level 2	Level 3	Total
Financial investments as FVTPL	-	-	-	-
Total	-	-	-	-

21. Financial risk management objectives and policies

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

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:



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Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings, deposits and payables/receivables in foreign currencies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

Rs. In lakhs

	March 31, 2020	March 31, 2019
Variable rate borrowings	202.70	202.70
Fixed rate borrowings	-	-

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/decrease in basis points	Effect on profit before tax
		<i>Rs. In lakhs</i>
31-March-20		
INR	50	1.01
INR	-50	(1.01)
31-March-19		
INR	50	1.03
INR	-50	(1.03)

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and deposits to landlords) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.



Trade receivables and Security Deposits

Customer credit risk is managed by business through the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of each customer is assessed and credit limits are defined in accordance with this assessment. Outstanding customer receivables and security deposits are regularly monitored.

An impairment analysis is performed for all major customers at each reporting date on an individual basis. In addition, a large number of minor receivables are grouped into homogenous group and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 5. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has no exposure in foreign currency.

(a) Trade receivables

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 5. The Company does not hold collateral as security.

(b) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investment of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2020 and 31 March 2019 is the carrying amount as illustrated in Note 5.

	<i>Rs. in lakhs</i>	
Ageing	31-Mar-20	31-Mar-19
Not due	-	-
0-60 days past due	4.97	-
61-120 days past due	-	-
121-180 days past due	-	-
180-365 days past due	-	-
365-730 days past due	-	-
more than 730 days	-	-



Valerian Management Services Private Limited
 Notes to financial statements for the year ended March 31, 2020

Provision for doubtful debts

Ageing	31-March-20	31-March-19
Not due	-	-
0-60 days past due	-	-
61-120 days past due	-	-
121-180 days past due	-	-
180-365 days past due	-	-
365-730 days past due	-	-
more than 730 days	-	-

	31-March-20	31-March-19
Provision at beginning	-	-
Addition during the year	-	-
Reversal during the year	-	-
Utilised during the year	-	-
Provision at closing	-	-

Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders. The Company does not have any undrawn borrowing facilities at the end of the reporting period.



Valerian Management Services Private Limited
Notes to financial statements for the year ended March 31, 2020

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Rs. In lakhs

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended						
March 31, 2020						
Borrowings	202.70	-	-	-	-	202.70
Financial Liabilities	97.31	-	-	-	-	97.31
	300.01	-	-	-	-	300.01
Year ended						
March 31, 2019						
Borrowings	202.70	-	-	-	-	202.70
Financial Liabilities	78.38	-	-	-	-	78.38
	281.08	-	-	-	-	281.08



Valerian Management Services Private Limited
Notes to financial statements for the year ended March 31, 2020

22. There is no unhedged foreign currency exposure as at the balance sheet date.
23. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006.

	<i>Rs. In lakhs</i>	
	March 31, 2020	March 31, 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	Nil	Nil
The amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

As per our report of even date

For APAS & Co.
 Firm Registration No. 000340C
 Chartered Accountants

Rajeev Ranjan

Rajeev Ranjan
 Partner
 Membership No. 535395

For and on behalf of the Board of Directors of
Valerian Management Services Private Limited

Cyrus Mehernosh Madan

Cyrus Mehernosh Madan
 Director
 DIN: 02695031

Rajesh Kumar

Rajesh Kumar
 Director
 DIN: 05251730

Place : New Delhi
 Date : May 26, 2020

