

SUNAIR HOTELS LIMITED

Regd. Off.:- A-7, 1ST FLOOR, GEETANJALI ENCLAVE, NEW DELHI- 110 017
CIN:U74899DL1977PLC008495 Website- www.hotelmetdelhi.com
PHONE # (91 11) 41515250 e-mail: sunairhotels@gmail.com

NOTICE

NOTICE is hereby given that the 49th Annual General Meeting of the Members of Sunair Hotels Limited will be held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") , on Friday 25th September, 2026 at 11.30 A.m. via zoom meetings link <https://us05web.zoom.us/j/83243332447?pwd=9a8UcgHdnIhKYnbT3ZO84OZ8TOgaaM.1> in accordance with the applicable provisions of the Companies Act, 2013 read with MCA General Circular No. 03/2025, 09,2024, 09/2023, 10/2022, 02/2022, 02/2021, 20/2020, 14/2020 and 17/2020 dated 22nd September, 2025,19th September,2024, 25th September, 2023, 28th December, 2022, 5th May, 2022, 13th January, 2021, 5th May, 2020, 8th April, 2020 and 13th April, 2020 respectively, to transact the following businesses:-

ORDINARY BUSINESS:

1. To receive, consider and adopt :
 - a. The Audited Financial statements of the Company for the financial year ended on 31st March, 2026, together with the Reports of the Board of Directors and the Auditors thereon; and
 - b. The Audited Consolidated Financial statements of the Company for the financial year ended on 31st March, 2026, together with the Report of the Auditors thereon and in this regard, pass the following resolutions as Ordinary Resolutions:
 - (a) "**RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2026 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."
 - (b) "**RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2026 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted."
2. To appoint a Director in place of Mr. Kaveen Gupta (DIN-00204605) , who retires by rotation and being eligible, offers himself for re-appointment and in this regard, pass the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Kaveen Gupta (DIN-00204605), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."
3. To ratify the appointment of auditors of the Company, and to fix their remuneration and to pass the following resolution as an Ordinary Resolution thereof:

"**RESOLVED THAT** pursuant to Section 139, and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, pursuant to the resolution passed by members at the 45th AGM held on 14th September, 2022, subject to ratification at every AGM approved the appointment of M/s Anil Sood & Associates Chartered Accountant (firm registration no. 004985 N) having Registered office at S-316, Greater Kailash-1, New Delhi-110048, as Statutory Auditors of the Company to hold office till the 50th Annual General Meeting , be and is hereby ratified and that the Board of Directors be and are hereby authorized to fix the remuneration payable to them for the financial year ending March 31, 2027."

BY ORDER OF THE BOARD

Sd/-

(Neha Rajput)

Company Secretary

(Membership No.-A-26116)

Place : New Delhi
Dated : 25/08/2026

NOTES :-

1. The Ministry of Corporate Affairs ("MCA") has vide its circular dated 22nd september 2025, 19th September,2024, 25th September, 2023, 28th December, 2022, May 5th, 2022, December 14th, 2021, December 8th, 2021,January 13th, 2021, May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / 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.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Corporate members intending to authorize their representatives to attend the Meeting are requested to send a scanned certified copy of the board resolution (pdf/jpeg format) authorizing their representative to attend and vote on their behalf at the Meeting. The said Resolution/Authorization shall be sent by email through its registered email address to sunairhotels@gmail.com.
4. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before AGM through email on sunairhotels@gmail.com.
5. In compliance with the aforesaid MCA Circulars Notice of the AGM along with the Annual Report 2025-26 is being sent through electronic mode to those Members whose email addresses are found by the Company/directors. Although the physical copies of the financial statements for the financial year 31.03.2026 is also being sent by courier to all the members specifying the detail of scheduled AGM by VC / OAVM. Members may note that the notice and Annual Report 2025-26 will also be available on the Company's website www.hotelmetdelhi.com. Further the link will be available on the website of the company at www.hotelmetdelhi.com shortly and also will be sent on the email ids/addresses of the shareholders whose addresses are available.
6. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
8. In case of joint holder attending the Meeting, whose name appears as the first holder in the order of names will be entitled to vote.
9. To provide the fair chance to participate in the AGM by VC / OAVM, Members are advised to notify the Company their email ids / change in email ids and Phone No's and any change in address to the company as soon as possible.
10. The Meeting shall be deemed to be held at the Registered office of the Company at A-7, 1st Floor, Geetanjali Enclave, New Delhi-110017.
11. Members can send their requests, if any, to sunairhotels@gmail.com.
12. Voting if demanded by the members will be online at the email address of the company during the meeting.
13. Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM.
14. Further shareholders will be required to switch on the video facility and use Internet connection with a good speed to avoid any disturbance during the Meeting.
15. All grievances connected with the facility for voting during the meeting means may be addressed to Sunair Hotels Limited and send an email to sunairhotels@gmail.com and further can call on 011-41515250. Other details will be posted on www.hotelmetdelhi.com.
16. Shareholders can update their mobile numbers and e-mail IDs (which may be used for sending future communication(s)) by writing to sunairhotels@gmail.com.

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Details of Directors Seeking Re-appointment at the Annual General Meeting**ITEM NO: 2**

Name of Director	Mr. Kaveen Gupta
PAN no.	AACPG8454C
Date of Birth	26/05/1965
Date of Appointment	25/08/1994
Qualification	MBA
Experience in functional area	Having experience of about 34 years
Director in other Company* Excluding Sunair Hotels Limited	Sun Aero Limited Columbia Trading Co. Ltd. Pushpanjali Trexim (P) Ltd.
Membership in various committees In other Board excluding Sunair Hotels Limited	Nil
Chairmanship in the Committees of other Boards	None
No. of shares held in the Company as registered holder.	8,736,310
Detail of Remuneration last Drawn till 31.03.2026	Rs 3,25,000/- P.m.
	Mrs. Sheel Gupta –Mother
Relationship with other Directors and KMP	Mr. Vipul Gupta –Brother
Number of Board Meeting Attended during the year	4

BY ORDER OF THE BOARD

Sd/-(Neha Rajput)
Company Secretary
(Membership No.-A-26116)Place : New Delhi
Dated : 25/08/2026

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DIRECTORS' REPORT

To,
The Members

The Directors of your Company have pleasure in presenting the 49th Annual Report of the Company and its financial accounts for the year ended on 31st March, 2026.

1. FINANCIAL RESULTS

The Company's financial performance for the year under review along with previous years figures are given hereunder :

	CURRENT YEAR (Rs.) 31/03/2026	PREVIOUS YEAR (Rs.) 31/03/2025
<u>Net Sales / Income from:</u>		
a) Business Operations	715,949,016	680,059,276
b) Other Income	29,985,411	33,646,515
Total Income	745,934,427	713,705,791
Profit / (Loss) before Interest & Depreciation	170,082,861	117,596,355
Less: Finance cost including Bank Charges	60,985	44,564
Profit / (Loss) before Depreciation	170,021,876	117,551,791
Less: Depreciation	33,609,991	34,319,340
Profit / (Loss) after Depreciation but before Tax	136,411,885	83,232,451
Less: <u>Tax (Saving) / Expense</u>		
a) Current Income-tax	23,943,840	14,500,000
b) Earlier year(s) Adjustment of Income-tax	-608,374	4,404,093
c) Deferred Tax	1,658,762	5,123,921
Net Profit/ (Loss) after Tax	111,417,658	59,204,437
Less: <u>Appropriations:</u>		
a) Dividend (including Interim, if any, and Final)	-	-
Net Profit/ (Loss) after Dividend & Tax	111,417,658	59,204,437
Amount transferred to General Reserve	-	-
Balance carried to Balance Sheet	111,417,658	59,204,437
 Earning per share (Basic)	2.80	1.49
Earning per share (Diluted)	2.80	1.49

2. DIVIDENDS

With a view to conserve funds, the Directors do not recommend any dividend for the financial year 2025-26.

3. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid by the Company .

4. RESERVES

The Board of Directors do not propose any amount to be carried to any reserve.

5. STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

The Company is engaged in the business of Hotel Running and Financial / Portfolio Management.

The highlights of the Company's performance are as under:

Revenue from operations for the year stood at Rs. 74.59 crores turnover as compared to Rs. 71.37 Crores for the previous year. Turnover has increased as compared with previous year. Profit before tax for the year has also increased to Rs. 13.64 Crore as compared to Rs. 8.32 Crore in the previous year. EPS for the year has also increased to Rs. 2.80/- as compared to Rs. 1.49/- in the previous year.

During the financial year ended 31 March 2026, the Indian economy continued to demonstrate resilience despite an uncertain global environment marked by geopolitical tensions, trade fragmentation and volatility in International markets. The Economic Survey 2025-26 highlighted the continued strength of domestic demand and the services sector as important drivers of economic activity. The services economy remained resilient, with tourism and hospitality continuing to benefit from strong domestic travel and improving connectivity.

The tourism and hospitality sector continued to remain an important contributor to the Indian economy. As per the Economic Survey 2025-26, domestic tourism remained the backbone of the sector, with domestic tourist visits increasing by approximately 17.5% in 2024 over the previous year and by nearly 52.7% during January–September 2025 compared with the corresponding period of the previous year. International Tourist Arrivals, including foreign tourist arrivals and arrivals of Non-Resident Indians, increased to approximately 20.57 million in 2024, while hotel occupancy rates remained consistently above 60% in recent years. These trends reflect the continued resilience of the Indian hospitality industry and the increasing importance of domestic and high-value tourism.

The Company continues to focus on responsible and sustainable operating practices, including efficient utilisation of energy and water, appropriate waste management, resource conservation and compliance with applicable environmental standards. These measures are expected to support long-term operational efficiency and strengthen the Company's preparedness for evolving regulatory and environmental requirements. The Company continues to monitor these factors closely and to take appropriate measures for operational efficiency, cost management and business resilience. Hotel also continues to benefit as a preferred destination for diplomatic engagements, government and corporate meetings, International conferences, premium weddings and large-scale social and cultural events. Demand from these segments, together with the Company's focus on service standards, food and beverage offerings, banqueting, guest experience and operational efficiency, is expected to support revenue stability and occupancy levels over the medium to long term.

During FY 2025-26, changes in the Goods and Services Tax framework for hotel accommodation also affected the hospitality industry. With effect from 22 September 2025, hotel accommodation having a value of supply up to ₹7,500 per unit per day was placed under the 5% GST rate without Input Tax Credit. The change primarily benefits the affordable and mid-market accommodation segment. Premium hotel rooms exceeding the prescribed threshold continue to be subject to the applicable higher rate. The Company continues to monitor the impact of taxation changes on pricing, demand, costs and margins. Government initiatives continued to support the tourism ecosystem through destination development, promotion of domestic and international tourism, improvement of connectivity, digitalization of tourism services and measures aimed at strengthening tourism infrastructure and hospitality-related skills. The continued policy focus on tourism, employment generation, infrastructure and experiential travel is expected to support the long-term growth prospects of the sector.

The Directors remain cautiously optimistic about the future prospects of the Company and believe that India's strong domestic economic fundamentals, expanding tourism ecosystem and the long-term growth potential of the hospitality sector provide a favorable platform for sustainable growth, notwithstanding the near-term uncertainties arising from global geopolitical and economic developments.

6. CHANGE IN NATURE OF BUSINESS

There has been no change in the nature of business of the Company during the financial year under review.

7. MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There are no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year to which these financial statements relate and the date of this report.

8. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

Applications filed by the Company and VLS Finance Ltd (a registered shareholder of the Company) u/s 34 of the Arbitration and Reconciliation Act 1996, challenging the Award therein given are pending for disposal since the year 2015 by the Hon'ble Delhi High Court as on the date of signing of these annual financial statements. Similarly, the second petition for enforcement of the said Award filed by VLS Finance Ltd in the Hon'ble Delhi High Court is also pending adjudication as an undertaking has been given by VLS Finance Ltd not to press the execution till the original cross petitions are decided. The earlier such petition filed by VLS Finance Ltd was dismissed by the Hon'ble Delhi High Court on 16/08/2017. The award contained directions to the Company / its directors to refund to VLS Finance Ltd the forfeited security deposit of Rs. 8 Crores in terms of the MOU dated 11/03/1995 with due interest. However, as per legal opinion received by the Company no such amount is refundable particularly when the Hon'ble Company Law Board vide its order dated 04/09/2013 has dismissed the Company Petition of VLS Finance Ltd and decided in favour of the Company. The matter has been heard by Hon'ble High Court of Delhi and only Rejoinder has to be heard and the next date of hearing 24/09/2026.

SFIO has filed a petition u/s 241(2) along with sections 246 and 339 of the Companies Act, 2013 before the Hon'ble NCLT against the Company and others which is also pending adjudication. Similarly, SFIO has also filed a complaint on the same subject as is before the Hon'ble NCLT in the court of the learned ASJ (Special Court) Dwarka New Delhi, also still pending as on this date.

In the FIRs filed by the State on the complaints of VLS Finance Ltd. against the Company and others, charges have been framed by the learned Trial Court where proceedings including revisions are still pending at different stages. Further Company has filed 2 FIRs bearing no. 326/04 & 380/05 against VLS Finance Ltd in which chargesheets have been filed.

Further, Pursuant to the provisions of Rule 41(6)(c) of the Companies (Incorporation) Rules, 2014, as amended by the Fourth Amendment Rules, 2018, Regional Director (Northern Region), Ministry of Corporate Affairs, New Delhi, vide Order dated 12.09.2025, has not approved the Company's application for the conversion of the Public Limited Company into a Private Limited Company under Section 14(1) of the Companies Act, 2013.

9. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in 'Annexure-A' attached to this report.

10. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company does not have any risk management policy as the elements of risk threatening the Company's existence are quite minimal.

The Company is covered under the provisions of Corporate Social Responsibility pursuant to the provisions of Section 135 of the Companies Act, 2013. The company has spent the funds through "Abhinandan Jan Kalyan Society" which have used the fund for Charitable Services and working for reducing inequalities faced by socially and economically backward groups. Disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 has been given by way of an Annexure to this Report.

11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company has not given any loans to any person or other body corporate or given any guarantee in connection with any loan to any body Corporate or person or acquired by way of subscription, purchase or otherwise, the securities of any other body corporate during the financial year 2025-2026 covered under the provisions of Section 186 of the Companies Act, 2013.

12. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

There were no fresh contracts or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

13. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There were no qualifications, reservations or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report are not applicable to the Company.

14. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

A) Changes in Directors and Key Managerial Personnel

a) At the ensuing Annual General Meeting Mr.Kaveen Gupta (DIN-00204605) , Director of the Comapny retires by rotation and being eligible offers himself for reappointment. Mr. Kaveen Gupta shall continue to hold his office of Director, and the reappointment as such Director shall not be deemed to constitute a break in his office of Director detail regarding Mr. Kaveen Gupta are Annexed with the Notice Calling AGM.

B) Declaration by an Independent Director(s) and re- appointment, if any

As at present there are no Independent Directors in the Company. Company is searching for the suitable person to join as Independent Director in the Company.

C) Formal Annual Evaluation

The Board of Directors has carried out an annual evaluation of the performance of Board Committees and Company Secretary, CFO of the Company pursuant to the provisions of Companies Act, 2013. The performance of the Committees was evaluated by the Board on the basis of the criteria such as the coordination and effectiveness of Committee meetings, etc.

Performance of the Independent Directors was not evaluated by the Board as there are no independent Director at the time of evaluation .Further the Company is searching for the suitable persons to join as Independent Director in the Company to fulfill the requirement.

The performance of the entire Board was evaluated on the basis of the criteria such as the Board composition, fulfillment of responsibility, effectiveness of Board processes, functioning, etc. The performance of the Executive Directors (individually) including Chairman and Non-executive Directors (individually), was evaluated by the Directors of the Company on the basis of the criteria such as Presence in the meetings, Strategic planning, Compliance, completion of duties, etc.

15. Web Link of Annual Return:-

The reporting of extract of Annual Return in Form no. MGT-9 had been done away with pursuant to amendment in Section 92(3) of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014 w.e.f. 28/08/2020. Hence, the reporting of extract of Annual Return has not been made in this report.The Annual Return is now required to be placed on the website of the Company, if any, in terms of Section 92(3) read with Section 134(3)(a) of the Act and link thereof is required to be given in the Board's Report. The Annual Return for the Financial Year 2025-26 is available on web link https://www.hotelmeltdelhi.com/Draft_annual_return26.pdf

16. ANNUAL RETURN

The reporting of extract of Annual Return in Form no. MGT-9 had been done away with pursuant to amendment in Section 92(3) of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014 w.e.f. 28/08/2020. Hence, the reporting of extract of Annual Return has not been made in this report.The Annual Return is now required to be placed on the website of the Company, if any, in terms of Section 92(3) read with Section 134(3)(a) of the Act and link thereof is required to be given in the Board's Report. The Annual Return for the Financial Year 2025-26 is available on web link https://www.hotelmeltdelhi.com/Draft_annual_return26.pdf

17. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The meeting of the Board of Directors were held four (4) times 16/05/2025, 01/08/2025, 26/11/2025 and 03/03/2026 during the financial year 01/04/2025 to 31/03/2026.

18. DIRECTORS RESPONSIBILITY STATEMENT

In terms of Section 134(3) read with Section 134(5) of the Companies Act, 2013, your Directors confirm as under:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) The Directors have 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 of the company for that period;
- c) The Directors have 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 have prepared the annual accounts on a going concern basis; and
- e) The Company being unlisted, sub clause (e) of section 134(5) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the company.
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

- 19 **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**
Statement about the subsidiary company, M/s Sun Aero Limited is enclosed with the Directors Report.
- 20 **PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT**
The Audited Financial Statements for the year ended 31st March 2026 together with Reports of Directors and Auditors thereon of its, a wholly owned Subsidiary Company, together with the statement as required under Section 129 of the Companies Act, 2013, a statement containing salient features of the Financial Statements of the Company's subsidiary in form AOC-1 is attached herewith. No effect in the books of account of the Company has been taken for the profit of the Subsidiary Company.
- 21 **DEPOSITS**
The Company has neither accepted nor renewed any deposits covered under Chapter V of the Act, 2013 during the year under review. Although the company has filed the Return of deposit form (Annual) pursuant to the Companies (Acceptance of Deposits) Rules, 2014.
- 22 **DIRECTORS**
Mr. Kaveen Gupta (DIN-00204605) , Director of the Comapny retires by rotation and being eligible offers himself for reappointment, but it shall not be deemed to constitute a break in his office of Executive Director of the Company as he was re- appointed as an Executive Director of the company at the 48th Annual General Meeting held on 15.09.2025 for a period of 4.5 year from 01/04/2025 to 30.09.2029. Company is searching for the suitable person to join as Independent Director in the Company.
- 23 **STATUTORY AUDITORS**
M/s Anil Sood & Associates Chartered Accountant (firm registration no. 004985N) New Delhi, the Statutory Auditor of the Company were appointed as the Auditors of the Company at the 45th Annual general Meeting of the Company held on 14th September, 2022 pursuant to section 139 and 142 and other applicable provisions of the Companies Act , 2013, and the Rules made hereunder, as amended from time to time, for period of five years till the conclusion of the 50th Annual General Meeting , subject to the ratification by the shareholders at every Annual General Meeting.
- 24 **DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM**
Pursuant to the provisions of Section 177 of the Companies Act 2013 (corresponding Section 292A of the Companies Act, 1956), the Audit Committee meeting were held four (4) times during the year on 16/05/2025, 01/08/2025, 26/11/2025 and 03/03/2026 which were attended by all the Committee members. The Committee reviewed all the financial statements for the year ended 31st March 2026. During the Financial Year 31st March 2026 as the post of Independent Director was vacated during the period under review Audit committee had three members which includes Mr. Sheel Gupta, Mr.Vipul Gupta and Mr. Kaveen Gupta who attended the all the meetings during the period under review.
- 25 **SHARES**
a) **DEFERENTIAL RIGHTS**
The Company has not issued any share with differential rights, as provided in rule 4 (4) of Companies (Share Capital and Debentures) Rules, 2014 during the year.
b) **SWEAT EQUITY**
The Company has not issued any Sweat Equity Shares during the year under review. The Company has not issued any sweat equity shares as provided in rule 8 (13) of Companies (Share Capital and Debentures) Rules, 2014 during the year.
c) **BONUS SHARES**
The Company has not issued any share related with any scheme where the voting rights are not exercised directly by the employees, as provided in rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014.
d) **EMPLOYEES STOCK OPTION PLAN**
The Company has not issued any Employee Stock Options as provided in rule 12 (9) of Companies (Share Capital and Debentures) Rules, 2014 during the financial year.
- 26 **Extra Ordinary General Meeting**
There is no Extraordinary General Meeting was held during the financial year under review.
- 27 **AUDITORS' REPORT**
The Directors are of the view that the notes appended to the accounts and referred to by the auditors in their report are self-explanatory and do not require any elucidation.
- 28 **Share Transfer Committee**
There is no share Transfer held during the year under review.
- 29 **NOMINATION AND REMUNERATION COMMITTEE**
The policy formulated by nomination and remuneration committee is enclosed. No Nomination and Remuneration Committee meeting were held during the year 31st March 2026.
- 30 **Corporate Social Responsibility Committee (CSR)**
Corporate Social Responsibility Committee meeting was held one (1) times during the year on 03/03/2026, which were attended by all the Committee members. As the post of independent Director remained vacant during the period under review CSR committee has three members which includes Mrs. Sheel Gupta, Mr.Vipul Gupta and Mr. Kaveen Gupta who attended the aforesaid meetings.
- 31 **MANAGERIAL REMUNERATION:**
The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable on Company. Although the relevant details are available in Auditor report.

32 **CORPORATE GOVERNANCE CERTIFICATE**

Not Applicable.

33 **SECRETARIAL AUDIT REPORT**

Not applicable.

34 **MAINTENANCE OF COST RECORDS**

Maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

35 **SEXUAL HARRASMENT OF WOMEN AT WORK PLACE**

The Company has adopted a policy for prevention of sexual harassment at the workplace, in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"). An Internal Complaints Committee ("ICC") has been duly constituted as per the provisions of the POSH Act to redress complaints regarding sexual harassment at the workplace. During the financial year under review, No complaints were received and/or pending. The Company is committed to providing a safe and conducive work environment for all its employees.

Status of complaints as on March 31, 2026:

Number of complaints filed during the financial year 0

Number of complaints disposed of during the financial year 0

Number of complaints pending at the end of the financial year 0

36 **COMPLIANCE OF SECRETARIAL STANDARD ISSUED BY ICSI**

Company has complied with the Secretarial Standard issued by ICSI.

37 **MATERNITY BENEFIT DETAIL AS PER SECOND AMENDMENT RULE 2025 DURING THE YEAR UNDER REVIEW**

Women who have taken a career break and wish to return to the workforce. The company offers both full-time and project-based roles, allowing women the flexibility to re-enter the job market. Our inclusive environment provide extended maternity leave, crèche facilities, and training programmes to women return to workplace. Further no request was received by the Company from women employee during the year 2025-2026.

38 **INTERNAL FINANCIAL CONTROLS:**

Adequate Internal Financial Control system and checks are in place commensurate with the size of the company and nature of its business.

39 **DETAILS OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE**

During the year under review, the statutory auditors has not reported to the audit committee, under section 143(12) of the Companies Act, 2013, any instance of fraud committed against the Company by its officers or employees, the detail of which would need to be mentioned in the Director's Report.

40 **Disclosure under the Insolvency and Bankruptcy Code (IBC), 2016**

There is no proceeding which is pending under the Insolvency and Bankruptcy Code (IBC), 2016 during the financial year under review.

41 **Details of Difference between Valuation Amount on One Time Settlement and Valuation while availing Loan from**

During the year under review there has been no one time settlement of Loans taken from Banks and Financial Institutions.

42 **ACKNOWLEDGEMENTS**

Your Directors place on record their sincere thanks to bankers, business associates, consultants, various Government Authorities, employees and shareholders for their continued support extended to your Company's activities during the year under review.

For and on behalf of the Board of Directors

Sd/-

(KAVEEN GUPTA)
(DIN-00204605)
Executive Director

Sd/-

(VIPUL GUPTA)
(DIN-00204638)
Executive Director

Place : New Delhi
Dated : 25/08/2026

ANNEXURE--A

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING
AND OUTGO FOR THE YEAR ENDED 31/03/2026**

Information on conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

(A) Conservation of Energy:

- (i) The steps taken or impact on conservation of energy.

Company is making all Efforts to improve energy usage efficiencies and increase the share of renewable energy and reuse of natural resources. The Company has a process to identify and evaluate energy risks and opportunities, taking into account future plans, evolving regulatory frameworks and other aspects. Further Your Company has implemented various guidance issued by The Ministry of Environment and Forests (MoEF) and other applicable laws to make hotels more environment friendly.

Company has complied and would comply with the requirements of the Government in this regard. Your company has continuously being acquiring the ecofriendly methods and environment friendly technologies and other necessary measures to achieve economy in consumption of energy. The company is already having following systems in place for conservation of energy.

- a. Using of 4 stage dimmer system
- b. In guest rooms energy key card system.
- c. Building automation system for all equipments.
- d. Various speed pumps.
- e. VFD operated A/c plant with eco- Friendly system.
- f. Most of the equipments are PNG operated.
- g. PNG operated boilers
- h. In guest rooms insulated windows.
- i. Eco-friendly laundry equipments.
- j. Company has already replaced device in Air condition plants with energy saving devices
- k. Company has already replaced all lighting with LED
- l. Company is using natural pipe gas for boilers & Kitchen equipments.
- m. Replacement of guest Elevator
- n. Replacement of Air Condition plant no.3 with VFD operated ECO- friendly system
- o. Charcoal base Tandoor replaced with PNG Tandoor.

- a. No fresh investment and upgradation in energy conservation system in the year 2025-26

- (ii) The steps taken by the company for utilizing alternate sources of energy.

: Rs. Nil

- a. Natural Gas
- b. Solar Energy

- (iii) The capital investment on energy conservation equipments.

: Rs. Nil

(B) Technology Absorption:

- (i) Company has already taken steps towards technology absorption in the last few years and some of them are listed below:

- a. Replacement of Service Elevator Eco Friendly - 2 nos.
- b. Replacement of Goods Elevator Energy efficient.
- c. Upgradation in STP Plant for recycling of water.
- d. Organic Waste Converter.
- e. Upgradation in Rain Water Harvesting System.
- f. Company has already Built Automation System
- g. Company is conducted Water & Energy Audit every year.
- h. Company is already having has LED System
- i. Online Monitoring System of Sewage Treatment Plant and Air Monitoring System
- j. 100% Reusing of waste water after treatment
- k. Charcoal base Tandoor replaced with PNG Tandoor.

During the previous year no new efforts were undertaken towards technology absorption as the same have been duly complied and periodic updation is being undertaken as and when required..

- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution.
- Cost Reduction
 - Product Improvement
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year).
- the details of technology imported : NA
 - the year of import; : NA
 - whether the technology been fully absorbed : Yes
 - if not fully absorbed, areas where absorption has not taken place, and the reasons thereof. : Not Applicable
- (iv) the expenditure incurred on Research and Development. : Not Applicable

<u>Particulars</u>	<u>31st March 2026</u>	<u>31st March 2025</u>
Earnings	114,001,757	117,368,503
Outgo / Expenses	7,867,799	5,635,748

For and on behalf of the Board of Directors

Sd/-
(KAVEEN GUPTA)
(DIN-00204605)
Executive Director

Sd/-
(VIPUL GUPTA)
(DIN-00204638)
Executive Director

Sd/-
(VIPIN JAIN)
Chief Financial Officer
M.No.-FCS 8984

Sd/-
(NEHA RAJPUT)
Company Secretary
(M.no. A-26116)

Place : New Delhi
Dated : 25/08/2026

Form No. AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) for the year ended on 31st March, 2026

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

Part "A": Subsidiaries

(Information in respect of subsidiary to be presented with amounts in Hundreds)

1. Sl. No. -1
2. Name of the subsidiary- Sun Aero Limited
3. The date since when subsidiary was acquired- 22/10/1993
4. Reporting period for the subsidiary concerned, if different from the holding company's reporting period 01/04/2025 to 31/03/2026.
5. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. -N.A.
6. Share capital –Authorized Share Capital – 1000000 equity shares of Rs. 10/- each and paid up share capital- 70000 equity shares of Rs. 10/- each.
7. Reserves & surplus : 272,556,516
8. Total assets : 274,916,516
9. Total Liabilities : 1,660,000
10. Investments : -
11. Turnover : 10,304,618
12. Profit before taxation : (1,740,026)
13. Provision for taxation : (498,659)
14. Profit after taxation : (1,214,367)
15. Proposed Dividend : -
16. % of shareholding : 100%

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations –N.A.
2. Names of subsidiaries which have been liquidated or sold during the year. – N.A.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures Name of Associates/Joint Ventures

Name of Associates/Joint Ventures

1. Latest audited Balance Sheet Date N.A.
2. Date on which the Associate or Joint Venture was associated or acquired- N.A.

: 2 :

3. Shares of Associate/Joint Ventures held by the company on the year end
 - i) No. N.A.
 - ii) Amount of Investment in Associates/Joint Venture N.A.
 - iii) Extend of Holding % N.A.
4. Description of how there is significant influence N.A.
5. Reason why the associate/joint venture is not consolidated N.A.
6. Net worth attributable to Shareholding as per latest audited Balance Sheet N.A.
7. Profit / Loss for the year
 - i.) Considered in Consolidation N.A.
 - ii.) Not Considered in Consolidation N.A.
1. Names of associates or joint ventures which are yet to commence operations – N.A.
2. Names of associates or joint ventures which have been liquidated or sold during the year. - N.A.

AUDITORS' REPORT

As per our report of even date
For ANIL SOOD & ASSOCIATES
Chartered Accountants
Firm Regn. No.004985N

Sd/-
(KAVEEN GUPTA)
(DIN-00204605)
Executive Director

Sd/-
(VIPUL GUPTA)
(DIN-00204638)
Executive Director

Sd/-
(ANIL SOOD)
Partner
Place : New Delhi
Dated : 25/08/2026
Membership No. 83939

Sd/-
(VIPIN JAIN)
Chief Financial Officer
M.No.-FCS 8984

Sd/-
(NEHA RAJPUT)
Company Secretary
(M.No. A-26116)

FORM NO. AOC-2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014] for the year ended on 31st March, 2026

FORM FOR DISCLOSURE OF PARTICULARS OF CONTRACTS / ARRANGEMENTS ENTERED INTO BY THE COMPANY WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013 INCLUDING CERTAIN ARMS LENGTH TRANSACTION UNDER THIRD PROVISIO THERETO

1. Details of contracts or arrangements or transaction not at Arm's Length basis:

<u>Sl. No.</u>	<u>Particulars</u>	<u>Details</u>
(a)	Name (s) of the related party & nature of relationship :	NIL
(b)	Nature of contracts / arrangements / transaction :	NIL
(c)	Duration of the contracts / arrangements / transaction :	NIL
(d)	Salient terms of the contracts or arrangements or transaction : including the value, if any	NIL
(e)	Justification for entering into such contracts or arrangements or : transaction	NIL
(f)	Date of approval by the Board :	NIL
(g)	Amount paid as advances, if any :	NIL
(h)	Date on which the special resolution was passed in General : meeting as required under first proviso to section 188	NIL

2. Details of contracts or arrangements or transaction at Arm's Length basis:

<u>Sl. No.</u>	<u>Particulars</u>	<u>Details</u>
(a)	Name(s) of the related party & nature of relationship :	NIL
(b)	Nature of contracts / arrangements / transaction :	NIL
(c)	Duration of the contracts / arrangements / transaction :	NIL
(d)	Salient terms of the contracts or arrangements or transaction : including the value, if any	NIL
(e)	Date of approval by the Board :	NIL
(f)	Amount paid as advances, if any :	NIL

For and on behalf of the Board of Directors

Sd/-
(KAVEEN GUPTA)
(DIN-00204605)
Executive Director

Sd/-
(VIPUL GUPTA)
(DIN-00204638)
Executive Director

Place: New Delhi
Dated : 25/08/2026

ANNEXURE TO DIRECTOR REPORT

PERFORMANCE EVALUATION POLICY

INTRODUCTION

In an endeavor to safeguard the interest of public at large, the Companies Act, 2013 ('Act') provides that the performance of the board of directors of listed companies and prescribed class of companies must be reviewed regularly against appropriate measures. For this purpose, the Nomination and Remuneration Committee of a company is required under Section 178 of the Act to formulate a policy for recommending it to the Board of directors of the company, setting the criteria, based on which the performance of each and every director including the performance of the Board as a whole shall be assessed by the Board of Directors of the Company. Based on such performance evaluation, remuneration of directors, key managerial personnel and other senior management shall be determined. such an evaluation procedure will provide a fine system of checks and balances on the performance of the directors and will ensure that they exercise their powers in a rational manner.

This policy aims at establishing a procedure for conducting periodical evaluation of directors' performance and formulating the criteria for determining qualification, positive attribute and independence of each and every director of the Company in order to effectively determine issues relating to remuneration of every director, key managerial personnel and other employees of the Company. This policy further aims at ensuring that the committees to which the Board of Directors has delegated specific responsibilities are performing efficiently in conformity with the prescribed functions and duties. For this purpose, the Nomination and Remuneration Committee shall be responsible to identify the persons who are qualified to become directors and who may be appointed in the senior management of the Company and recommend to the Board their appointment and removal.

In addition, the Nomination and Remuneration Committee shall carry out the evaluation of performance of every director, key managerial personnel and other employees in accordance with the criteria contained herein, based on which their remuneration shall be determined.

RESPONSIBILITY OF BOARD

It shall be the duty of the Chairman of the Board, who shall be supported by the Company Secretary to organize the evaluation process and accordingly conclude the steps required to be taken. The evaluation process will be used constructively as a system to improve the directors' and committees' effectiveness, to maximize their strength and to tackle their shortcomings.

The Board of Directors shall undertake the following activities on an annual basis:

- I. The Chairman of the Company shall meet with each and every director individually to discuss his / her performance throughout the year.
- II. Review performance evaluation reports submitted by the Chairperson of various committees along with their suggestions on improving the effectiveness of the committee. Also, the requirement of establishing any new committees shall be reviewed by the Board on an annual basis.
- III. Review the various strategies of the Company and accordingly set the performance objectives for directors, in consistency with varying nature and requirements of Company's business.
- IV. The Board as a whole shall discuss and analyze its own performance during the year together with suggestions for improvement thereon, pursuant to the performance objectives.

In conformity with the requirement of the Act, the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

RESPONSIBILITY OF INDEPENDENT DIRECTORS

Independent Directors shall evaluate the performance of non-independent directors and board as a whole. The independent directors of the Company shall hold at least one meeting in a year to review the performance of the non-independent directors, performance of chairperson of the Company and Board as a whole, taking into account the views of executive directors and non-executive directors.

EVALUATION FACTORS

The Board of Directors shall pay regards to the following parameters for the purpose of evaluating the performance of a particular director:

In respect of each of the evaluation factors, various aspects have been provided to assist with the evaluation process in respect of performance of independent directors, non-independent directors, other employees of the Company and committees of directors separately, as, such evaluation factors may vary in accordance with their respective functions and duties.

<u>Scale</u>	<u>Rating Scale</u>	<u>Performance</u>
5		Exceptionally good
4		Good
3		Satisfactory
2		Needs improvement
1		Unacceptable

INDEPENDENT DIRECTORS

Overall Rating: _____

-	Compliance with Articles of Association, Companies Act & other Laws	
-	Compliance with ethical standards	
-	Rendering independent, unbiased opinion	
-	Attendance & presence in meetings of Board & committees	
-	Attendance & presence in general meetings	
-	Leadership qualities	
-	Qualifications	
-	Disclosure of independence, and disclosure of interest	
-	Independent view on key appointments & strategy formulation	
-	Objective evaluation of Board's performance	
-	Review of integrity of financial information	
-	Safeguard of stakeholders' interests	
-	Appointment & removal of KMPs	
-	Determination of level of remuneration of KMPs	
-	Updation of skills and knowledge	
-	Punctuality	
-	Information regarding external environment	
-	Seeking expert opinion, when required	
-	Raising of concerns to the Board	
-	Reporting of frauds, violation etc.	
-	Team work attributes	
-	Safeguard of confidential information	

NON – INDEPENDENT DIRECTORS / NON – EXECUTIVE DIRECTORS/ EXECUTIVE DIRECTORS/CMD**Overall Rating:** _____

-	Compliance with Article of Association, Companies Act & other laws	
-	Strategic planning- financial & business	
-	Operational performance of the Company	
-	Monitoring performance against plans	
-	Steps initiated towards Business Development	
-	Steps initiated towards Branding of the Company	
-	Compliance with ethical standards	
-	Exercising duties diligently	
-	Qualifications	
-	Punctuality	
-	Disclosure of interest	
-	Leadership skills	
-	Motivating employees, providing assistance & directions	
-	Establishment of internal control processes	
-	Communication skills	
-	Attendance & presence in meetings of Board & committees	
-	Attendance of general meetings	
-	Team work attributes	
-	Monitoring policies, encouraging suggestions	
-	Supervising & training the staff members	
-	Safeguard of confidential information	

COMMITTEES OF BOARD

The Board has constituted the following committees:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Corporate Social Responsibilities Committee
4. Share Transfer Committee

For evaluating the performance of each committee, the Board of Directors shall pay regards to the following aspects:

Overall Rating: _____

-	Compliance with Article of Association, Companies Act & other laws	
-	Compliance with its charter documents B127	
-	Compliance with ethical standards& code of conduct of Company	
-	Committee's accomplishments w.r.t. performance objectives	
-	Redressal of complaints & grievances	
-	Coordination with other committees and Board of Directors	
-	Fulfillment of roles & responsibilities B132	
-	Adherence to Company's policies and internal procedures	

ENTIRE BOARD**Overall Rating:** _____

-	Is the composition of the board appropriate with the right mix of Knowledge and skills required to drive organizational performance in the Light of future strategy?	
-	Members of the board meet all applicable independence requirements.	
-	The Board of Directors is effective in establishing a corporate environment that promotes timely and effective disclosure, fiscal accountability, high ethical standards and compliance with applicable laws and regulations.	
-	The Board of Directors is effective in developing a good corporate governance practice that allows and encourages the Board to fulfill its Responsibilities.	
-	The Board is provided with sufficient information about material risks and problems that affects the Company's business and prospects.	
-	The Board receives regular financial updates and takes all necessary steps to ensure the operations of the organization are sound and reviews the organization's performance in carrying out the stated mission on a regular basis.	
-	Are sufficient numbers of board meetings, of appropriate length, being held to enable proper consideration of issues?	
-	The information provided to directors prior to Board meetings meets expectations in terms of length and level of detail	
-	Board meetings are conducted in a manner that encourages open Communication, meaningful participation, and timely resolution of issues.	
-	The Chairman of the Board effectively and appropriately leads and facilitates the Board meetings and the policy and governance work of the Board.	
-	Nomination and appointment of Board members and their Remuneration follow clearly established procedures laid down by the Nomination and Remuneration Committee.	

COMPANY SECRETARY**Overall Rating:** _____

-	Compliance with Article of Association, Companies Act & other laws	
-	Compliance with ethical standards & code of conduct of Company	
-	Reporting to the Board about compliance with applicable laws	
-	Ensuring compliance with secretarial standards	
-	Assistance to the board of directors	
-	Discharge of duties assigned by Board	
-	success of meetings convened	
-	Preparation of minutes	
-	Attendance & presence in meeting of board, committees of Board and general meeting	
-	Assistance in obtaining required approvals form Board, shareholders, Government	
-	Representation before various regulators on behalf of the company	
-	Advising Board on corporate governance and compliance there under	
-	Punctuality	

OTHER KEY MANAGERIAL PERSONNEL AND SENIOR EMPLOYEES**Overall Rating:** _____

-	Compliance with Article of Association, Companies Act & other laws	
-	Compliance with ethical standards & code of conduct of Company	
-	Fulfillment of roles and responsibilities granted to them	
-	Achievement of target fixed	
-	Punctuality and other personality related aspects	

REMUNERATION

The Company aspires to pay performance linked remuneration to its directors, key managerial personnel and other senior employees. For this reason, based on the fore-stated criteria of evaluation of performance of directors, Company Secretary and other Key Managerial Personnel and senior employees, their remuneration shall be determined and reviewed from time to time by the Chairman & Managing Director.

REVIEW

Subject to the approval of Board of Directors, the "Nomination and Remuneration Committee" reserves its right to review and amend this Policy, if required, to ascertain its appropriateness as per the needs of the Company. The Policy may be amended by passing a resolution at a meeting of the Nomination and Remuneration Committee.

DISCLOSURE

In accordance with the requirement under the Companies Act, 2013, Rules made thereunder, disclosures will be made in the Board Report regarding the manner in which the performance evaluation has been done by the Board of Directors of its own performance, performance of various Committees of Directors and individual Directors.

Place: New Delhi
Dated : 25/08/2026

Sd/-
(VIPUL GUPTA)
(DIN-00204638)
Executive Director

Sd/-
(KAVEEN GUPTA)
(DIN-00204605)
Executive Director

**Annual report on Corporate Social Responsibility (CSR) Activities
For the Financial Year 2025-2026**

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. **Brief outline on CSR Policy of the Company:** The Board of Directors, on the recommendation of the CSR Committee, had formulated a Corporate Social Responsibility Policy ("CSR"). As per the Policy Statement, the Company's CSR policy will focus on addressing the critical social economic issues.

Composition of CSR Committee:

Name	Designation	No. of Meeting of CSR Committee held during the year	No. of Meeting of CSR Committee attend during the year
(i) Sh. Sheel Gupta (DIN: 00218219)	Chairperson and Director	1	1
(ii) Sh. Vipul Gupta (DIN: 00204638)	Member (Whole Time Director)	1	1
(ii) Sh. Kaveen Gupta (DIN: 00204605_)	Member (Whole Time Director)	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company: Not Applicable
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Nil

Sl No	Financial Year	Amount available for set off from preceding financial year	Amount Required to be set off for the financial year, if any
1		NIL	
	Total		

6. Average net profit of the company for last three financial years -Rs. 9,86,37,323/-
7. a. Two Percent of average net profit of the company as per section 135(5) -Rs. 19,72,746/-
- b. Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
- c. Amount required to be set off for the financial year, if any: Nil
- d. Total CSR obligation for the financial year (7a+7b-7c): -Rs.19,72,746/-
8. (a). CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to unspent CSR Account as per section 135(6)		Total Amount transferred to any fund specified under schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
1,972,800	Nil		N.A	Nil	

(b). Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period	Amount spent : Direct or through implementing agency*

(c) Manner in which the amount spent during the financial year is detailed below.

(in Rs.)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period	Amount spent : Direct or through implementing agency*
4	Abhinandan Jan Kalyan Society	As per Clause III of schedule VII of the Companies act 2013.	For Charitable Diagnostic services and working for reducing inequalities faced by socially and economically backward groups in Delhi	1,972,800	1,972,800	1,972,800	Abhinandan Jan Kalyan Society
TOTAL				1,972,800	1,972,800	1,972,800	

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 19,72,800/-

(g) Excess amount for set off, if any:

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	1,972,746
(ii)	Total amount spent for the Financial Year	1,972,800
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-54
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years: NA

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NA

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: The Company has not created or acquired any capital assets through CSR spent in the Financial Year 2025-26.

Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): The Company had undertaken to spend an amount of 19,72,800/- during the financial year 2025-26 as per mandatory requirement and no CSR amount left unspent.

Sd/-
(SHEEL GUPTA)

Place: New Delhi (DIN-00218219)
Dated : 25/08/2026 Chairperson

Sd/-
(KAVEEN GUPTA)
(DIN-00204605)
Executive Director

Sd/-
(VIPUL GUPTA)
(DIN-00204638)
Executive Director



Independent Auditor's Report

To the Members of Sunair Hotels Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **Sunair Hotels Limited** ("the Company"), which comprise the Balance Sheet as at **31st March, 2026**, 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 (herein referred as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the (Accounting Standards) Rules 2021 ("AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, **its profit** and cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics (CoE) issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 Standalone Financial Statements.

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

The Company's Board of Directors is responsible for the preparation and presentation of its report (hereinafter called as "Board Report") which comprises various information's required under section 134(3) of the Companies Act 2013 but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the **standalone** financial statement does not cover the Board Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone financial statements, our responsibility is to read the Board Report and in doing so, consider whether the Board Report is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our 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 Board Report, we are required to report that fact, we have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

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

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

The Board of Directors are responsible for overseeing the Company's financial reporting process

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

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

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

- a) Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) 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 operative effectiveness of Company's internal control systems.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- e) Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

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. This report includes a statement on the matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2020 issued by the Central Government in terms of sub-section (11) of section 143 of the Act, since in our opinion and according to the information and explanations given to us, the said Order is applicable to the Company and has been annexed as **Annexure - A**.
2. As required by section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The standalone balance sheet, the standalone statement of profit and loss and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Standalone financial statements comply with the 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 31 March 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure – B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.

- g) (a) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration for the year ended March 31, 2026, has been paid / provided by the Company to its directors is in accordance with the provisions of section 197 read with Schedule V of the Act.

- h) 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, as amended, 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 Standalone financial statements-**Refer Note No. 30 and 38** to the Standalone financial statements.

(ii) The Company did not have any material foreseeable losses on long-term contracts including derivative contracts.

(iii) There have been no amounts required to be transferred, to the Investor Education and Protection Fund by the Company.

(iv)(a) 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 person or entity, including foreign entities (Intermediaries), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall whether, 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;

(b) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether 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; and

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b), contain any material misstatement.

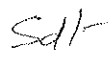
(v) (a) The Company has neither declared nor paid any dividend during the year.

(b) The Company have not proposed any dividend for the year.

- (vi)Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2026 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

for Anil Sood & Associates
Chartered Accountants
Firm Registration No. 004985N

S-316, Ground Floor,
Greater Kailash Part-I
Place: New Delhi
Date: 25/08/2026


(Anil Sood)
Partner
Membership No. 83939



ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

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

- (i) In respect of the Company's Property, Plant and Equipment:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment. The company has no intangible asset.
 - (b) The Company has a program of verification to cover all the items of property, plant and equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, property, plant and equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the records examined by us, we report that, the title deeds, comprising all the immovable properties are held in the name of the Company.
 - (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) during the year.
 - (e) According to the information and explanations given to us, no proceedings have been initiated during the year or pending against the Company as at March 31, 2026, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventory includes food, Beverage, Operating Equipment, spares were physically verified by the management at reasonable intervals during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of account.
- (b) The Company has not availed /been sanctioned any working capital limits in excess of Rs. 5 crores, in aggregate, from Banks on the basis of security of current assets, therefore no requirement to file quarterly returns/statements by the Company with such banks. Hence, this clause is not applicable.
- (iii) During the year, the Company has not made investments, provided any guarantee(s) or security(ies) or granted any loans or advances in the nature of loans Secured or Unsecured to companies, firms, limited liability partnerships or any parties hence clause 3(iii)(a) to 3(iii) (f) is not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans granted, investments made and guarantees and securities provided, as applicable.

- (v) According to the information and explanations given to us, the Company has neither accepted any amounts which are deemed to be deposits within the meaning of Section 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) In our opinion and according to the information and explanations given to us, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing the undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income tax, duty of customs, cess and other statutory dues applicable to it with the appropriate authorities except few instances of delays in deposits.

According to the information and explanations given, no undisputed amounts payable in respect of above statutory dues were outstanding as at **March 31, 2026**, for a period of more than six months from the date they become payable.

- (b) The dues in respect of goods and service tax, value added tax, income tax and excise duty which have not been deposited as at **March 31, 2026**, on account of dispute are given below:-

Name of the statute	Nature of dues	Amount (in Rs Laes)	Period to which the amount relates	Forum where dispute is pending *
Income-tax Act, 1961	Income-tax	Nil	AY 2001-02 to AY 2005-06	High Court, New Delhi
Income-tax Act, 1961	Income-tax	Nil	AY 2006-07	ITAT, New Delhi
Income-tax Act, 1961	Income-tax	Nil	AY 2007-08 to AY 2011-12	High Court, New Delhi

* These Income-tax appeals have been decided in favour of the Company. However, the revenue has preferred further appeals, challenged these orders before the higher forums.

- (viii) According to the information and explanations given to us, the company has not surrendered or disclosed any transactions, previously unrecorded in the books of account, in the tax assessments under Income Tax Act as income during the year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not taken any term loan from banks / others during the year. Hence clause ix (a) to (c) is not applicable.
- (d) On an overall examination of the Standalone financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

- (e) On an overall examination of the Standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of securities held in the subsidiaries.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the requirement to report on clause 3(x) (a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of fully or partially or convertible debentures during the year under audit.
- (xi)(a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under section 143(12) of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government.
- (c) According to the information and explanations given to us, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi company as per the provisions of the Act. Therefore, the requirement to report on clauses 3(xii) (a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanation given to us, the company does not require to have internal audit system as per the provisions of section 138 of the Companies Act, 2013 read with rule 13 of the Companies (Accounts) Rules, 2014.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence, requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly, reporting under clause 3(xvi) (d) of the Order is not applicable.

- (xvii) The Company has not incurred cash losses during the financial year under our audit and in the immediately preceding financial year.
- (xviii) There has been no resignation by the statutory auditors during the year and accordingly, requirement to report on clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone financial statements and 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 indicating 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) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) or other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Act in compliance with second proviso to sub-section 135 of the said Act. Accordingly, reporting under clause 3(xx) (a) is not applicable for the year.
- (b) There are no unspent amounts in respect of ongoing projects that are required to be transferred to a special account in compliance of provision of Section 135(6) of the Act.

for Anil Sood & Associates
Chartered Accountants
Firm Registration No. 004985N

S-316, Ground Floor,
Greater Kailash Part-I
Place: New Delhi
Date: 25/08/2026

Sdlr
(Anil Sood)
Partner
Membership No. 83939



ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Sunair Hotels Limited of even date)

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

We have audited the internal financial controls over financial reporting of Sunair Hotels Limited (“the Company”) as of March 31, 2026, in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

for Anil Sood & Associates
Chartered Accountants
Firm Registration No. 004985N

S-316, Ground Floor,
Greater Kailash Part-I
Place: New Delhi
Date: 25/08/2026

Sd/-
(Anil Sood)
Partner
Membership No. 83939

SUNAIR HOTELS LIMITED
CIN: U74899DL1977PLC008495

REGD OFFICE: A-7, 1st FLOOR, GEETANJALI ENCLAVE, NEW DELHI - 110 017

e-mail: sunairhotels@gmail.com

Website- www.hotelmetdelhi.com

STANDALONE BALANCE SHEET AS AT 31st MARCH, 2026

(All amounts in thousand of ₹, unless otherwise stated)

S. No.	Particulars	Notes	31/03/2026	31/03/2025
I. EQUITY AND LIABILITIES				
(1)	Shareholders' Funds			
(a)	Share Capital	3	397,500.00	397,500.00
(b)	Reserves And Surplus	4	1,509,625.59	1,398,207.93
			1,907,125.59	1,795,707.93
(2)	Non-current Liabilities			
(a)	Deferred Tax Liabilities	5	164,637.34	162,978.58
(b)	Other Long-Term Liabilities	6	10,252.50	89,405.00
(c)	Long-Term Provisions	7	32,730.90	29,518.54
			207,620.74	281,902.11
(3)	Current Liabilities			
(a)	Trade Payables	8	-	-
	Enterprises and Small Enterprises; and		19,990.68	23,960.78
	- Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises			
(b)	Other Current Liabilities	9	29,674.63	120,946.24
(c)	Short Term Provisions	10	12,683.27	11,747.60
			62,348.59	156,654.62
	TOTAL		2,177,094.92	2,234,264.67
II. ASSETS				
(1)	Non-current Assets			
(a)	Property, Plant and Equipment	11		
	- Tangible Assets (Not Under Lease)		949,662.58	966,512.26
	- Tangible Assets (Under Lease)		210,000.00	210,000.00
			1,159,662.58	1,176,512.26
(b)	Non - Current Investments	12	745,934.37	723,145.50
(c)	Long - Term Loans and Advances	13	101,668.12	103,244.27
(d)	Other Non- Current Asset	14	11,085.66	12,753.36
			2,018,350.73	2,015,655.39
(2)	Current Assets			
(a)	Inventories	15	61,532.30	74,393.42
(b)	Trade Receivables	16	23,181.39	36,907.74
(c)	Cash And Cash Equivalents	17	15,059.85	52,130.82
(d)	Short - Term Loans and Advances	18	58,204.34	52,820.12
(e)	Other Current Assets	19	766.30	2,357.18
			158,744.18	218,609.28
	TOTAL		2,177,094.92	2,234,264.67
Summary of material accounting policies			2	

The accompanying notes are an integral part of these standalone financial statements

As per our separate report of even date attached

For ANIL SOOD & ASSOCIATES.

Firm Regn No. 004985N

Chartered Accountants

(KAVEEN GUPTA)

Executive Director

(DIN-00204605)

(VIPUL GUPTA)

Executive Director

(DIN-00204638)

(ANIL SOOD)

Partner

Membership No. 83939

(VIPIN JAIN)

Chief Financial Officer

M.No.-FCS 8984

(NEHA RAJPUT)

Company Secretary

(M No. A-26116)

Place : New Delhi
Dated : 25/08/2026

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SUNAIR HOTELS LIMITED
CIN: U74899DL1977PLC008495

REGD OFFICE: A-7, 1st FLOOR, GEETANJALI ENCLAVE, NEW DELHI - 110 017
e-mail: sunairhotels@gmail.com Website- www.hotelmetdelhi.com

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in thousand of ₹, unless otherwise stated)

S. No.	Particulars	Notes	31/03/2026	31/03/2025
I.	Income			
	(a) Revenue from Operation	20	715,949.02	680,059.28
	(b) Other Income	21	29,985.41	33,646.51
II.	Total Income		745,934.43	713,705.79
III.	Expenses			
	(a) Cost of Materials Consumed	22	44,748.42	46,438.92
	(b) Cost of Utilities and Hospitality Services	23	1,045.45	979.95
	(c) Employee benefit expenses	24	143,887.38	134,326.35
	(d) Other expenses	25	384,197.51	412,852.27
	(e) Finance costs	26	60.99	44.56
	(f) Depreciation	27	33,609.99	34,319.34
	(g) Expenditure on CSR Activity	28	1,972.80	1,511.95
IV.	Total Expenses		609,522.54	630,473.34
V.	Profit / (loss) before tax (II - IV)		136,411.89	83,232.45
VI.	Tax expense			
	(a) Current tax	23,943.84		14,500.00
	(b) Earlier years' tax	-608.37		4,404.09
	(c) Deferred Tax	1,658.76	24,994.23	5,123.92
VII.	Profit / (loss) transferred to Balance Sheet (V - VI)		111,417.66	59,204.44
VIII.	Earnings per equity share (EPS)	29		
	(a) Basic		2.80	1.49
	(b) Diluted		2.80	1.49
	Summary of material accounting policies	2		

The accompanying notes are an integral part of these standalone financial statements

As per our separate report of even date attached

For ANIL SOOD & ASSOCIATES.

Firm Regn No. 004985N
Chartered Accountants

(KAVEEN GUPTA)

Executive Director
(DIN-00204605)

(VIPUL GUPTA)

Executive Director
(DIN-00204638)

(ANIL SOOD)

Partner
Membership No. 83939

(VIPIN JAIN)

Chief Financial Officer
M.No.-FCS 8984

(NEHA RAJPUT)

Company Secretary
(M No. A-26116)

Place : New Delhi

Dated : 25/08/2026

SUNAIR HOTELS LIMITED
CIN: U74899DL1977PLC008495

REGD OFFICE: A-7, 1st FLOOR, GEETANJALI ENCLAVE, NEW DELHI - 110 017

e-mail: sunairhotels@gmail.com

Website- www.hotelmetdelhi.com

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in thousand of ₹, unless otherwise stated)

S. No.	Particulars	31/03/2026	31/03/2025
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net profit /(loss) before tax and after prior period expenses	137,020.26	78,828.36
	<u>Adjustments for:</u>		
	- Non Cash Expense/ (Income) - Depreciation	33,609.99	34,319.34
	- Non Cash Expense/ (Income) - Interest On Investment	-37.11	-36.96
	- Non Cash Expense/ (Income) - Dividend On Investment	-3.68	-3.20
	Operating (loss) before working capital changes	<u>170,589.46</u>	<u>113,107.54</u>
	<u>Movement in working capital:</u>		
	Increase / (Decrease) in Trade Payables	-3,970.10	-2,068.53
	Increase / (Decrease) in Other Current Liabilities	-91,271.60	19,621.83
	Increase / (Decrease) in Other Long Term Liabilities	-79,152.50	-15.00
	Increase / (Decrease) in Long Term Provisions	3,212.37	2,926.68
	Increase / (Decrease) in Short Term Provisions	935.66	1,086.71
	(Increase) / Decrease in Trade Receivables	13,726.36	-10,123.77
	(Increase) / Decrease in Short Term Loan & Advances	-5,384.22	5,043.35
	(Increase) / Decrease in Inventories	12,861.11	-914.96
	(Increase) / Decrease in Other Current Assets	1,590.88	1,701.71
	(Increase) / Decrease in Other Non - Current Assets	1,667.70	-
	(Increase) / Decrease in Long Term Loan & Advances	<u>1,576.15</u>	<u>-48,913.27</u>
	Cash (used in) operations	<u>26,381.27</u>	<u>81,452.28</u>
	Direct taxes (paid)	23,943.84	14,500.00
	Net cash (used in) operating activities	(A) <u>2,437.43</u>	<u>66,952.28</u>
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Fixed Assets	-16,760.31	-1,162.23
	Purchase of Investments	-22,788.87	-30,435.20
	Dividend on Investment	3.68	3.20
	Interest on Investment	37.11	36.96
	Net cash (used in) investing activities	(B) <u>-39,508.39</u>	<u>-31,557.28</u>
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Interest Income	-	-
	Net cash from financing activities	(C) <u>-</u>	<u>-</u>
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	<u>-37,070.97</u>	<u>35,395.00</u>
	Cash and cash equivalents at the beginning of the year	(D) 52,130.82	16,735.82
	Cash and cash equivalents at the end of the year	(E) 15,059.85	52,130.82
	Net increase / (decrease) in cash and cash equivalents (E-D)	<u>-37,070.97</u>	<u>35,395.00</u>
	COMPONENTS OF CASH AND CASH EQUIVALENTS	31/03/2026	31/03/2025
		<u>Amount</u>	<u>Amount</u>
	Cash at Bank	10,079.98	47,808.24
	Cash on hand	4,384.43	3,764.26
	Bank Deposits	595.44	558.32
		<u>15,059.85</u>	<u>52,130.82</u>

SUNAIR HOTELS LIMITED
CIN: U74899DL1977PLC008495

REGD OFFICE: A-7, 1st FLOOR, GEETANJALI ENCLAVE, NEW DELHI - 110 017

e-mail: sunairhotels@gmail.com

Website- www.hotelmetdelhi.com

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in thousand of ₹, unless otherwise stated)

Note: The above statement of cash flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

Summary of material accounting policies

2

The accompanying notes are an integral part of these standalone financial statements

As per our separate report of even date attached

For ANIL SOOD & ASSOCIATES.

Firm Regn No. 004985N
Chartered Accountants

Sd/-
(KAVEEN GUPTA)
Executive Director
(DIN-00204605)

Sd/-
(VIPUL GUPTA)
Executive Director
(DIN-00204638)

Sd/-
(ANIL SOOD)

Partner
Membership No. 83939

Sd/-
(VIPIN JAIN)
Chief Financial Officer
M.No.-FCS 8984

Sd/-
(NEHA RAJPUT)
Company Secretary
(M No. A-26116)

Place : New Delhi
Dated : 25/08/2026

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS
FORMING INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2026**

1. ACCOUNTING CONVENTIONS

- a) The financial statement of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Companies (Accounting Standards) Rules 2021 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") as applicable.
- b) The financial statements have been prepared on accrual basis under the historical cost convention basis. The accounting policies adopted in preparation of the financial statements are consistent with those followed in the previous year.

2. SIGNIFICANT ACCOUNTING POLICIES

A. Use of Estimates :

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

B. Tangible Property, Plant and Equipment:

a) Own Property, Plant and Equipment:

- (i) Tangible Property, Plant and Equipment are stated at cost. Cost includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any. All costs, including expenditures and levies directly attributable to bringing the assets to their working condition for the intended use. Net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the Property, Plant and Equipment are capitalised.
- (ii) Land is stated at original cost of acquisition.
- (iii) Capital work-in-progress is stated at amount spent upto the date of Balance Sheet.

Gains or losses arising from derecognition of Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the assets, and are recognized in the statement of profit and loss when the asset is derecognized.

b) Leased Assets:

- (i) Operating Leases: Rentals are expensed with reference to lease terms and other considerations.
- (ii) Finance Leases: The lower of the fair value of the assets and present value of the minimum lease rentals is capitalised as Property, Plant and Equipments with corresponding amount shown as lease liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to the statement of profit and loss.
- (iii) However, rentals referred to in (i) or (ii) above and the interest component referred to in (ii) above pertaining to the period upto the date of commissioning of the assets are capitalized.
- (iv) All assets given on finance lease are shown as receivables at an amount equal to net investment in the lease. Initial direct costs in respect of lease are expensed in the year in which such costs are incurred. Income from lease assets is accounted by applying the interest rate implicit in the lease to the net investment.

C. Intangible Assets & Amortisation:

Intangible Assets are recognised as per the criteria specified in Accounting Standard (AS-26) on "Intangible Assets" and are amortised over the useful life of the underlying assets as follows:

- a) Leasehold land: over the period of lease.
- b) Lump sum fees for technical know-how: over a period of six years in case of foreign technology and three years in case of indigenous technology.

Gains or losses arising from derecognition of Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the assets, and are recognized in the statement of profit and loss when the asset is derecognized.

D. Depreciation and amortization:

- a) Depreciation on tangible Property, Plant and Equipment is calculated on Straight Line Method pursuant to the requirements of Schedule-II of the Companies Act, 2013 with effect from April 01, 2014, by using the rates prescribed therein over the estimated useful lives of the Property, Plant and Equipments as specified in Part 'C', while fixing the residual values of the Property, Plant and Equipments at 5% of their original cost, in respect of assets which are used for full period in the year and on prorata basis for assets acquired & put to use during the year.
- b) Intangible Property, Plant and Equipments are amortized on a straight-line basis over the estimated useful economic life in respect of assets which are used for full period in the year, and on prorata basis for assets acquired / recognized and put to use during the year. If there is a significant change from previous estimates in the expected pattern of economic benefits from the asset, the amortization period and method are changed accordingly to reflect the changed pattern. However, no amortization expense is provided on intangible assets derecognized during the year.

E. Impairment of Tangible and Intangible Assets:

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

F. Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue in the period in which they are incurred.

G. Valuation of Investment:

- a) Trade investments are the investments made to enhance the Company's business interests. Investments are either classified as current or long-term based on Management's intention at the time of purchase.
- b) Current investments are carried at the lower of cost and fair market value of each investment individually.
- c) Long term investments are carried at cost less provisions recorded to recognize any diminution, other than temporary, in the carrying value of each investment.
- d) Cost for overseas investments comprises the Indian Rupee value of the consideration paid for the investment translated at the exchange rate prevalent at the date of investment.

H. Investment Property:

An investment in land or building, which is not intended to be occupied substantially for use by, or in the operations of, the Company, is classified as an investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Depreciation on building component of investment property is calculated on a Straight Line Method basis using the rates and useful lives prescribed in Schedule II to the Companies Act, 2013 in respect of such investment properties which are used for full period in the year, and on prorata basis for assets acquired and put to use during the year. However, no depreciation is provided on the investment properties sold during the year, but on disposal, the difference between its carrying amount and the net disposal proceeds is charged or credited to the statement of profit and loss.

I. Valuation of Inventory:

Inventories are stated at lower of cost or net realisable value wherever applicable. Cost is determined on weighted average basis.

J. Revenue Recognition:

All incomes and expenses are accounted for on accrual and prudent basis. Revenue in respect of insurance / other claims, interest, commission, etc. is recognised only when it is reasonably certain that the ultimate collection will be made. Expenses incurred for which benefit will accrue in the subsequent years are declared in the balance sheet as deferred revenue expenses and amortised over the period in which the benefit is expected to accrue.

K. Foreign Currency Transactions:

- a) In accordance with the Accounting Standard AS-11 on "Effects of changes in foreign exchange rate" as prescribed by the ICAI, year-end balance of foreign currency transactions is translated at the year-end rates and the corresponding effect is given in the respective accounts. Transactions denominated in foreign currency are recorded at exchange rate prevailing at the time of transaction. However, transactions completed during the year are adjusted on actual basis.
- b) In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.
- c) Non-monetary foreign currency items are carried at cost.
- d) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the statement of profit and loss except in cases where they relate to acquisition of Property, Plant and Equipments, in which case they are adjusted to the carrying cost of such assets.
- e) Difference in outstanding value of term loan in foreign currency as at the year end vis-à-vis the date of obtaining loan is recorded in the books of account in a separate account called 'Exchange Difference (FC Laon)' Account to be appropriated at the conclusion of the said term loan.
- f) Difference in foreign exchange forward contracts is recognised as income / loss in the books of account by spreading the same proportionately over the effective life of the contract.

L. Employee Benefits:

- a) All short-term employee benefits expected to be paid in exchange for services rendered by the employees during the year are recognised, at the undiscounted amount, as liability (accrued expense), after deducting any amount already paid. Where the amount already paid exceeds the undiscounted amount of the benefits, such excess is recognised as an asset (prepaid expense).

- b) There are no post-employment benefits defined in the terms of employment agreed with the employees. However, retirement benefits may be granted to the employees at the discretion of the management.
- c) There are no long-term benefits defined in the terms of employment agreed with the employees. However, such benefits may be granted to the employees at the discretion of the management in future.
- d) Termination benefits are recognised as a liability immediately on incurrence of any such

M. Provision for Current and Deferred Tax:

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

N. Provisions, Contingent Liabilities and Contingent Assets:

- a) Provisions are recognised for liabilities that can only be measured by using a substantial degree of estimation, if;
 - (i) the Company has a present obligation as a result of a past event,
 - (ii) a probable outflow of resources is expected to settle the obligation, and
 - (iii) the amount of obligation can reliably be estimated.Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will ultimately be received.
- b) Contingent Liability is disclosed in case of:
 - (i) a present obligation arising on past events, when it is not probable that an outflow of resources will be required to settle the obligation,
 - (ii) a present obligation, when no reliable estimate is possible, and
 - (iii) a possible obligation arising from past events, where the probability of outflow of resources is not remote.
- c) Contingent Assets are neither recognised nor disclosed.
- d) Provisions, Contingent Liabilities and Contingent Assets are reviewed at each balance sheet date.

O. Prior Period Items:

Prior Period items are disclosed separately in the statement of profit and loss for the year, keeping in view their materiality and the past method of accounting.

P. Exceptional and Extra-ordinary Items:

Exceptional and extra-ordinary items of the Company during the period are disclosed separately in the statement of profit and loss for the year, as part of net profit.

SUNAIR HOTELS LIMITED

Notes to financial statements for the year ended March 31, 2026

(All amounts in thousand of ₹, unless otherwise stated)

3. SHARE CAPITAL

	31/03/2026		31/03/2025	
	Number	Amount	Number	Amount
Authorised and Issued share capital:				
Equity shares of Rs. 10/- (PY Rs. 10/-) each	40,000,000	400,000.00	40,000,000	400,000.00
Subscribed and paid-up share capital:				
Equity shares of Rs. 10/- each fully paid-up	39,750,000	397,500.00	39,750,000	397,500.00
Total	39,750,000	397,500.00	39,750,000	397,500.00

Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period:

	31/03/2026		31/03/2025	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	39,750,000	397,500.00	39,750,000	397,500.00
Shares outstanding at the end of the year	39,750,000	397,500.00	39,750,000	397,500.00

Terms / rights attached to equity shares:

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March, 2026 the amount of per share dividend recognized as distribution to equity shareholders was Rs. Nil (PY Rs. Nil).

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.

Details of shareholders holding more than 5% equity shares in the Company:

	31/03/2026		31/03/2025	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Name of the shareholder				
A. Columbia Trading Co. Ltd.	2,280,176	5.73%	2,280,176	5.73%
B. Kaveen Gupta	8,736,310	21.98%	8,736,310	21.98%
C. Mrs. Sheel Gupta	2,228,750	5.61%	2,228,750	5.61%
D. Star Light Credit India Ltd.	4,257,500	10.71%	4,257,500	10.71%
E. Vipul Gupta	8,437,080	21.22%	8,437,080	21.22%
F. VLS Finance Limited* (* Under dispute)	9,594,824	24.14%	9,594,824	24.14%

Details of shares held by promoters in the Company

	31/03/2026		31/03/2025	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Name of the shareholder				
A. Ananya Gupta & Kaveen Gupta	530,000	1.34%	530,000	1.34%
B. Mrs. Babita Gupta	1,780,000	4.48%	1,780,000	4.48%
C. Mr. Kaveen Gupta	8,736,310	21.98%	8,736,310	21.98%
D. Kaveen Gupta (HUF)	465,000	1.17%	465,000	1.17%
E. Mrs. Monisha Gupta	1,415,000	3.56%	1,415,000	3.56%
F. Mrs. Sheel Gupta	1,706,150	4.29%	1,706,150	4.29%
G. Mrs. Sheel Gupta	522,600	1.32%	522,600	1.32%
H. Mr. Vipul Gupta	8,437,080	21.22%	8,437,080	21.22%
I. Columbia Trading Co. Ltd.	2,280,176	5.73%	2,280,176	5.73%

SUNAIR HOTELS LIMITED
Notes to financial statements for the year ended March 31, 2026
(All amounts in thousand of ₹, unless otherwise stated)

4. RESERVES & SURPLUS		31/03/2026	31/03/2025
A. Capital Reserves		Amount	Amount
Opening Balance		80,000.00	80,000.00
Closing Balance	Total (A)	80,000.00	80,000.00
B. Other Reserves			
General Reserves			
Opening Balance		30.00	30.00
Closing Balance	Total (B)	30.00	30.00
C. Surplus / (deficit) in the statement of profit and loss			
Opening Balance		1,318,177.93	1,258,973.50
Add : Net Profit / (Net Loss) for the current year		111,417.66	59,204.44
Closing Balance		1,429,595.59	1,318,177.93
Add: Appropriations		-	-
Closing Balance	Total (B)	1,429,595.59	1,318,177.93
Total (A + B + C)		1,509,625.59	1,398,207.93

5. DEFERRED TAX LIABILITIES (NET)

In line with the method recommended by the Accounting Standard AS-22 on "Accounting for Taxes on Income" components of deferred tax assets and liabilities as on 1st April, 2025 and 31st March, 2026 are given as under:

	01/04/2025	For the Year	Reversing	31/03/2026	
<u>Deferred Tax Assets</u>					
A. Gratuity Provision	7,304.39	777.35	-	8,081.73	
B. Provision For Leave Encashment	1,890.50	219.67	-	2,110.16	
C. Provision For Bonus (Good work reward)	915.20	-	128.97	786.23	
Total (A)	10,110.08	997.01	128.97	10,978.13	
<u>Deferred Tax Liabilities</u>					
A. Depreciation	173,088.66	2,526.81	-	175,615.46	
Total (B)	173,088.66	2,526.81	-	175,615.46	
Net Deferred Tax Assets	Total (A - B)	162,978.58	1,529.79	-128.97	164,637.34

6. OTHER LONG-TERM LIABILITIES
Unsecured, considered good

A. Security Deposits	31/03/2026	31/03/2025
	Amount	Amount
	10,252.50	89,405.00
	10,252.50	89,405.00

7. LONG TERM PROVISIONS
A. Provision for Employee Benefits

a. Gratuity	31/03/2026	31/03/2025
	Amount	Amount
	26,335.42	23,904.89
b. Leave Encashment	6,395.49	5,613.64
	32,730.90	29,518.54

SUNAIR HOTELS LIMITED
Notes to financial statements for the year ended March 31, 2026
(All amounts in thousand of ₹, unless otherwise stated)
8. TRADE PAYABLES

Particulars	31/03/2026	31/03/2025
Total outstanding dues of micro enterprises and small enterprises (refer note below)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises (refer note below)	19,990.68	23,960.78
	19,990.68	23,960.78
Particulars(Outstanding from invoice date)	31/03/2026	31/03/2025
(i) MSME		
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
(ii) Others		
Less than 1 year	19,883.84	23,866.63
1-2 years	12.70	94.15
2-3 years	94.15	-
More than 3 years	-	-
	19,990.68	23,960.78
(iii) Disputed dues-MSME		
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
(iv) Disputed dues-Others		
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	-	-
Total	19,990.68	23,960.78

9. OTHER CURRENT LIABILITIES

	31/03/2026 Amount	31/03/2025 Amount
A. Other Current Liabilities		
a. TDS Payable	1,266.08	1,240.13
b. DVAT Payable	377.73	494.44
c. GST Payable	7,591.34	23,771.28
d. Contribution to Provident Fund	1,032.75	963.08
e. ESI	4.95	22.10
f. Advance Sub-License fee	9,356.73	86,997.27
g. Other Expenses Payable	8,972.09	7,457.94
h. Income Tax Payable	1,072.97	-
Total	29,674.63	120,946.24

10. SHORT TERM PROVISIONS

	31/03/2026 Amount	31/03/2025 Amount
A. Provision for Employee Benefits		
a. Salary & Reimbursements	7,029.11	5,916.20
b. Good-work Reward payable	2,749.06	3,200.00
c. Provision for Gratuity	1,922.39	1,634.92
d. Provision for Leave Encashment	982.71	996.49
Total	12,683.27	11,747.60

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SUNAIR HOTELS LIMITED

Notes to financial statements for the year ended March 31, 2026

(All amounts in thousand of ₹, unless otherwise stated)

11. PROPERTY, PLANT AND EQUIPMENT:

DESCRIPTION OF ASSETS	GROSS BLOCK			ACCUMULATED DEPRECIATION				NET BLOCK	
	Balance as on 1st April, 2025	Additions (Disposals)	Balance as on 31st, Mar 2026	Balance as on 1st April, 2025	Depreciation charge for the year	Adjustment on Disposals/ Reversals	Balance as on 31st, Mar 2026	Balance as on 31st, Mar 2026	Balance as on 31st, Mar 2025
(i) Tangible Assets (Not Under Lease)									
a. <u>Building</u>									
- Hotel	1,151,199.43	-	1,151,199.43	316,309.01	17,962.69	-	334,271.71	816,927.73	834,890.42
- Commercial	14,135.80	-	14,135.80	5,655.44	215.98	-	5,871.42	8,264.38	8,480.36
b. <u>Plant & Machinery</u>									
- Hotel	524,037.17	-	524,037.17	451,849.75	8,047.15	-	459,896.90	64,140.27	72,187.42
- Commercial	-	-	-	-	-	-	-	-	-
c. Furniture & Fixtures	291,190.10	-	291,190.10	265,295.69	2,167.09	-	267,462.78	23,727.32	25,894.41
d. Motor Vehicles	30,061.51	16,709.46	46,770.97	13,541.38	4,511.30	-	18,052.68	28,718.29	16,520.13
e. Office Equipment	11,570.70	-	11,570.70	7,695.36	411.59	-	8,106.95	3,463.75	3,875.34
f. <u>Others</u>									
Computer & accessories	42,919.88	50.85	42,970.72	40,652.50	47.53	-	40,700.03	2,270.69	2,267.37
Electrical Fittings & Installations	6,157.92	-	6,157.92	3,761.10	246.66	-	4,007.76	2,150.16	2,396.82
	2,071,272.50	16,760.31	2,088,032.81	1,104,760.24	33,609.99	-	1,138,370.23	949,662.58	966,512.26
(ii) Tangible Assets (Under Lease)									
a. Land on License	210,000.00	-	210,000.00	-	-	-	-	210,000.00	210,000.00
	210,000.00	-	210,000.00	-	-	-	-	210,000.00	210,000.00
Current Year Total	2,281,272.50	16,760.31	2,298,032.81	1,104,760.24	33,609.99	-	1,138,370.23	1,159,662.58	1,176,512.26
Previous Year Total	2,280,110.27	1,162.23	2,281,272.50	1,070,440.90	34,319.34	-	1,104,760.24	1,176,512.26	1,209,669.37

Notes to property, plant and equipment :

- Details in respect of each class of asset for the first five years subsequent to the date of reduction or increase due to impairment or revaluation: Rs. Nil
- No fixed asset was acquired through business combination during the year (PY Rs. Nil).
- Land represents plot allotted on license by NDMC for which Rs. 21 crores were paid to Sun Aero Ltd., the subsidiary company, as development rights.

SUNAIR HOTELS LIMITED

Notes to financial statements for the year ended March 31, 2026

(All amounts in thousand of ₹, unless otherwise stated)

12. NON-CURRENT INVESTMENTS

Other Investments

Sl. No.	Particulars	Subsidiary / Associate / JV / Controlled Special Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully Paid	Extent of Holding (%)		Amount (Rs.)		Basis of Valuation
			As on 31st March 2026	As on 31st March 2025			As on 31st March 2026	As on 31st March 2025	As on 31st March 2026	As on 31st March 2025	
Investments in Equity Instruments											
(i)	Sunaero Ltd.	Subsidiary	70,000	70,000	Unquoted	Fully paid	100%	100%	700.00	700.00	At Cost
Total 'a'											
Investment in Mutual Funds											
(i)	Aditya Birla Sunlife IBX Fun	Others	4,962,640	4,962,640	Quoted	Fully paid	100%	100%	50,000.00	50,000.00	At Cost
(ii)	Aditya Birla Sunlife Corporate Bond Fund -G-D	Others	692,239	692,239	Quoted	Fully paid	100%	100%	64,905.87	64,905.87	At Cost
(iii)	Axis Short Term Fund- G	Others	1,378,345	525,390	Quoted	Fully paid	100%	100%	44,006.13	14,006.13	At Cost
(iv)	Bandhan Short Duration Fund Direct Plan Growth (Formerly kn	Others	1,119,749	607,875	Quoted	Fully paid	100%	100%	62,500.76	30,000.76	At Cost
(v)	Bandhan Corporate Bond Fund-G -DP(erstwhile IDFC Corporat	Others	3,594,486	4,033,827	Quoted	Fully paid	100%	100%	57,708.11	64,397.25	At Cost
(vi)	Bandhan Crisil IBX GiltsApril-2028	Others	2,651,884	2,651,884	Quoted	Fully paid	100%	100%	29,037.73	29,037.73	At Cost
(vii)	Bandhan Liquid Fund -Direct Plan - Growth	Others	-	6,408	Quoted	Fully paid	-	100%	-	20,000.00	At Cost
(viii)	Edelweiss Multi Asset Allocation Fund	Others	1,498,912	-	Quoted	Fully paid	100%	-	18,330.21	-	At Cost
(ix)	HDFC Balance Advantage Fund	Others	86,656	-	Quoted	Fully paid	100%	-	50,000.00	-	At Cost
(x)	HDFC Corporte Bond Fund-DP-G	Others	2,189,341	1,311,409	Quoted	Fully paid	100%	100%	63,205.84	33,005.84	At Cost
(xi)	HSBC Short Duration Fund-D G (Formerly L & T Short Term Bc	Others	-	897,999	Quoted	Fully paid	-	100%	-	20,008.89	At Cost
(xii)	ICICI Prudential Corporate Bond Fund a-DP-G	Others	3,742,037	3,742,037	Quoted	Fully paid	100%	100%	87,743.47	87,743.47	At Cost
(xiii)	ICICI Prudential Multi Asset Fund	Others	16,490	-	Quoted	Fully paid	100%	-	15,000.00	-	At Cost
(xiv)	ICICI Prudential Balanced Advantage Fund - Direct Plan - Grow	Others	767,799	151,415	Quoted	Fully paid	100%	100%	64,047.77	11,547.77	At Cost
(xv)	ICICI Prudential Liquid Fund - Direct Plan - Growth	Others	-	70,201	Quoted	Fully paid	-	100%	-	26,900.00	At Cost
(xvi)	ICICI Prudential Long Term Bond Fund	Others	-	582,684	Quoted	Fully paid	-	100%	-	56,300.00	At Cost
(xvii)	Kotak Corporate Bond Fund Direct Growth	Others	24,013	24,013	Quoted	Fully paid	100%	100%	71,748.48	71,748.48	At Cost
(xviii)	Kotak Balanced Advantage Fund Direct - Growth	Others	961,028	553,971	Quoted	Fully paid	100%	100%	22,000.00	11,472.76	At Cost
(xix)	Kotak Bond Fund (Short Term) - Direct Plan - Growth	Others	-	239,105	Quoted	Fully paid	-	100%	-	20,000.00	At Cost
(xx)	Kotak Bond Fund Growth (Short Term)	Others	-	395,017	Quoted	Fully paid	-	100%	-	22,100.00	At Cost
(xxi)	Kotak Liquid Fund Direct Plan Growth	Others	-	6,042	Quoted	Fully paid	-	100%	-	31,600.00	At Cost
(xxii)	SBI Corporate Bond Fund	Others	3,705,864	3,705,864	Quoted	Fully paid	100%	100%	45,000.00	45,000.00	At Cost
Total 'b'									745,234.37	709,774.95	
Investment in Mutual Funds											
(i)	True North Credit opportunities Fund I	Others	NA	NA	NA	NA	NA	NA	-	12,670.54	
Total 'c'									-	12,670.54	
Total (a+b+c)									745,934.37	723,145.50	

Summary details of non-current investments:

A	Aggregate amount of Quoted Investments		
	At cost	745,234.37	722,445.50
	At market value	889,734.80	848,186.05
B	Aggregate amount of Unquoted Investments (At cost)		
C	Aggregate amount of unquoted investments	700.00	700.00
D	Value of Investment Property (Net Block)	-	-
E	Aggregate provision for diminution in value of investments	Nil	Nil
		Nil	Nil

SUNAIR HOTELS LIMITED
Notes to financial statements for the year ended March 31, 2026
(All amounts in thousand of ₹, unless otherwise stated)

13. LONG TERM LOANS AND ADVANCES	31/03/2026	31/03/2025
A. Capital Advances	<u>Amount</u>	<u>Amount</u>
(Unsecured, considered good)		
a. Greater Noida Industrial Development Authority	550.00	550.00
Total (A)	<u>550.00</u>	<u>550.00</u>
B. Other Loans & Advances		
(Unsecured, considered good)		
a. Income Tax Refundable	19,283.12	20,259.27
b. Cash Seized by I.T. Department	3,000.00	3,000.00
c. Other Advances	78,835.00	79,435.00
Total (B)	<u>101,118.12</u>	<u>102,694.27</u>
Total (A + B)	<u>101,668.12</u>	<u>103,244.27</u>
14. OTHER NON CURRENT ASSET	31/03/2026	31/03/2025
A. Security Deposits	<u>Amount</u>	<u>Amount</u>
(Unsecured, considered good)		
a. Security deposit to service providers	2,366.05	2,406.05
b. Security deposit for let-out properties	3,120.00	3,120.00
c. Security deposit with Government Agencies for utilities	5,599.61	7,227.31
Total	<u>11,085.66</u>	<u>12,753.36</u>
15. INVENTORIES		
A. Raw Materials & Components (Valued at lower of Cost or NRV)	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
a. Food	1,708.33	1,852.00
b. Beverage	3,302.27	3,384.88
c. Operating Equipments	56,521.70	69,156.54
	<u>61,532.30</u>	<u>74,393.42</u>
16. TRADE RECEIVABLES	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
a) Undisputed trade receivables		
- considered good	23,181.39	36,907.74
- which have significant increase in credit risk	-	-
- which are credit impaired	-	-
b) Disputed trade receivables		
- considered good	-	-
- which have significant increase in credit risk	-	-
- which are credit impaired	-	-
	<u>23,181.39</u>	<u>36,907.74</u>
Below table represents the trade receivables ageing:		
Particulars		
(i) Undisputed trade receivables - considered good		
Less than 6 months	22,999.84	32,699.40
6 months - 1 year	181.55	-
1-2 years	-	5.41
2-3 years	-	4,202.94
More than 3 years	-	-
	<u>23,181.39</u>	<u>36,907.74</u>
(ii) Undisputed trade receivables - considered doubtful		
Less than 6 months	-	-
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	<u>23,181.39</u>	<u>36,907.74</u>

SUNAIR HOTELS LIMITED
Notes to financial statements for the year ended March 31, 2026
(All amounts in thousand of ₹, unless otherwise stated)

17. CASH AND CASH EQUIVALENTS		31/03/2026		31/03/2025
A. Balances with banks		Amount		Amount
In Current Accounts with Scheduled Banks (There are no earmarked balances, margin money, security against borrowings, guarantees and other		10,079.98		47,808.24
B. Cash on hand		4,384.43		3,764.26
C. Bank Deposits (Maturity more than 12 months from Balance Sheet date)		595.44		558.32
Total		15,059.85		52,130.82
18. SHORT TERM LOANS AND ADVANCES		31/03/2026		31/03/2025
Other Loans & Advances (Unsecured, considered good)		Amount		Amount
A. Advance License Fees (NDMC) (Prepaid)		19,879.20		18,932.57
B. Advance (Staff & Consultants)		800.00		800.00
C. Prepaid Expenses (Hotel) (Licence fee L3 & L5)		12,059.84		7,622.26
D. Advance for assets		25,465.30		25,465.30
Total		58,204.34		52,820.12
19. Other Current Assets (Unsecured, Considered good)		31/03/2026		31/03/2025
		Amount		Amount
A. GST Input Available		760.10		2,354.30
B. Dividend Receivable		6.21		2.88
Total		766.30		2,357.18
20. INCOME FROM OPERATIONS		31/03/2026		31/03/2025
		Amount		Amount
Facilities and Services Charges for Hotel Complex				
Rooms		467,381.66		447,756.08
Food & Beverage		248,567.35		232,303.20
Less: Excise Duty		-		-
Revenue from Operations (Net)	Total	715,949.02		680,059.28
A. Rooms		467,381.66		447,756.08
Total (A)		467,381.66		447,756.08
B. Food & Beverage				
i. Food		91,437.61		83,069.07
ii. Beverage				
- Soft Beverage	2,568.15		2,368.39	
- Liquor	19,000.41	21,568.56	15,406.90	17,775.29
iii. Banquet Fees		6,482.47		4,315.64
iv. Other Operating Departments		13,966.79		15,336.47
v. Sub License Fees		115,111.93		111,806.72
Total (B)		248,567.35		232,303.20
Income from Operations (Gross)	Total (A + B)	715,949.02		680,059.28

SUNAIR HOTELS LIMITED
Notes to financial statements for the year ended March 31, 2026
(All amounts in thousand of ₹, unless otherwise stated)
21. OTHER INCOME

	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
A. <u>Interest Income</u>		
- On FDR's	37.11	36.96
B. Interest on Income tax refund	87.15	488.64
C. Capital Gain on Sale of Mutual Funds	18,433.53	20,685.32
D. Dividends received on share / Mutual Funds	3.68	3.20
E. Gain / (Loss) on Foreign Exchange Curr. Fluctuation	40.83	34.38
F. Miscellaneous Income	1,163.89	1,380.08
G. Commission	331.76	385.95
H. Other Income	277.57	204.31
I. Communication Tower Charges	-	2,870.74
J. Used Cooking Oil	5.84	14.74
K. Electricity & Water Charges	6,802.40	4,681.71
L. Garbage & Handling Charges	505.00	455.00
M. Income From Travel Desk	800.00	700.00
N. Guest Transport Charges	1,496.66	1,705.50
Total	<u>29,985.41</u>	<u>33,646.51</u>

22. COST OF MATERIALS CONSUMED

	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
A. Opening Stock of Raw Material	5,236.88	4,748.75
Add:- Purchases	44,522.14	46,927.05
	49,759.02	51,675.80
Less : Closing Stock of Raw Material	5,010.61	5,236.88
Cost of Raw Material Consumed	<u>44,748.42</u>	<u>46,438.92</u>

Details of Materials Consumed

A. Food	39,120.36	42,657.78
B. Beverages	5,628.06	3,781.14
booked as an expense under its relevant expenditure head.	<u>44,748.42</u>	<u>46,438.92</u>

23. COST OF UTILITIES AND HOSPITALITY SERVICES

	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
A. Laundry Cost	894.35	785.88
B. Health Club	151.11	194.07
Total	<u>1,045.45</u>	<u>979.95</u>

24. EMPLOYEE BENEFIT EXPENSES

	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
A. Salaries, wages and bonus		
a. Salary	82,815.52	75,728.01
b. Bonus	2,556.12	3,268.20
c. Exgratia Paid	302.09	421.11
d. Gratuity	3,348.08	3,503.68
	89,021.80	82,920.99
B. Salary to Directors	7,800.00	5,400.00
C. <u>Contributions to:</u>		
a. Provident Fund	6,264.31	5,821.45
b. ESI	102.66	215.51
c. Other Funds	1,068.55	1,062.24
	7,435.52	7,099.19
D. Staff Welfare Expenses	5,147.70	4,331.88
E. Contractor Labour Charges	6,402.25	7,453.31
F. Security Services	7,500.67	5,976.17
G. Manpower Outsourced	20,579.44	21,144.81
Total	<u>143,887.38</u>	<u>134,326.35</u>

SUNAIR HOTELS LIMITED
Notes to financial statements for the year ended March 31, 2026
(All amounts in thousand of ₹, unless otherwise stated)
25. OTHER EXPENSES

		31/03/2026	31/03/2025
		<u>Amount</u>	<u>Amount</u>
A. Power & Fuel		89,795.54	86,793.95
B. Rent		5,100.00	4,650.00
C. Repairs & maintenance			
a. Plant & machinery	15,134.65	24,135.13	
b. Building	66,421.41	83,010.92	
c. Others	14,334.29	31,118.63	138,264.68
D. Insurance		3,408.32	3,628.33
E. Advertising & Sales Promotion		1,855.58	2,004.96
F. Director Traveling		9,153.62	4,007.58
G. Communication Expenses		550.78	476.96
H. Internet Expenses		1,005.00	978.00
I. Printing & Stationery		1,604.12	2,285.08
J. Legal & Professional Fees		60,717.20	81,170.70
K. Licence fee		31,077.85	27,790.38
L. Banquet Expenses		7,552.84	6,187.20
M. Bad Debts Written off		5,060.83	0.00
N. Cleaning Supply		1,067.75	1,286.23
O. Commission on Rooms		26,361.77	22,248.96
P. Credit Card Charges		3,638.18	3,426.84
Q. Guest Supplies		20,656.28	10,035.42
R. Guest Supply & Relation Expenses		8,359.67	7,479.61
S. Guests Entertainment & Business Promotion		1,398.26	1,563.16
T. Laundry & Dry Cleaning		223.59	196.47
U. Music & Entertainment		486.44	420.00
V. Local Transportation & Vehicle Maintenance		3,910.93	3,371.40
W. Membership Fees & Subscription		187.38	137.39
X. AGM & Conference Charges		1.30	4.43
Y. Postage/Courier/Telegram		29.59	33.84
Z. R.O.C. Fee		22.52	76.34
AA. Sitting Fees		60.00	115.00
AB. Uniform		43.98	22.47
AC. Payment To Auditors		625.00	528.00
AD. Rates & Taxes		158.76	113.33
AE. GST Expenses		2,479.76	2,952.13
AF. Miscellaneous Expenses		1,714.09	602.77
AG. STT Paid		0.25	0.69
Total		384,197.51	412,852.27

Details of Payment to Auditors
As Auditor:

- Statutory Audit Fee	525.00	450.00
- Tax Audit Fee	100.00	78.00
Total	625.00	528.00

26. FINANCE COST

	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
A. Interest paid on:		
Taxes	0.48	1.90
B. Bank Charges	60.51	42.66
Total	60.99	44.56

27. DEPRECIATION AND AMORTIZATION EXPENSES

	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
A. Depreciation of Tangible Assets	33,609.99	34,319.34
Total	33,609.99	34,319.34

SUNAIR HOTELS LIMITED
Notes to financial statements for the year ended March 31, 2026
(All amounts in thousand of ₹, unless otherwise stated)

28. DETAILS OF EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY		31/03/2026		31/03/2025
		Amount		Amount
A. Gross Amount required to be spent by the company during the year		1,972.75		1,511.92
B. Amount spent during the year on:		Yet to be paid in cash		Yet to be paid in cash
(i) <u>On purposes other than (i) above</u>	In Cash		In Cash	
- Contribution for Medical Relief to poor				
- Abhinandan Jan Kalyan Society	1,972.80	-	1,511.95	-
Total (A)	1,972.80	-	1,511.95	-
C. Contribution paid to trust controlled by the related party				
- N.A	-	-	-	-
Total (B)	-	-	-	-
Total (A + B)	1,972.80	-	1,511.95	-
29. EARNING PER SHARE (EPS)		31/03/2026		31/03/2025
		Amount		Amount
Total operations for the year				
Profit / (loss) after tax		111,417.66		59,204.44
Less: Dividends & dividend tax on other than equity shares		-		-
Net profit / (loss) for calculation of Basic EPS		111,417.66		59,204.44
Net profit as above		111,417.66		59,204.44
Add : Dividends & dividend tax on other than equity shares		-		-
Add : Adjustments for the effects of dilutive potential equity shares		-		-
Net profit / (loss) for calculation of Diluted EPS		111,417.66		59,204.44
Weighted average number of equity shares in calculating Basic EPS		39,750,000		39,750,000
Effect of dilution:				
Convertible preference shares (numbers)		-		-
Convertible bonds (numbers)		-		-
Stock option granted under ESOP		-		-
Weighted average no. of equity shares in calculating Diluted EPS		39,750,000		39,750,000
(a) Basic		2.80		1.49
(b) Diluted		2.80		1.49
30. CONTINGENT LIABILITIES & COMMITMENTS (to the extent not provided for)		31/03/2026		31/03/2025
		Amount		Amount
(i) Contingent Liabilities				
A. Claims against the Company not acknowledged as debts		Nil		Nil
B. Guarantees		Nil		Nil
C. Bills of exchange discounted with banks		Nil		Nil
D. Tax demand disputed in appeals		Nil		Nil
E. Others (*)		80,000.00 (*)		80,000.00 (*)
(*) The amount represents forfeitable security deposit, which is not due as per the legal opinion received by the Company. OMP and Enf(c) have been filed in the matter. Refer to Note No. 38.				
(ii) Commitments				
A. Estimated amount of contracts remaining to be executed on capital accounts and not provided for		4,250.00		5,000.00
B. Uncalled liability on shares and other investments partly paid		Nil		Nil
C. Other commitments		Nil		Nil

SUNAIR HOTELS LIMITED**Notes to financial statements for the year ended March 31, 2026***(All amounts in thousand of ₹, unless otherwise stated)***31. Related Party Disclosure**

In accordance with AS-18 "Related Party Disclosures" the names of related parties along with aggregate amount of transactions and year end balances with them are given as follows:

A. Related parties and their relationship**1) Controlling shareholders**

The Company is controlled via the shareholding arrangement outlined in Note 3.

2) Key management personnel and their relatives

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over those entities. A number of these personnel transacted with the Company during the reporting period. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or those which might reasonably be expected to be available, in respect of similar transactions with non-key management personnel related entities on an arm's length basis.

Name of key management personnel, their relatives and entities over which they have control or significant influence with whom transaction were entered during the year or balance was outstanding at the balance sheet date are as follows:

a) Key management personnel

- Mr. Kaveen Gupta	:	Whole Time Director
- Mr. Vipul Gupta	:	Whole Time Director
- Mrs. Sheel Gupta	:	Directors
- Mr. Vipin Jain	:	CFO
- Mrs. Neha Rajput	:	Company Secretary

b) Relatives of Key Management Personnel

S.P Gupta (HUF)	:	Mr. Kaveen Gupta is Karta of HUF
Kaveen Gupta (HUF)	:	Mr. Kaveen Gupta is Karta of HUF
Vipul Gupta (HUF)	:	Mr. Vipul Gupta is Karta of HUF
Mrs. Monisha Gupta	:	Wife of Mr. Vipul Gupta
Mrs. Babita Gupta	:	Wife of Mr. Kaveen Gupta

Enterprises where Key Managerial Personnel along with their relatives exercise significant influence:

a) Subsidiary Companies	:	Sun Aero Limited
b) Associate Companies / Firm	:	Pushpanjali Trexim Pvt. Limited
	:	Unique LifeStyle Pvt. Ltd.

Key management personnel and relatives compensation**Transaction with related parties**

The details of the related-party transactions entered into by the Company for the years ended 31 March 2026 and 31 March 2025 are as follows:

Particulars	31/03/2026 Amount	31/03/2025 Amount
B. Expenses		
i) Rent	5,100.00	4,650.00
ii) Director Remuneration	7,800.00	5,400.00
iii) Sitting Fees	60.00	115.00
iv) Salary	3,876.93	3,712.29

SUNAIR HOTELS LIMITED
Notes to financial statements for the year ended March 31, 2026
(All amounts in thousand of ₹, unless otherwise stated)
31.2 Transactions during the year*

Particulars	Key Management Personnel		Enterprises under the control of key management personnel (KMP) of entity having joint control over the Holding Company and their relatives		Total	
	31/03/2026	31/03/2025	31/03/2026	31/03/2025	31/03/2026	31/03/2025
Rent						
- Monisha Gupta	750.00	750.00	-	-	750.00	750.00
- Vipul Gupta (HUF)	750.00	750.00	-	-	750.00	750.00
- Kaveen Gupta (HUF)	750.00	750.00	-	-	750.00	750.00
- Babita Gupta	750.00	750.00	-	-	750.00	750.00
- S.P. Gupta (HUF)	2,100.00	1,650.00	-	-	2,100.00	1,650.00
	5,100.00	4,650.00	-	-	5,100.00	4,650.00
Director's Remuneration						
- Kaveen Gupta	3,900.00	2,700.00	-	-	3,900.00	2,700.00
- Vipul Gupta	3,900.00	2,700.00	-	-	3,900.00	2,700.00
	7,800.00	5,400.00	-	-	7,800.00	5,400.00
Sitting Fees						
- Sheel Gupta	60.00	65.00	-	-	60.00	65.00
- Mr. R C Dubey	-	50.00	-	-	0.00	50.00
	60.00	115.00	-	-	60.00	115.00
Salary						
- Vipin Jain	2,662.01	2,477.57	-	-	2,662.01	2,477.57
- Neha Rajput	1,214.92	1,234.73	-	-	1,214.92	1,234.73
	3,876.93	3,712.29	-	-	3,876.93	3,712.29

Terms of conditions of transactions with related parties

The transactions with related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions. The settlement of outstanding balances as at year end occurs in cash.

SUNAIR HOTELS LIMITED

Notes to financial statements for the year ended March 31, 2026

(All amounts in thousand of ₹, unless otherwise stated)

32. Gratuity & Other Post-employment Benefits

The Company does not have a defined benefit gratuity plan. However, every employee who has completed five years or more of service gets gratuity on departure at 15 days' salary (last drawn basic salary) for each completed year of service or part thereof in excess of six months on projected unit method.

The following tables summarize the components of net benefit expense recognised in the profit and loss account and amounts recognized in the balance sheet.

	31/03/2026	31/03/2025
I. <u>Gratuity</u>	<u>Amount</u>	<u>Amount</u>
1. <u>Change in present value of obligation</u>		
a) Present value of obligation as at the beginning of the period	25,539.81	22,673.33
b) Acquisition adjustment	-	-
c) Interest cost	1,658.92	1,619.99
d) Past service cost	-	-
e) Current service cost	1,922.39	1,634.92
f) Curtailment cost / (Credit)	-	-
g) Settlement cost / (Credit)	-	-
h) Benefit paid	-630.81	-637.20
i) Actuarial (gain) / Loss on obligation	-232.50	248.77
j) Present value of obligation as at the end of the period	<u>28,257.81</u>	<u>25,539.81</u>
2. <u>Changes in fair value of plan assets</u>		
a) Fair value of plan assets at the beginning of the period	-	-
b) Acquisition adjustment	-	-
c) Expected return on plan assets	-	-
d) Contribution	-	-
e) Benefits paid	-	-
f) Actuarial gain / (loss) on plan assets	-	-
g) Fair value of plan assets at the end of the period	<u>-</u>	<u>-</u>
3. <u>Fair value of plan assets</u>		
a) Fair value of plan assets at the beginning of the period	-	-
b) Acquisition adjustment	-	-
c) Actual return on plan assets	-	-
d) Contributions	-	-
e) Benefits paid	-	-
f) Fair value of plan assets at the end of the period	-	-
g) Funded status	-28,257.81	-25,539.81
h) Excess of actual over estimated return on plan assets	-	-
4. <u>Actuarial gain / losses recognized</u>		
a) Actuarial gain / (loss) for the period- obligation	232.50	-248.77
b) Actuarial (gain) / loss for the period- plan assets	-	-
c) Total (gain) / loss for the period	-232.50	248.77
d) Actuarial (gain) / loss recognized in the period	-232.50	248.77
e) Unrecognized actuarial (gains) losses at the end of the period	-	-
f) Experience Adjustment on Present Value of Obligation-Loss/(G	91.64	-365.12

5. <u>The amounts to be recognized in the balance sheet and related analysis</u>		
a) Present value of obligation as at the end of the period	28,257.81	25,539.81
b) Fair Value of plan assets at the end of the Period	-	-
c) Funded status / Difference	-28,257.81	-25,539.81
d) Excess of actual over estimated	-	-
e) Unrecognized actuarial (gains) / losses	-	-
f) Net assets / (liability) recognized in balance sheet	-28,257.81	-25,539.81
6. <u>Expense recognized in the statement of profit and loss</u>		
a) Current service cost	1,922.39	1,634.92
b) Past service cost	-	-
c) Interest cost	1,658.92	1,619.99
d) Expected return on plan assets	-	-
e) Curtailment cost / (Credit)	-	-
f) Settlement cost / (credit)	-	-
g) Net actuarial (gain) / loss recognized in the period	-232.50	248.77
h) Expenses recognized in the statement of profit & losses	3,348.80	3,503.68
7. <u>Reconciliation statement of expenses in the statement of profit & loss</u>		
a) Present value of obligation as at the end of the period	28,257.81	25,539.81
b) Present value of obligation as at the beginning of the period	25,539.81	22,673.33
c) Benefit paid	-	-
d) Actual return on plan assets	-	-
e) Acquisition adjustment	-	-
f) Expenses recognized in the statement of profit & losses	3,348.80	3,503.68
8. <u>Amount for the current period</u>		
a) Present value of obligation as at the end of the period	28,257.81	25,539.81
b) Fair value of plan assets	-	-
c) Surplus / (Deficit)	-28,257.81	-25,539.81
d) Experience adjustment on plan liabilities (loss) / gain	-91.64	-248.77
e) Experience adjustment on plan assets (loss) / gain	-	-
9. <u>Movement in the liability recognized in the balance sheet</u>		
a) Opening net liability	25,539.81	22,673.33
b) Expense as above	3,348.80	3,503.68
c) Benefits paid	-630.81	-637.20
d) Actual return on plan assets	-	-
e) Acquisition adjustment	-	-
f) Closing net liability	28,257.81	25,539.81
10. <u>Major categories of plan assets (as percentage of total plan assets)</u>		
a) Government of India Securities	-	-
b) State Government Securities	-	-
c) High quality corporate bonds	-	-
d) Equity shares of listed companies	-	-
e) Property	-	-
f) Special deposit scheme	-	-
g) Funds managed by insurer	-	-
h) Bank balance (For Gratuity)	-	-
53 Total		-
		-

11. The principal assumption used in determining gratuity obligation for the Company's plans are shown below:

	31/03/2026 <u>Amount</u>	31/03/2025 <u>Amount</u>
a) Discount rate	6.85	6.50
b) Rate of return on Plan Assets	-	-
c) Salary Escalation	6.00	6%

II. Leave Encashment

	31/03/2026 <u>Amount</u>	31/03/2025 <u>Amount</u>
a) Present value of obligation as at the beginning of the period	6,610.13	6,034.38
b) Acquisition adjustment	-	-
c) Interest cost	429.35	431.15
d) Past service cost	-	-
e) Current service cost	982.71	996.49
f) Curtailment cost / (Credit)	-	-
g) Settlelement cost / (Credit)	-	-
h) Benefit paid	-300.48	-486.49
i) Actuarial (gain) / Loss on obligation	-343.51	-365.40
j) Present value of obligation as at the end of the period	<u>7,378.20</u>	<u>6,610.13</u>

2. Changes in fair value of plan assets

a) Fair value of plan assets at the beginning of the period	-	-
b) Acquisition adjustment	-	-
c) Expected return on plan assets	-	-
d) Contribution	-	-
e) Benefits paid	-	-
f) Actuarial gain / (loss) on plan assets	-	-
g) Fair value of plan assets at the end of the period	<u>-</u>	<u>-</u>

3. Fair value of plan assets

a) Fair value of plan assets at the beginning of the period	-	-
b) Acquisition adjustment	-	-
c) Actual return on plan assets	-	-
d) Contributions	-	-
e) Benefits paid	-	-
f) Fair value of plan assets at the end of the period	-	-
g) Funded status	-7,378.20	-6,610.13
h) Excess of actual over estimated return on plan assets	-	-

4. Actuarial gain / losses recognized

a) Actuarial (gain) / loss for the period- obligation	-343.51	-365.40
b) Actuarial (gain) / loss for the period- plan assets	-	-
c) Total (gain) / loss for the period	-343.51	-365.40
d) Actuarial (gain) / loss recognized in the period	-343.51	-365.40
e) Unrecognized actuarial (gains) losses at the end of the period	-	-
f) Experience Adjustment on Present Value of Obligation-Loss/(G	-267.45	-516.15

5. The amounts to be recognized in the balance sheet and related analysis

a) Present value of obligation as at the end of the period	7,378.20	6,610.13
b) Fair Value of plan assets at the end of the Period	-	-
c) Funded status / Difference	-7,378.20	-6,610.13
d) Excess of actual over estimated	-	-
e) Unrecognized actuarial (gains) / losses	-	-
f) Net assets / (liability) recognized in balance sheet	7,378.20	6,610.13

: 4 :

6. Expense recognized in the statement of profit and loss

a) Current service cost	982.71	996.49
b) Past service cost	-	-
c) Interest cost	429.35	431.15
d) Expected return on plan assets	-	-
e) Curtailment cost / (Credit)	-	-
f) Settlement cost / (credit)	-	-
g) Net actuarial (gain) / loss recognized in the period	-343.51	-365.40
h) Expenses recognized in the statement of profit & losses	<u>1,068.55</u>	<u>1,062.24</u>

7. Reconciliation statement of expenses in the statement of profit & loss

a) Present value of obligation as at the end of the period	7,378.20	6,610.13
b) Present value of obligation as at the beginning of the period	6,610.13	6,034.38
c) Benefit paid	-300.48	-486.49
d) Actual return on plan assets	-	-
e) Acquisition adjustment	-	-
f) Expenses recognized in the statement of profit & losses	1,068.55	1,062.24

8. Amount for the current period

a) Present value of obligation as at the end of the period	7,378.20	6,610.13
b) Fair value of plan assets as at the end of the period	-	-
c) Surplus / (Deficit)	-7,378.20	-6,610.13
d) Experience adjustment on plan liabilities (loss) / gain	343.51	365.40
e) Experience adjustment on plan assets (loss) / gain	-	-

9. Movement in the liability recognized in the balance sheet

a) Opening net liability	6,610.13	6,034.38
b) Expense as above	1,068.55	1,062.24
c) Benefits paid	-300.48	-486.49
d) Actual return on plan assets	-	-
e) Acquisition adjustment	-	-
f) Closing net liability	7,378.20	6,610.13

10. Major categories of plan assets (as percentage of total plan assets)

a) Government of India Securities	-	-
b) State Government Securities	-	-
c) High quality corporate bonds	-	-
d) Equity shares of listed companies	-	-
e) Property	-	-
f) Special deposit scheme	-	-
g) Funds managed by insurer	-	-
h) Bank balance (For Gratuity)	-	-

11. The principal assumption used in determining leave encashment obligation for the Company's plans are shown below:

	<u>31/03/2026</u>	<u>31/03/2025</u>
	<u>Amount</u>	<u>Amount</u>
a) Discount rate	6.85	6.50
b) Rate of return on Plan Assets	-	-
c) Salary Escalation	6.00	6.00

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Previous year figures have not been given since those are not fully available.

SUNAIR HOTELS LIMITED
Notes to financial statements for the year ended March 31, 2026
(All amounts in thousand of ₹, unless otherwise stated)
33. Segment Reporting

The business segments of the Company have been identified in line with the Accounting Standard AS-17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India, taking into account the organisational structure and different risk and return of these segments. The Company's reportable business segments consists of the following:

- Hotel Business
- Commercial Centre
- Portfolio Management

The accounting policies adopted for segment reporting are in line with the following additional policies for segment reporting :

- Revenue and expenses have been identified to a segment on the basis of relationship to operating business activities of the segment. Revenue and expenses, which relate to enterprise as a whole that cannot be allocated to a segment on reasonable basis, have been disclosed separately under the column "unallocable".
- Segment assets and liabilities represent assets and liabilities in respective segments. Assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed under the column "unallocable".

Particulars	<u>Hotel Business</u>	<u>Commercial Business</u>	<u>Portfolio Management</u>	<u>Total Amount</u>
<u>Segment Revenue</u>				
- Revenue including other income	612,385.29	115,111.93	18,437.21	745,934.43
Net Sales / Income from Operations (A)	<u>612,385.29</u>	<u>115,111.93</u>	<u>18,437.21</u>	<u>745,934.43</u>
<u>Segment Expenses</u>				
<u>Allocable Expenses</u>				
-Consumption of Stores, Provisions & Beverages and Purchase of Mutual Funds	45,793.87	-	-	45,793.87
-Employee benefit expenses	143,887.38	-	-	143,887.38
-Operating / Administration Expenses	384,197.51	-	-	384,197.51
-Finance Cost	60.99	-	-	60.99
-Expenditure on CSR Activity	1,972.80	-	-	1,972.80
(B)	<u>575,912.55</u>	<u>-</u>	<u>-</u>	<u>575,912.55</u>
Segment Result (A - B)	<u>36,472.74</u>	<u>115,111.93</u>	<u>18,437.21</u>	<u>170,021.88</u>
Less : Depreciation				33,609.99
Profit before Taxation				136,411.89
Less : Tax Expense for the year				24,994.23
Profit after Taxation				<u>111,417.66</u>
Segment Assets (including Misc. expenditure and debit balance of Profit & Loss A/c)	2,168,830.54	8,264.38	-	2,177,094.92
Segment Liabilities (including long term liabilities)	260,612.60	9,356.73	-	269,969.32
Total Carrying Amount of fixed assets	1,159,662.58	-	-	1,159,662.58
Total Depreciation on fixed assets	33,394.01	215.98	-	33,609.99

The business segments of the Company viz., hotel business and commercial centre are both located at one geographical place only and accordingly the geographical segment is not applicable to the company.

SUNAIR HOTELS LIMITED
Notes to financial statements for the year ended March 31, 2026
(All amounts in thousand of ₹, unless otherwise stated)
34. Ratio

S. No.	Particulars	Measures	31/03/2026	31/03/2025	% Variance	Reason for variance
1	Current Ratio	Times	2.55	1.40	0.82	The improvement in the current ratio suggests better short-term liquidity due to an increase in current assets or a decrease in current liabilities. This indicates a stronger ability to meet short-term obligations.
2	Debt-Equity Ratio	Times	N.A.	N.A.	-	N.A.
3	Return on equity ratio	Percentage	0.06	0.03	0.77	The increase in the return on equity ratio indicates an increase in profitability relative to shareholders' equity due to higher net income.
4	Inventory turnover ratio	Times	0.66	0.63	0.05	The ratio has increased during the current year due to decrease in the cost of good sold and average inventory.
5	Trade receivables turnover ratio	Times	23.83	21.35	0.12	The ratio has increased during the current year due to increase in the sales and decrease in average trade receivables during the year.
6	Trade payables turnover ratio	Times	2.03	1.88	0.08	The ratio has increased during the current year due to decrease in the both, credit Purchases and average payables during the year as compared to previous
7	Net capital turnover ratio	Times	7.43	10.98	(0.32)	The ratio has decreased during the current year due to increase in the credit sales and working capital during the year as compared to previous year.
8	Net profit ratio	Times	0.16	0.09	0.79	The ratio has increased during the current year due to increase in the profit earned during the year as compared to previous year.
9	Return on capital employed	Times	0.06	0.04	0.61	The ratio has increased due to increase in earnings before interest in the current year in comparison to previous year
10	Return on investment	Percentage	0.00	0.00	(0.02)	The ratio has decreased due to increase in initial investment.

S. No.	Ratios	Numerator	Denominator
1	Current ratio	Current assets	Current liabilities
2	Debt-equity ratio	Total debt = long term borrowings + short term borrowings	Shareholder's equity
3	Debt service coverage ratio	Earning for debt service = Net profit before taxes + non-cash operating expenses like depreciation and other amortisations + Interest	Debt service = Interest payments + principal repayments
4	Return on equity ratio	Net profits after taxes – preference dividend (if any)	Average shareholder's equity
5	Inventory turnover ratio	Cost of goods sold	Average inventory = (Opening + closing balance /
6	Trade receivables turnover ratio	Net credit sales	Average accounts receivables
7	Trade payables turnover ratio	Net credit purchases	Average trade payables
8	Net capital turnover ratio	Net sales	Average working capital (i.e. total current assets less total current liabilities)
9	Net profit ratio	Net profit	Net sales
10	Return on capital employed	Earning before interest and taxes (EBIT)	Capital employed = Tangible net worth + total debt + deferred tax liability
11	Return on investment	Income generated from investments	Time weighted average investments

SUNAIR HOTELS LIMITED**Notes to financial statements for the year ended March 31, 2026***(All amounts in thousand of ₹, unless otherwise stated)***35. Dues to Micro, small and medium enterprises as defined under the MSMED Act, 2006**

The Company has requested its various suppliers, who may be the enterprises covered under the Micro, Small and Medium Enterprises Development Act, 2006, to furnish the relevant registration certificate under that Act, but the said information is yet to be received till date; and hence, in absence of the same, (disclosures as required u/s 22 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 regarding:-(a) Principal amount and interest due thereon remaining unpaid to any suppliers as at the end of the accounting year; interest paid during the year ; Amount of the payment made to the supplier beyond the appointed date during accounting year; Interest due and payable for the delay in making payment; Interest accrued and unpaid at the end of the accounting year ; and further interest remaining due and payable even in succeeding years, until such date when the interest dues above are actually paid to small enterprises, have not been given. The company is making efforts to get confirmations from the suppliers as regard to their status under the said Act.

	31/03/2026	31/03/2025
(i) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.		
-Principal amount due to micro and small enterprises	-	-
-Interest due on above	-	-
(ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iii) 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 the MSMED Act	-	-
(iv) 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 MSMED Act 2006.	-	-

36. Details of Registration of Charges or satisfaction with Registrar of Companies

- (i) Presently, the MCA site does not show any charge registered over the movable assets of the Company including current assets.

37. EXCEPTIONAL AND EXTRA-ORDINARY ITEMS

No exceptional or extra-ordinary items of revenue nature occurred during the year (PY Nil). Hence no disclosure of the same has been made in the Statement of Profit and Loss.

SUNAIR HOTELS LIMITED

Notes to financial statements for the year ended March 31, 2026

(All amounts in thousand of ₹, unless otherwise stated)

38. Applications filed by the Company and VLS Finance Ltd (a registered shareholder of the Company) u/s 34 of the Arbitration and Reconciliation Act 1996, challenging the Award therein given are pending for disposal since the year 2015 by the Hon'ble Delhi High Court as on the date of signing of these annual financial statements. Similarly, the second petition for enforcement of the said Award filed by VLS Finance Ltd in the Hon'ble Delhi High Court is also pending adjudication as an undertaking has been given by VLS Finance Ltd not to press the execution till the original cross petitions are decided. The earlier such petition filed by VLS Finance Ltd was dismissed by the Hon'ble Delhi High Court on 16/08/2017. The award contained directions to the Company / its directors to refund to VLS Finance Ltd the forfeited security deposit of Rs. 8 Crores in terms of the MOU dated 11/03/1995 with due interest. However, as per legal opinion received by the Company no such amount is refundable particularly when the Hon'ble Company Law Board vide its order dated 04/09/2013 has dismissed the Company Petition of VLS Finance Ltd and decided in favour of the Company. The matter has been heard by Hon'ble High Court of Delhi and only Rejoinder has to be heard and the next date of hearing 24/09/2026.

SFIO has filed a petition u/s 241(2) along with sections 246 and 339 of the Companies Act, 2013 before the Hon'ble NCLT against the Company and others which is also pending adjudication. Similarly, SFIO has also filed a complaint on the same subject as is before the Hon'ble NCLT in the court of the learned ASJ (Special Court) Dwarka New Delhi, also still pending as on this date.

In the FIRs filed by the State on the complaints of VLS Finance Ltd. against the Company and others, charges have been framed by the learned Trial Court where proceedings including revisions are still pending at different stages. Further Company has filed 2 FIRs bearing no. 326/04 & 380/05 against VLS Finance Ltd in which chargesheets have been filed.

Further, Pursuant to the provisions of Rule 41(6)(c) of the Companies (Incorporation) Rules, 2014, as amended by the Fourth Amendment Rules, 2018, Regional Director (Northern Region), Ministry of Corporate Affairs, New Delhi, vide Order dated 12.09.2025, has not approved the Company's application for the conversion of the Public Limited Company into a Private Limited Company under Section 14(1) of the Companies Act, 2013.

39. Income-tax provision has been made in the books of account as per legal advice received by the Company for assessment of various incomings and outgoings.
40. Sundry Debtors / Creditors, if any, are not reconciled due to non-receipt of corresponding statements of account from them. Necessary adjustments, if any, in the books of account will be made at the time of reconciliation of the same.

SUNAIR HOTELS LIMITED

Notes to financial statements for the year ended March 31, 2026

(All amounts in thousand of ₹, unless otherwise stated)

41. MCA notification dated 24th March 2021 for amendments to Schedule iii disclosures which are not applicable:

- (i) **Title deed of immovable property not held in the name of company:** All title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (ii) **Details of Benami Property and its proceedings:** No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended) and rules made thereunder. Accordingly, the requirement to disclose details of such property is not applicable.
- (iii) **Willful defaulter:** The Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
- (iv) **Relationship with struck off companies:** The Company has not entered into any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956. Accordingly, there are no outstanding balances with such companies as at March 31, 2026, and March 31, 2025
- (v) **Compliance with number of layers of companies:** The Company has complied with the number of layers prescribed under Section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.
- (vi) **Compliance with approved scheme of arrangement:** No Scheme of Arrangement has been approved by the Competent Authority in terms of Sections 230 to 237 of the Companies Act, 2013 during the year or in previous years. Accordingly, the requirement to disclose effects of such schemes in the financial statements is not applicable.
- (vii) **Details of crypto currency or Virtual currency:** The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year. Accordingly, the disclosure requirements prescribed under Schedule III to the Companies Act, 2013 are not applicable.
- (viii) **Corporate Social Responsibility (CSR):** The provisions of Section 135 of the Companies Act, 2013, relating to Corporate Social Responsibility are applicable to the Company. Accordingly, the Company has constituted a CSR Committee and undertakes eligible CSR activities in accordance with the statutory requirements of the Act and the rules made thereunder.
- (ix) **Segment Reporting:** The Company has identified business segments as its primary reporting segment. These segments have been determined by management based on the nature of the products, differing risks and returns, the organizational structure, and the internal financial reporting system, in accordance with Accounting Standard (AS) 17 'Segment Reporting' issued by the Institute of Chartered Accountants of India.

42. All the figures have been rounded off to nearest thousand rupees.

43. PREVIOUS YEAR FIGURES

Previous year figures have been reworked, regrouped, rearranged and reclassified, wherever considered necessary.

For ANIL SOOD & ASSOCIATES.

Firm Regn No. 004985N
Chartered Accountants

Sd/-
(KAVEEN GUPTA)
Executive Director
(DIN-00204605)

Sd/-
(VIPUL GUPTA)
Executive Director
(DIN-00204638)

Sd/-
(ANIL SOOD)
Partner

Sd/-
(VIPIN JAIN)
Chief Financial Officer
M.No.-FCS 8984

Sd/-
(NEHA RAJPUT)
Company Secretary
(M No. A-26116)

Place : New Delhi
Dated : 25/08/2026

Membership No. 83939

SUN AERO LIMITED

CIN : U74899DL1993PLC055759

Regd. Off: A-7, FIRST FLOOR, GEETANJALI ENCLAVE, NEW DELHI-110 017

PHONE # (91 11) 41515250 e-mail: sunairhotels@gmail.com

DIRECTORS' REPORT

To,
The Members

The Directors of your company have pleasure in presenting the 33rd Annual Report of the Company and its financial accounts for the year ended on 31st March, 2026.

1. FINANCIAL RESULTS

The Company's financial performance for the year under review along with previous years figures are given hereunder :

	<u>Curr.Year</u> <u>31/03/2026</u>	<u>Prev.Year</u> <u>31/03/2025</u>
<u>Net Sales / Income from:</u>		
a) Business Operations	10,304,618	17,864,467
b) Other Income	0	0
Total Income	<u>10,304,618</u>	<u>17,864,467</u>
Profit / (Loss) before Interest & Depreciation	-1,740,026	-4,248,809
Less: Finance cost (Interest)	0	0
Profit / (Loss) before Depreciation	<u>-1,740,026</u>	<u>-4,248,809</u>
Less: Depreciation	0	0
Profit / (Loss) after Depreciation but before Tax	<u>-1,740,026</u>	<u>-4,248,809</u>
Less: <u>Tax Saving / (Expense)</u>		
a) Current Income-tax	-	-
b) Earlier year(s) Adjustment of Income-tax	-	17,720
c) Deferred Tax	<u>-498,659</u>	<u>-323,361</u>
Net Profit/ (Loss) after Tax	<u>-1,241,367</u>	<u>-3,943,168</u>
Dividend (including Interim, if any, and Final)	-	-
Net Profit/ (Loss) after Dividend & Tax	<u>-1,241,367</u>	<u>-3,943,168</u>
Amount transferred to General Reserve	-	-
Balance carried to Balance Sheet	<u><u>-1,241,367</u></u>	<u><u>-3,943,168</u></u>
Earning per share (Basic)	(17.73)	(56.33)
Earning per share (Diluted)	(17.73)	(56.33)

2. DIVIDENDS

With a view to conserve funds, the Directors do not recommend any dividend for the financial year 2025-26

3. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid by the Company .

4. RESERVES

The Board of Directors do not propose any amount to be carried to any reserve.

5. STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

The Company is engaged in the business of Portfolio Activities and Project development.

During the Financial Year 2025-26, the Indian economy continued to demonstrate resilience amid global economic uncertainties and geopolitical challenges. The overall business environment remained broadly positive, supported by strong domestic demand, improving infrastructure, increasing digitalisation, private sector investment and favourable demographic fundamentals. At the same time, businesses continued to remain exposed to global risks, including geopolitical tensions, fluctuations in commodity and energy prices, global trade uncertainties, foreign exchange volatility and changes in international supply chains.

Overall, the Indian economy continues to present favourable medium- to long-term growth prospects. The resilience of domestic demand, improving business confidence and continued Government focus on infrastructure, manufacturing, investment and ease of doing business are expected to support economic activity and create opportunities across various sectors.

Further The Company has reported loss before Tax of Rs.-17,40,026/- during the period under review as compared to Rs.-42,48,809/- in the previous year. the EPS of the Company has been also Increased from Rs -56.33/- to -17.73/- during the period under review. During the year Company under review the directors appreciated the efforts of the company. Company is hopeful of better results in the coming years as well. And company is hopeful that under changed scenerio it would be abel to have better performnce in coming years

6. **CHANGE IN NATURE OF BUSINESS**

There has been no change in the business of the Company during the financial year under review.

7. **MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

There are no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year to which these financial statements relate and the date of this report.

8. **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

No such orders have been passed by any authority during the year under review. Although The Regional Director (Northern Region), Ministry of Corporate Affairs, New Delhi, has not approved the Company's application for the conversion of the Public Limited Company into a Private Limited Company under Section 14(1) of the Companies Act, 2013.

9. **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in 'Annexure-A' attached to this report.

10. **STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

The Company does not have any risk management policy as the elements of risk threatening the Company's existence are quite minimal.

11. **DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

12. **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

13. **PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

There were no contracts or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review. 62

14. **EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS**

There were no qualifications, reservations or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report in not applicable to the Company.

15. **COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

16. **Web Link of Annual Return, If Any:-**

The reporting of extract of Annual Return in Form no. MGT-9 had been done away with pursuant to amendment in Section 92(3) of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014 w.e.f. 28/08/2020. Hence, the reporting of extract of Annual Return has not been made in this report. The Annual Return is now required to be placed on the website of the Company, if any, in terms of Section 92(3) read with Section 134(3)(a) of the Act and link thereof is required to be given in the Board's Report. As the Company doesn't having any website. Therefore, no need to of publication of Annual Return.

17. **ANNUAL RETURN**

The reporting of extract of Annual Return in Form no. MGT-9 had been done away with pursuant to amendment in Section 92(3) of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014 w.e.f. 28/08/2020. Hence, the reporting of extract of Annual Return has not been made in this report. The Annual Return is now required to be placed on the website of the Company, if any, in terms of Section 92(3) read with Section 134(3)(a) of the Act and link thereof is required to be given in the Board's Report. As the Company doesn't having any website. Therefore, no need to of publication of Annual Return.

18. **NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW**

The Company had 5(five) Board meetings dated 05/04/2025, 30/07/2025, 30/10/2025, 26/11/2025 and 03/03/2026 during the financial year under review.

19. **DIRECTORS RESPONSIBILITY STATEMENT**

In terms of Section 134(3) read with Section 134(5) of the Companies Act, 2013, your directors confirm as under:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the directors have 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 loss of the company for that period;
- c) the directors have 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 have prepared the annual accounts on a going concern basis; and
- e) The Company being unlisted, sub clause (e) of section 134(5) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the company.
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

Company doesn't have any subsidiary, Joint Venture and Associate Company.

21. **DEPOSITS**

The Company has not accepted any deposits from public falling within purview of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 during the year. Although the company has filed the Return of deposit form (annual form) pursuant to the Companies (Acceptance of Deposits) Rules, 2014. 63

22. **DIRECTORS**

Mr kaveen Gupta retire at this Annual General Meeting and being eligible offer himself for re-appointment.

23. **STATUTORY AUDITORS**

M/s Anil Sood & Associates Chartered Accountant (firm registration no. 004985 N) New Delhi, the Statutory Auditor of the Company were appointed as the Auditors of the Company at the 29TH Annual general Meeting of the Company held on 10th September, 2022 pursuant to section 139 and 142 and other applicable provisions of the Companies Act, 2013, and the Rules made hereunder, as amended from time to time, for period of five years till the conclusion of the 34th Annual General Meeting, subject to the ratification by the shareholders at every Annual General Meeting.

24. **DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM**

The provisions of Section 177 of the Companies Act, 2013 read with Rules 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2014 is not applicable to the Company.

25. **SHARES**

a) **BUY BACK OF SECURITIES**

The Company has not bought back any of its securities during the year under review.

b) **SWEAT EQUITY**

The Company has not issued any Sweat Equity Shares during the year under review.

c) **BONUS SHARES**

The Company has not issued any Bonus Shares during the year under review.

d) **EMPLOYEES STOCK OPTION PLAN**

The Company has not provided any Stock Option scheme to the employees during the year under review.

26. **DETAILS OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT**

During the year under review, the statutory auditors has not reported, any instance of fraud committed against the company by its officers or employees, under section 143(12) of the companies Act, 2013 the detail of which would need to be mentioned in the Director's Report.

27. **SEXUAL HARRASMENT OF WOMEN AT WORK PLACE**

Company promote the positive workplace environment for everyone, free from harassment of any nature. And no complaint was received by the Company as there is no women employee during the year 2025-2026 other than Director.

Status of complaints as on March 31, 2026:

Number of complaints filed during the financial year	0
Number of complaints disposed of during the financial year	0
Number of complaints pending at the end of the financial year	0

28. **DETAIL OF Extra Ordinary General Meeting**

There is no Extra Ordinary General meeting held during the financial year under review.

29. **COMPLIANCE OF SECRETARIAL STANDARD ISSUED BY ICSI**

Company has complied with the Secretarial Standard issued by ICSI.

30. **CORPORATE GOVERNANCE CERTIFICATE**

Not Applicable.

31. **SECRETARIAL AUDIT REPORT**

Not applicable.

32. **MAINTENANCE OF COST RECORDS**

Maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

33. **INTERNAL FINANCIAL CONTROLS:**

Adequate Internal Financial Control system and checks are in place commensurate with the size of the company and nature of its business.

34. **Disclosure under the Insolvency and Bankruptcy Code (IBC), 2016**

There is no proceeding which is pending under the Insolvency and Bankruptcy Code (IBC), 2016 during the financial year under review.

35. **Details of Difference between Valuation Amount on One Time Settlement and Valuation while availing Loan from Banks and Financial Institutions.**

During the year under review there has been no one time settlement of Loans taken from Banks and Financial Institutions.

36. **MATERNITY BENEFIT DETAIL AS PER SECOND AMENDMENT RULE 2025 DURING THE YEAR UNDER REVIEW**

women who have taken a career break and wish to return to the workforce. The company offers both full-time and project-based roles, allowing women the flexibility to re-enter the job market. Our inclusive environment provide extended maternity leave, crèche facilities, and training programmes to women return to workplace. Further there is no such request was received by the Company from any employee during the year 2025-2026.

37. **ACKNOWLEDGEMENTS**

Your Directors place on record their sincere thanks to bankers, business associates, consultants, various government authorities, employees and shareholders for their continued support extended to your Company's activities during the year under review.

For and on behalf of the Board of Directors

Place: New Delhi
Dated : 25/08/2026

Sdl-
(KAVEEN GUPTA)
(DIN-00204605)
Director

Sdl-
(VIPUL GUPTA)
(DIN-00204638)
Director

SUN AERO LIMITED

CIN : U74899DL1993PLC055759

Regd. Off: A-7, FIRST FLOOR, GEETANJALI ENCLAVE, NEW DELHI-110 017

PHONE # (91 11) 41515250 e-mail: sunairhotels@gmail.com

ANNEXURE-A

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO for the year ended on 31st March, 2026.

Information on conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

(A) Conservation of Energy:

- (i) The steps taken or impact on conservation of energy. : Not Applicable
- (ii) The steps taken by the company for utilizing alternate sources of energy. : Not Applicable
- (iii) The capital investment on energy conservation equipments. : Not Applicable

(B) Technology Absorption:

- (i) the efforts made towards technology absorption. : Not Applicable
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution. : Not Applicable
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) : Not Applicable
 - (a) the details of technology imported
 - (b) the year of import;
 - (c) whether the technology been fully absorbed
 - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof.
- (iv) the expenditure incurred on Research and Development. : Not Applicable

(C) Foreign Exchange Earnings and Outgo:

<u>Particulars</u>	<u>Year Ended</u> <u>31st March 2026</u>	<u>Year Ended</u> <u>31st March 2025</u>
Earnings	NIL	NIL
Outgo / Expenses	NIL	NIL

For and on behalf of the Board of Directors

Sd/-

(KAVEEN GUPTA)
(DIN-00204605)
Director

Sd/-

(VIPUL GUPTA)
(DIN-00204638)
Director

Place: New Delhi
Dated : 25/08/2026

SUN AERO LIMITED

CIN : U74899DL1993PLC055759

Regd. Off: A-7, FIRST FLOOR, GEETANJALI ENCLAVE, NEW DELHI-110 017

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ANNEXURE-B

FORM NO. AOC-2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014] for the year ended 31/03/2026.

FORM FOR DISCLOSURE OF PARTICULARS OF CONTRACTS / ARRANGEMENTS ENTERED INTO BY THE COMPANY WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013 INCLUDING CERTAIN ARMS LENGTH TRANSACTION UNDER THIRD PROVISIO THERETO

1. Details of contracts or arrangements or transaction not at Arm's Length basis:

<u>Sl. No.</u>	<u>Particulars</u>	<u>Details</u>
(a)	Name (s) of the related party & nature of relationship :	N.A
(b)	Nature of contracts / arrangements / transaction :	N.A
(c)	Duration of the contracts / arrangements / transaction :	N.A
(d)	Salient terms of the contracts or arrangements or transaction : including the value, if any	N.A
(e)	Justification for entering into such contracts or arrangements or : transaction	N.A
(f)	Date of approval by the Board :	N.A
(g)	Amount paid as advances, if any :	N.A
(h)	Date on which the special resolution was passed in General : meeting as required under first proviso to section 188	N.A

2. Details of contracts or arrangements or transaction at Arm's Length basis:

<u>Sl. No.</u>	<u>Particulars</u>	<u>Details</u>
(a)	Name(s) of the related party & nature of relationship :	N.A
(b)	Nature of contracts / arrangements / transaction :	N.A
(c)	Duration of the contracts / arrangements / transaction :	N.A
(d)	Salient terms of the contracts or arrangements or transaction : including the value, if any	N.A
(e)	Date of approval by the Board :	N.A
(f)	Amount paid as advances, if any :	N.A

For and on behalf of the Board of Directors

Sd/-

(KAVEEN GUPTA)

(DIN-00204605)

Director

67

Sd/-

(VIPUL GUPTA)

(DIN-00204638)

Director

Place: New Delhi

Dated : 25/08/2026



Independent Auditor's Report

To the Members of Sun Aero Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Sun Aero Limited** ("the Company"), which comprise the Balance Sheet as at **31st March, 2026**, 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 (herein referred as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the (Accounting Standards) Rules 2021 ("AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, **its loss** and cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 (CoE) issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 preparation and presentation of its report (hereinafter called as "Board Report") which comprises various information's required under section 134(3) of the Companies Act 2013 but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the financial statement does not cover the Board Report 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 Board Report and in doing so, consider whether the Board Report is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our 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 Board Report, we are required to report that fact, we have nothing to report in this regard.

Management's Responsibility for the Financial Statements

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

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

The Board of Directors are 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.

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

- a) 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.
- b) 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 operative effectiveness of Company's internal control systems.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- d) 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.
- e) 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.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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. This report includes a statement on the matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2020 issued by the Central Government in terms of sub-section (11) of section 143 of the Act, since in our opinion and according to the information and explanations given to us, the said Order is applicable to the Company and has been annexed as **Annexure - A**.
2. As required by section 143(3) of the Act, based on our audit 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 and loss and the statement of cash flows 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 31 March 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure – B**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls with reference to Financial Statements.
- 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, as amended, 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. 20** to the financial statements.
 - (ii) The Company did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - (iii) There have been no amounts required to be transferred, to the Investor Education and Protection Fund by the Company.
 - (iv)(a) 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 person or entity, including foreign entities (Intermediaries), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall whether, 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;
 - (b) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether 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; and
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b), contain any material misstatement.
- (v) (a) The Company has neither declared nor paid any dividend during the year.
 - (b) The Company have not proposed any dividend for the year.

: 5 :

(vi)Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2026 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

for Anil Sood & Associates
Chartered Accountants
Firm Registration No. 004985N

S-316, Ground Floor,
Greater Kailash Part-I
Place: New Delhi
Date: 25/08/2026


(Anil Sood)
Partner
Membership No. 83939



ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Sun Aero Limited of even date)

- (i) In respect of the Company's Property, Plant and Equipment:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment & Capital work in progress. **The company has no intangible asset.**
 - (b) The Company has a program of verification to cover all the items of Capital work in progress and property, plant and equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, property, plant and equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the records examined by us, we report that, the title deeds, comprising all the immovable properties are held in the name of the Company.
 - (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) during the year.
 - (e) According to the information and explanations given to us, no proceedings have been initiated during the year or pending against the Company as at March 31, 2026, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventory includes Shares, Mutual Funds and other securities were physically verified by the management at reasonable intervals during the year. No discrepancy was noticed on physical verification of inventory as compared to book records in the books of account.
- (b) The Company has not availed /been sanctioned any working capital limits in excess of Rs. 5 crores, in aggregate, from Banks on the basis of security of current assets, therefore no requirement to file quarterly returns/statements by the Company with such banks. Hence, this clause is not applicable.
- (iii) During the year, the Company has not made investments, provided any guarantee(s) or security(ies) or granted any loans or advances in the nature of loans Secured or Unsecured to companies, firms, limited liability partnerships or any parties hence clause 3(iii)(a) to 3(iii) (f) is not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans granted, investments made and guarantees and securities provided, as applicable.

- (v) According to the information and explanations given to us, the Company has neither accepted any amounts which are deemed to be deposits within the meaning of Section 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) In our opinion and according to the information and explanations given to us, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing the undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income tax, duty of customs, cess and other statutory dues applicable to it with the appropriate authorities except few instances of delay in deposits.

According to the information and explanations given, no undisputed amounts payable in respect of above statutory dues were outstanding as at March 31, 2026, for a period of more than six months from the date they become payable.

- (b) There are dues in respect of goods and service tax, value added tax, income tax and excise duty which have not been deposited as at March 31, 2026, on account of dispute are given below:

Name of the statute	Nature of dues	Amount (in Rs Crore) *	Period to which the amount relates
Income-tax Act, 1961	Income-tax	Nil	AY 1995-2000

* The Hon'ble High Court of Delhi decided the income tax matter in favour of the Company via its order no. **ITA/527/2017 dated July 8, 2026** and consequently, no tax demand remains outstanding as of the balance sheet signing date.

- (viii) According to the information and explanations given to us, the company has not surrendered or disclosed any transactions, previously unrecorded in the books of account, in the tax assessments under Income Tax Act as income during the year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not taken any term loans from banks/others during the year. Hence clause ix (a) to (c) is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the company, the company does not have Subsidiary/Associate/Joint venture.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company does not have subsidiaries.

- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the requirement to report on clause 3(x) (a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of fully or partially or convertible debentures during the year under audit.
- (xi)(a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under section 143(12) of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government.
- (c) According to the information and explanations given to us, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi company as per the provisions of the Act. Therefore, the requirement to report on clauses 3(xii) (a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanation given to us, the company does not require to have internal audit system as per the provisions of section 138 of the Companies Act, 2013 read with rule 13 of the Companies (Accounts) Rules, 2014.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence, requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) No such orders have been passed by any authority. Further the Company had made an application to Reserve Bank of India for voluntary surrender of NBFC Certificate No. N-14-03086 dated 16/12/2005 issued by Reserve bank of India, Delhi, the application is under still under process and till date no Material order has received in this regard. Hence, reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly, reporting under clause 3(xvi) (d) of the Order is not applicable.
- (xvii) The Company has incurred a cash loss of **Rs. 17,40,026/-** during the financial year under audit and a cash loss of **Rs. 42,48,809/-** was incurred in the immediately preceding financial year.
- (xviii) There has been no resignation by the statutory auditors during the year and accordingly, requirement to report on clause 3(xviii) of the Order is not applicable to the Company.

- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating 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) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) or other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Act in compliance with second proviso to sub-section 135 of the said Act. Accordingly, reporting under clause 3(xx) (a) is not applicable for the year.
- (b) There are no unspent amounts in respect of ongoing projects that are required to be transferred to a special account in compliance of provision of Section 135(6) of the Act.

for Anil Sood & Associates
Chartered Accountants
Firm Registration No. 004985N

S-316, Ground Floor,
Greater Kailash Part-I
Place: New Delhi
Date: 25/08/2026

Sd/-
(Anil Sood)
Partner
Membership No. 83939



ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Sun Aero Limited of even date)

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

We have audited the internal financial controls over financial reporting of Sun Aero Limited (“the Company”) as of March 31, 2026, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

for Anil Sood & Associates

Chartered Accountants

Firm Registration No. 004985N

S-316, Ground Floor,
Greater Kailash Part-I
Place: New Delhi
Date: 25/08/2026

Sd/-
(Anil Sood)

Partner

Membership No. 83939

SUN AERO LIMITED
CIN : U74899DL1993PLC055759
Regd. Office Address : A-7, 1st FLOOR, GEETANJALI ENCLAVE, NEW DELHI - 110 017

BALANCE SHEET AS AT 31st MARCH, 2026
(All amounts in thousand of ₹, unless otherwise stated)

Sl. No.	Particulars	Note No.	31/03/2026 Amount	31/03/2025 Amount
I. EQUITY AND LIABILITIES				
(1)	Shareholders' Funds			
(a)	Share Capital	3	700.00	700.00
(b)	Reserves And Surplus	4	272,556.52	273,797.88
			273,256.52	274,497.88
(3)	Current Liabilities			
(a)	Other Current Liabilities	5	1,660.00	168.00
	TOTAL		274,916.52	274,665.88
II. ASSETS				
(1)	Non-current Assets			
(a)	<u>Property, Plant and Equipment</u>			
	Tangible Assets, Not Under Lease	6	153,330.00	151,530.00
(b)	Long-Term Loans And Advances	7	81,446.80	92,680.76
(c)	Deferred Tax Assets	8	1,199.50	700.84
			235,976.30	244,911.60
(2)	Current Assets			
(a)	Inventories	9	38,463.76	29,309.97
(b)	Cash And Cash Equivalents	10	476.46	444.32
	TOTAL		274,916.52	274,665.88
	Significant Accounting Policies	2	-	-

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

AUDITORS' REPORT

As per our separate report of even date attached
For ANIL SOOD & ASSOCIATES
Chartered Accountants
Firm Regn. No.004985N

Sd/-
(KAVEEN GUPTA)
Director
(DIN-00204605)

Sd/-
(ANIL SOOD)
Partner
Membership No. 83939

Sd/-
(VIPUL GUPTA)
Director
(DIN-00204638)

Place: New Delhi
Dated : 25/08/2026

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in thousand of ₹, unless otherwise stated)

Sl. No. Particulars	Note No.	31/03/2026 Amount	31/03/2025 Amount
I. Revenue			
(a) Income From Operations	11	10,304.62	17,864.47
II. Total Revenue		10,304.62	17,864.47
III. Expenses			
(b) Purchases Of Stock-In-Trade	12	19,052.89	38,360.69
(c) Changes In Inventories Of Stock-In-Trade	13	-9,153.79	-20,648.99
(d) Employee Benefit Expenses	14	199.67	254.63
(e) Other Expenses	15	1,945.88	4,146.95
(f) Depreciation	16	-	-
IV. Total Expenses		12,044.64	22,113.28
V. Profit / (loss) before tax (II - IV)		-1,740.03	-4,248.81
VI. Tax expense			
(a) Current Tax		-	-
(b) Earlier Years' Tax		-	17.72
(c) Deferred Tax		-498.66	-323.36
VII. Profit / (loss) transferred to Balance Sheet (V - VI)		-1,241.37	-3,943.17
VIII Earnings per equity share (EPS)	17	(In Rs.)	(In Rs.)
(a) Basic		(17.73)	(56.33)
(b) Diluted		(17.73)	(56.33)

Significant Accounting Policies 2

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

AUDITORS' REPORT

As per our separate report of even date attached
For ANIL SOOD & ASSOCIATES
Chartered Accountants
Firm Regn. No.004985N

Sd/-
(KAVEEN GUPTA)
Director
(DIN-00204605)

Sd/-
(ANIL SOOD)
Partner

Sd/-
(VIPUL GUPTA)
Director
(DIN-00204638)

Place: New Delhi
Dated : 25/08/2026

Membership No. 83939

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in thousand of ₹, unless otherwise stated)

Sl. No.	Particulars	31/03/2026 Amount	31/03/2025 Amount
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net profit /(loss) before tax and after prior period expenses	-1,740.03	-4,248.81
	Operating (loss) before working capital changes	-1,740.03	-4,248.81
	- Depreciation	-	-
	- Interest Paid	-	-
	<u>Movement in working capital:</u>		
	- (Increase) / decrease in Inventories	-9,153.79	-20,648.99
	- (Increase) / decrease in Loans and Advances	11,233.96	-150.00
	- (Increase) / decrease in other Non Current Assets	-	160.00
	- Increase / (decrease) in other Other Current Liabilities	1,492.00	47.00
	Cash (used in) operations	1,832.14	-24,840.80
	Direct taxes (paid)	-	-17.72
	Net cash (used in) operating activities	(A) 1,832.14	-24,858.52
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	- (Purchase) / Sale of Fixed Assets	-1,800.00	3,986.90
	Net cash (used in) investing activities	(B) -1,800.00	3,986.90
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	- Interest paid	-	-
	Net cash from financing activities	(C) -	-
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	32.15	-20,871.62
	Cash and cash equivalents at the beginning of the year	(D) 444.32	21,315.93
	Cash and cash equivalents at the end of the year	(E) 476.46	444.32
	Net increase / (decrease) in cash and cash equivalents (E-D)	32.15	-20,871.62
	COMPONENTS OF CASH AND CASH EQUIVALENTS	31/03/2026	31/03/2025
	Cash in hand	342.85	339.41
	With Banks - On current accounts	133.61	104.90
		476.46	444.32
		-	-

Significant Accounting Policies: Note No. 2

AUDITORS' REPORT

As per our separate report of even date attached
For ANIL SOOD & ASSOCIATES
Chartered Accountants
Firm Regn. No.004985N

Sd/-
(KAVEEN GUPTA)
Director
(DIN-00204605)

Sd/-
(ANIL SOOD)
Partner
Membership No. 83939

Sd/-
(VIPUL GUPTA)
Director
(DIN-00204638)

Place: New Delhi
Dated : 25/08/2026

SUN AERO LIMITED

Regd. Office Address : A-7, 1st FLOOR, GEETANJALI ENCLAVE, NEW DELHI - 110 017

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS
FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2026

1. ACCOUNTING CONVENTIONS

- a) The financial statement of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with the Companies (Accounting Standards) Rules, 2021 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") as applicable.
- b) The financial statements have ben prepared on accrual basis under the historical cost convention basis. The accounting policies adopted in preparation of the financial statements are consistent with those followed in the previous year.

2. SIGNIFICANT ACCOUNTING POLICIES

A. Use of Estimates :

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

B. Tangible Property, Plant and Equipment:

a) Own Property, Plant and Equipment:

- (i) Tangible Property, Plant and Equipment are stated at cost. Cost includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any. All costs, including expenditures and levies directly attributable to bringing the assets to their working condition for the intended use. Net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the Property, Plant and Equipment are capitalised.
- (ii) Land is stated at original cost of acquisition.
- (iii) Capital work-in-progress is stated at amount spent upto the date of Balance Sheet.

Gains or losses arising from derecognition of Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the assets, and are recognized in the statement of profit and loss when the asset is derecognized.

b) Leased Assets:

- (i) Operating Leases: Rentals are expensed with reference to lease terms and other considerations.
- (ii) Finance Leases: The lower of the fair value of the assets and present value of the minimum lease rentals is capitalised as Property, Plant and Equipments with corresponding amount shown as lease liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to the statement of profit and loss.
- (iii) However, rentals referred to in (i) or (ii) above and the interest component referred to in (ii) above pertaining to the period upto the date of commissioning of the assets are capitalized.
- (iv) All assets given on finance lease are shown as receivables at an amount equal to net investment in the lease. Initial direct costs in respect of lease are expensed in the year in which such costs are incurred. Income from lease assets is accounted by applying the interest rate implicit in the lease to the net investment.

C. Intangible Assets & Amortisation:

Intangible Assets are recognised as per the criteria specified in Accounting Standard (AS-26) on "Intangible Assets" and are amortised over the useful life of the underlying assets as follows:

- a) Leasehold land: over the period of lease.
- b) Lump sum fees for technical know-how: over a period of six years in case of foreign technology and three years in case of indigenous technology.

Gains or losses arising from derecognition of Property, Plant and Equipments are measured as the difference between the net disposal proceeds and the carrying amount of the assets, and are recognized in the statement of profit and loss when the asset is derecognized.

D. Depreciation and amortization:

- a) Depreciation on tangible Property, Plant and Equipments is calculated on Straight Line Method pursuant to the requirements of Schedule-II of the Companies Act, 2013 with effect from April 01, 2014, by using the rates prescribed therein over the estimated useful lives of the Property, Plant and Equipments as specified in Part 'C', while fixing the residual values of the Property, Plant and Equipments at 5% of their original cost, in respect of assets which are used for full period in the year and on prorata basis for assets acquired & put to use during the year.
- b) Intangible Property, Plant and Equipments are amortized on a straight-line basis over the estimated useful economic life in respect of assets which are used for full period in the year, and on prorata basis for assets acquired / recognized and put to use during the year. If there is a significant change from previous estimates in the expected pattern of economic benefits from the asset, the amortization period and method are changed accordingly to reflect the changed pattern. However, no amortization expense is provided on intangible assets derecognized during the year.

E. Impairment of Tangible and Intangible Assets:

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

F. Borrowing Costs :

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue in the period in which they are incurred.

G. Valuation of Investment:

- a) Trade investments are the investments made to enhance the Company's business interests. Investments are either classified as current or long-term based on Management's intention at the time of purchase.
- b) Current investments are carried at the lower of cost and fair market value of each investment individually.
- c) Long term investments are carried at cost less provisions recorded to recognize any diminution, other than temporary, in the carrying value of each investment.
- d) Cost for overseas investments comprises the Indian Rupee value of the consideration paid for the investment translated at the exchange rate prevalent at the date of investment.

H. Investment Property:

An investment in land or building, which is not intended to be occupied substantially for use by, or in the operations of, the Company, is classified as an investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Depreciation on building component of investment property is calculated on a Straight Line Method basis using the rates and useful lives prescribed in Schedule II to the Companies Act, 2013 in respect of such investment properties which are used for full period in the year, and on prorata basis for assets acquired and put to use during the year. However, no depreciation is provided on the investment properties sold during the year, but on disposal, the difference between its carrying amount and the net disposal proceeds is charged or credited to the statement of profit and loss.

I. Valuation of Inventory:

Inventories are stated at lower of cost or net realisable value wherever applicable. Cost is determined on FIFO basis.

J. Revenue Recognition:

All incomes and expenses are accounted for on accrual and prudent basis. Revenue in respect of insurance / other claims, interest, commission, etc. is recognised only when it is reasonably certain that the ultimate collection will be made. Expenses incurred for which benefit will accrue in the subsequent years are declared in the balance sheet as deferred revenue expenses and amortised over the period in which the benefit is expected to accrue.

K. Foreign Currency Transactions:

- a) In accordance with the Accounting Standard AS-11 on "Effects of changes in foreign exchange rate" as prescribed by the ICAI, year-end balance of foreign currency transactions is translated at the year-end rates and the corresponding effect is given in the respective accounts. Transactions denominated in foreign currency are recorded at exchange rate prevailing at the time of transaction. However, transactions completed during the year are adjusted on actual basis.
- b) In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.
- c) Non-monetary foreign currency items are carried at cost.
- d) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the statement of profit and loss except in cases where they relate to acquisition of Property, Plant and Equipments, in which case they are adjusted to the carrying cost of such assets.
- e) Difference in outstanding value of term loan in foreign currency as at the year end vis-à-vis the date of obtaining loan is recorded in the books of account in a separate account called 'Exchange Difference (FC Laon)' Account to be appropriated at the conclusion of the said term loan.
- f) Difference in foreign exchange forward contracts is recognised as income / loss in the books of account by spreading the same proportionately over the effective life of the contract.

L. Employee Benefits :

- a) All short-term employee benefits expected to be paid in exchange for services rendered by the employees during the year are recognised, at the undiscounted amount, as liability (accrued expense), after deducting any amount already paid. Where the amount already paid exceeds the undiscounted amount of the benefits, such excess is recognised as an asset (prepaid expense).
- b) Company's contribution to Provident Fund, which is a defined contribution plan, is charged to the statement of profit and loss.
- c) Gratuity liability is a 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.
- d) Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit method.
- e) Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.
- f) Termination benefits are recognised as a liability immediately on incurrence of any such obligation.

M. Provision for Current and Deferred Tax :

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

N. Provisions, Contingent Liabilities and Contingent Assets :

- a) Provisions are recognised for liabilities that can only be measured by using a substantial degree of estimation, if;
 - (i) the Company has a present obligation as a result of a past event,
 - (ii) a probable outflow of resources is expected to settle the obligation, and
 - (iii) the amount of obligation can reliably be estimated.
 Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will ultimately be received.

- b) Contingent Liability is disclosed in case of:
 - (i) a present obligation arising on past events, when it is not probable that an outflow of resources will be required to settle the obligation,
 - (ii) a present obligation, when no reliable estimate is possible, and
 - (iii) a possible obligation arising from past events, where the probability of outflow of resources is not remote.
- c) Contingent Assets are neither recognised nor disclosed.
- d) Provisions, Contingent Liabilities and Contingent Assets are reviewed at each balance sheet date.

O. **Prior Period Items :**

Prior Period items are disclosed separately in the statement of profit and loss for the year, keeping in view their materiality and the past method of accounting.

P. **Exceptional and Extra-ordinary Items:**

Exceptional and extra-ordinary items of the Company during the period are disclosed separately in the statement of profit and loss for the year, as part of net profit.

SUN AERO LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026 (Contd...)

(All amounts in thousand of ₹, unless otherwise stated)

3. SHARE CAPITAL

	31/03/2026		31/03/2025	
	<u>Number</u>	<u>Amount</u>	<u>Number</u>	<u>Amount</u>
Authorised Share Capital:				
Equity shares of Rs. 10/- (PY Rs. 10/-) each	1,000,000	10,000.00	1,000,000	10,000.00
Issued, Subscribed and Paid-Up Share Capital:				
Equity shares of Rs. 10/- each fully paid-up	70,000	700.00	70,000	700.00
Total	<u>70,000</u>	<u>700.00</u>	<u>70,000</u>	<u>700.00</u>

Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period:

	31/03/2026		31/03/2025	
	<u>Number</u>	<u>Amount</u>	<u>Number</u>	<u>Amount</u>
Shares outstanding at the beginning of the year	70,000	700.00	70,000	700.00
Shares outstanding at the end of the year	<u>70,000</u>	<u>700.00</u>	<u>70,000</u>	<u>700.00</u>

Terms / rights attached to equity shares:

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March, 2026 the amount of per share dividend recognized as distribution to equity shareholders was Rs. Nil (PY Rs. Nil).

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.

Equity Shares held by holding company, ultimate holding company and/or their subsidiaries / associates:

	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
M/s Sunair Hotels Limited, the holding company		
70,000 (PY 70,000) equity shares of Rs. 10/- each fully paid-up	700.00	700.00

Details of shareholders holding more than 5% equity shares in the Company:

	31/03/2026		31/03/2025	
	<u>No. of</u> <u>Shares</u> <u>held</u>	<u>% of</u> <u>Holding</u>	<u>No. of</u> <u>Shares</u> <u>held</u>	<u>% of</u> <u>Holding</u>
Equity shares of Rs. 10/- each fully paid-up				
M/s Sunair Hotels Limited, holding company	70,000	100	70,000	100
(3500 shares are being held in the names of Six nominees of Sunair Hotels Limited and the balance shares are held in the name of Sunair Hotels Limited)				

Details of shares held by promoters in the Company

	31/03/2026		31/03/2025	
	<u>No. of</u> <u>Shares</u> <u>held</u>	<u>% of</u> <u>Holding</u>	<u>No. of</u> <u>Shares</u> <u>held</u>	<u>% of</u> <u>Holding</u>
Name of the shareholder				
Sunair Hotels Limited	70,000	100%	70,000	100%
(3500 shares are being held in the names of Six nominees of Sunair Hotels Limited and the balance shares are held in the name of Sunair Hotels Limited)				
Total	<u>70,000</u>	<u>100%</u>	<u>70,000</u>	<u>100%</u>

SUN AERO LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026 (Contd...)

(All amounts in thousand of ₹, unless otherwise stated)

4. RESERVES & SURPLUS

	31/03/2026 <u>Amount</u>	31/03/2025 <u>Amount</u>
<u>Surplus / (deficit) in the statement of profit and loss</u>		
Opening Balance	273,797.88	277,741.05
Add : Net Profit / (Net Loss) for the current year	-1,241.37	-3,943.17
Closing Balance	<u>272,556.52</u>	<u>273,797.88</u>
Total	<u>272,556.52</u>	<u>273,797.88</u>

5. OTHER CURRENT LIABILITIES

	31/03/2026 <u>Amount</u>	31/03/2025 <u>Amount</u>
a. Other Current Liabilities	1,500.00	-
b. Audit fee payable	144.00	121.50
c. TDS Payable	16.00	46.50
Total	<u>1,660.00</u>	<u>168.00</u>

SUN AERO LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026 (Contd...)

(All amounts in thousand of ₹, unless otherwise stated)

6. PROPERTY, PLANT AND EQUIPMENT

DESCRIPTION OF ASSETS	GROSS BLOCK		ACCUMULATED DEPRECIATION			NET BLOCK	
	Balance as on 1st April, 2025	Life	Balance as on 1st April, 2025	Depreciation charge for the year	Adjustment on Disposals	Balance as on 31st March, 2026	Balance as on 31st March, 2025
A. Tangible Assets (Not Under Lease)							
a. Land	110,111.50		-	-	-	110,111.50	110,111.50
b. Mobile Phone	50.00	5	47.50	-	-	2.50	2.50
B. <u>Capital Work-In-Progress</u>							
a. CWIP of Project Development	41,416.00		-	-	-	43,216.00	41,416.00
Current Year Total (A+B)	151,577.50		47.50	-	-	153,330.00	151,530.00
Previous Year Total	157,296.72		1,779.82	-	-1,732.32	151,530.00	155,516.90

Notes to Property, Plant and Equipment :

1. Details in respect of each class of asset for the first five years subsequent to the date of reduction or increase due to impairment or revaluation: Rs. Nil
2. No Property, Plant and Equipment was acquired through business combination during the year (PY Rs. Nil).

SUN AERO LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026 (Contd...)

(All amounts in thousand of ₹, unless otherwise stated)

7. LONG TERM LOANS AND ADVANCES

	31/03/2026 <u>Amount</u>	31/03/2025 <u>Amount</u>
A. <u>Capital Advances</u>		
a. Unsecured, considered good	72,835.00	84,373.16
B. <u>Others</u>		
a. <u>Unsecured, considered good</u>		
- Income Tax Refundable	1,107.60	1,107.60
- GST Input Available	7,504.20	7,200.00
Total	81,446.80	92,680.76

8. DEFERRED TAX ASSETS

In line with the method recommended by the Accounting Standard AS-22 on "Accounting for Taxes on Income" there were no deferred tax as on as on 1st April, 2025 and 31st March, 2026. However components of deferred tax liabilities as on those dates are given as under:

	01/04/2025	For the Year	Reversing	31/03/2026
A. Deferred Tax Assets				
Depreciation	2.10	-	0.42	1.68
Unabsorbed Depreciation c/f	328.17	498.66	-	826.83
Unabsorbed Business Losses c/f	370.57	0.42	-	371.00
Total	700.84	499.08	0.42	1,199.50
Net Deferred Tax Assets	700.84	499.08	-0.42	1,199.50

9. INVENTORIES

	31/03/2026 <u>Amount</u>	31/03/2025 <u>Amount</u>
A. Stock-in-trade (Valued at Cost or NRV whichever is Less)		
- Mutual Fund Units	38,463.76	29,309.97
Total (A)	38,463.76	29,309.97

10. CASH AND CASH EQUIVALENTS

	31/03/2026 <u>Amount</u>	31/03/2025 <u>Amount</u>
A. Balances with banks		
a. In current accounts with Scheduled Banks (There are no earmarked balances, margin money, security against borrowings, guarantees and other	133.61	104.91
B. Cash on hand	342.85	339.41
	476.46	444.32

11. INCOME FROM OPERATIONS

	<u>31/03/2026</u> <u>Amount</u>	<u>31/03/2025</u> <u>Amount</u>
A. <u>Sale of Products</u>		
Traded Goods	10,304.62	17,864.47
Income from Operations (Gross)	10,304.62	17,864.47
Less: Excise Duty	-	-
Income from Operations (Net)	Total <u>10,304.62</u>	<u>17,864.47</u>
Details of Goods Sold		
a. Shares & Mutual Funds	10,304.62	17,864.47
	Total <u>10,304.62</u>	<u>17,864.47</u>
	<u>10,304.62</u>	<u>17,864.47</u>

12. PURCHASE OF STOCK-IN-TRADE

	<u>31/03/2026</u> <u>Amount</u>	<u>31/03/2025</u> <u>Amount</u>
A. Mutual Funds	19,052.89	38,360.69
	Total <u>19,052.89</u>	<u>38,360.69</u>

13. (INCREASE) / DECREASE IN INVENTORIES OF TRADED GOODS

	<u>31/03/2026</u> <u>Amount</u>	<u>31/03/2025</u> <u>Amount</u>	<u>(Increase) /</u> <u>Decrease</u> <u>31/03/2026</u>
<u>Inventories at the end of the year</u>			
A. Mutual Funds	38,463.76	29,309.97	-9,153.79
	<u>38,463.76</u>	<u>29,309.97</u>	<u>-9,153.79</u>
<u>Inventories at the beginning of the year</u>			31/03/2025
A. Mutual Funds	29,309.97	8,660.98	-20,648.99
	<u>29,309.97</u>	<u>8,660.98</u>	<u>-20,648.99</u>
(Increase) / Decrease in Inventories	<u>9,153.79</u>	<u>20,648.99</u>	

14. EMPLOYEE BENEFIT EXPENSES

	<u>31/03/2026</u> <u>Amount</u>	<u>31/03/2025</u> <u>Amount</u>
A. Salaries, Wages and Bonus	183.60	238.60
B. Staff Welfare Expenses	16.07	16.03
Total	<u>199.67</u>	<u>254.63</u>

SUN AERO LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026 (Contd...)

(All amounts in thousand of ₹, unless otherwise stated)

15. OTHER EXPENSES

	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
A. Travelling & Conveyance	15.33	15.29
B. Communication Cost	16.11	16.01
C. Printing & Stationery	15.45	15.41
D. Payment to Auditors	160.00	135.00
E. ROC Filing Fees	9.69	14.26
F. Legal & Professional	1,690.00	660.00
G. Vehicle Running & Maintenance Charges	-	127.02
H. Misc. Expenses	39.30	26.46
I. Advertisement Expense	-	12.60
J. Loss on Sale of Fixed Assets	-	3,124.90
Total	<u>1,945.88</u>	<u>4,146.95</u>

Details of Payment to Auditors

As Auditor:

Statutory Audit Fee	90.00	75.00
Tax Audit Fee	70.00	60.00
Total	<u>160.00</u>	<u>135.00</u>

16. DEPRECIATION AND AMORTIZATION EXPENSES

	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
Depreciation on Assets	-	-
Total	<u>-</u>	<u>-</u>

17. EARNING PER SHARE (EPS)

	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
Total operations for the year		
Profit / (loss) after tax	-1,241.37	-3,943.17
Less: Dividends & dividend tax on other than equity shares	-	-
Net profit / (loss) for calculation of Basic EPS	<u>-1,241.37</u>	<u>-3,943.17</u>
Net profit as above	-1,241.37	-3,943.17
Add : Dividends & dividend tax on other than equity shares	-	-
Add : Adjustments for the effects of dilutive potential equity shares	-	-
Net profit / (loss) for calculation of Diluted EPS	<u>-1,241.37</u>	<u>-3,943.17</u>
Weighted average number of equity shares in calculating Basic EPS	70,000	70,000
Effect of dilution:		
Convertible preference shares (numbers)	-	-
Convertible bonds (numbers)	-	-
Stock option granted under ESOP	-	-
Weighted average number of equity shares in calculating Diluted EPS	<u>70,000</u>	<u>70,000</u>

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A Basic	(17.73)	(56.33)
B Diluted	(17.73)	(56.33)

18. Related Party Disclosure

In accordance with AS-18 "Related Party Disclosures" the names of related parties along with aggregate amount of transactions and year end balances with them are given as follows:

A. Related parties and their relationship**1) Controlling shareholders**

The Company is controlled by M/s Sunair Hotels Limited through its shareholding by owning 100% of equity share capital as on 31 March 2026.

2) Key management personnel and their relatives

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over those entities. A number of these personnel transacted with the Company during the reporting period. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or those which might reasonably be expected to be available, in respect of similar transactions with non-key management personnel related entities on an arm's length basis.

Name of key management personnel, their relatives and entities over which they have control or significant influence with whom transaction were entered during the year or balance was outstanding at the balance sheet date are as follows:

3) Holding Company : Sunair Hotels Limited

Key management personnel

- Mr. Kaveen Gupta : Director
- Mr. Vipul Gupta : Director

Enterprises where Key Managerial Personnel along with their relatives exercise significant influence:

1. Pushpanjali Trexim (P) Ltd. : Mr Kaveen Gupta and Mr Vipul Gupta Directors
& Shareholders

B. Balance outstanding at the year end:

Particulars	Key Management Personnel		Enterprises under the control of key management personnel (KMP) of entity having joint control over the Holding Company and their relatives		Total	
	31/03/2026	31/03/2025	31/03/2026	31/03/2025	31/03/2026	31/03/2025
Advances Given						
Pushpanjali Trexim (P) Limited	-	-	10,000.00	21,538.16	10,000.00	21,538.16
	-	-	10,000.00	21,538.16	10,000.00	21,538.16

SUN AERO LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026 (Contd...)

(All amounts in thousand of ₹, unless otherwise stated)

19. Dues to Micro, small and medium enterprises as defined under the MSMED Act, 2006

In terms of Schedule III of the Companies Act, 2013 and notification number GSR 719(e), the company had requested its various suppliers, who may be registered under the Micro, Small and Medium Enterprises Development Act, 2006, to furnish the relevant registration certificate under that Act and confirmation regards them being under the said category. From the date of receipt of confirmed details and information from the said parties the outstanding on account purchase made/services obtained from such suppliers including the disputed amounts due to them, were ascertained and reflected in the financials as due to Micro & Small Enterprises. The details in respect of the parties that could be identified as Micro and Small enterprises as per the MSMED Act on the basis of the information available with the management are given below:

	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
(i) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.		
-Principal amount due to micro and small enterprises	-	-
-Interest due on above	-	-
(ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.		
(iii) 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 the MSMED Act 2006.	-	-
(iv) 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 MSMED Act 2006.	-	-

20. CONTINGENT LIABILITIES & COMMITMENTS (to the extent not provided for)

	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
(i) <u>Contingent Liabilities</u>		
A. Claims against the Company not acknowledged as debts	Nil	Nil
B. Guarantees	Nil	Nil
C. Bills of exchange discounted with banks	Nil	Nil
D. Tax demand disputed in appeals	-	146,651.40
* Accrued interest, if any		
(ii) <u>Commitments</u>		
A. Estimated amount of contracts remaining to be executed on capital accounts and	Nil	Nil
B. Uncalled liability on shares and other investments partly paid	Nil	Nil
C. Other commitments	Nil	Nil

21. Gratuity & Other Post-employment Benefits

No provision has been made in the accounts in respect of future payments of gratuity as per the payment of Gratuity Act, 1972.

SUN AERO LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026 (Contd...)

(All amounts in thousand of ₹, unless otherwise stated)

22. Segment Reporting

The business segments of the Company have been identified in terms of the Accounting Standard AS-17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India, taking into account the organisational structure and different risk and return involved in those segments. Accordingly, the reportable business segments of the company are as under:

- Investment Business
- Real Estate

The accounting policies adopted for segment reporting are in line with the following additional policies of the Company, However, the following additional policies have been adopted for Segment Reporting:

- Revenue and expenses have been identified to a segment on the basis of relationship to operating business activities of the segment. However, revenue and expenses, which relate to the enterprise as a whole and cannot be allocated to a particular segment on reasonable basis are disclosed separately as "unallocable".
- Segment assets and liabilities resulting from the operating activities of a segment or directly attributable / allocable to the segment on a reasonable basis are so allocated.

<u>Particulars</u>	<u>Portfolio Manageme</u>	<u>Real Estate</u>	<u>Unallocable (Amount)</u>	<u>Total Amount</u>
<u>Segment Revenue</u>				
- Revenue	10,304.62	-	-	10,304.62
Net Sales / Income from Operations (A)	<u>10,304.62</u>	<u>-</u>	<u>-</u>	<u>10,304.62</u>
<u>Segment Expenses</u>				
<u>Allocable Expenses</u>				
-Operating / Administration Expenses	9,899.10	-	2,145.55	12,044.64
(B)	<u>9,899.10</u>	<u>-</u>	<u>2,145.55</u>	<u>12,044.64</u>
Segment Result	A - B			
	<u>405.52</u>	<u>-</u>	<u>-2,145.55</u>	<u>-1,740.03</u>
Less : Depreciation				-
Profit before Taxation				-1,740.03
Less : Tax Expense for the year				-498.66
Profit after Taxation				<u>-1,241.37</u>
Segment Assets (including Misc. expenditure and debit balance of Profit & Loss A/c)	38,463.76	-	236,452.76	274,916.52
Segment Liabilities (including long term liabilities)	-	-	-	-
Total Carrying Amount of fixed assets	-	110,111.50	43,218.50	153,330.00
Total Depreciation on fixed assets	-	-	-	-

The business segments of the Company, viz., Investment and Real Estate are located at one geographical place only and accordingly the geographical segment is not applicable to the Company.

SUN AERO LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026 (Contd...)

(All amounts in thousand of ₹, unless otherwise stated)

23. Ratio

S. No.	Particulars	Measures	31/03/2026	31/03/2025	% Variance	Reason for variance
1	Current Ratio	Times	23.46	177.11	-87%	The ratio has decreased due to increase in current assets as well as an increase in current
2	Debt-Equity Ratio	Times	N.A.	N.A.	-	N.A.
3	Debt service coverage ratio	Times	N.A.	N.A.	-	N.A.
4	Return on equity ratio	Percentage	-0.00	-0.01	-68%	The ratio has decreased due to decrease in loss when compared to preavious year and decrease in total equity.
5	Inventory turnover ratio	Times	0.29	0.93	-69%	The ratio has decreased due to decrease in cost of goods sold and increase in average inventory.
6	Trade receivables turnover ratio	Times	N.A	N.A	-	N.A.
7	Trade payables turnover ratio	Times	N.A	N.A	-	N.A.
8	Net capital turnover ratio	Times	0.28	0.60	-54%	The ratio has decreased due to decrease in sales and increase in working capital.
9	Net profit ratio	Percentage	-0.12	-0.22	-45%	The ratio has decreased due to decrease in loss when compared to preavious year and decrease in sales.
10	Return on capital employed	Percentage	-0.01	-0.02	-59%	The ratio has decreased due to decrease in loss when compared to preavious year and decrease in capital employed.
11	Return on investment	Percentage	N.A	N.A	-	N.A.

S. No.	Ratios	Numerator	Denominator
1	Current ratio	Current assets	Current liabilities
2	Debt-equity ratio	Total debt = long term borrowings +	Shareholder's equity
3	Debt service coverage ratio	Earning for debt service = Net profit before taxes + non-cash operating	Debt service = Interest payments + principal repayments
4	Return on equity ratio	Net profits after taxes – preference	Average shareholder's equity
5	Inventory turnover ratio	Cost of goods sold	Average inventory = (Opening + closing balance / 2)
6	Trade receivables turnover ratio	Net credit sales	Average accounts receivables
7	Trade payables turnover ratio	Net credit purchases	Average trade payables
8	Net capital turnover ratio	Net sales	Average working capital (i.e. total current assets less total current liabilities)
9	Net profit ratio	Net profit	Net sales
10	Return on capital employed	Earning before interest and taxes (EBIT)	Capital employed = Tangible net worth + total debt + deferred tax liability
11	Return on investment	Income generated from investments	Time weighted average investments

24. MCA notification dated 24th March 2021 for amendments to Schedule iii disclosures which are not applicable:

- (i) **Title deed of immovable property not held in the name of company:** All title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (ii) **Details of Benami Property and its proceedings:** No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended) and rules made thereunder. Accordingly, the requirement to disclose details of such property is not applicable.
- (iii) **Willfull defaulter:** The Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
- (iv) **Relationship with struck off companies:** The Company has not entered into any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956. Accordingly, there are no outstanding balances with such companies as at March 31, 2026, and March 31, 2025
- (v) **Compliance with number of layers of companies:** The Company has no subsidiaries; accordingly, the disclosure regarding compliance with the number of layers prescribed under Section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 is not applicable."
- (vi) **Compliance with approved scheme of arrangement:** No Scheme of Arrangement has been approved by the Competent Authority in terms of Sections 230 to 237 of the Companies Act, 2013 during the year or in previous years. Accordingly, the requirement to disclose effects of such schemes in the financial statements is not applicable.
- (vii) **Details of crypto currency or Virtual currency:** The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year. Accordingly, the disclosure requirements prescribed under Schedule III to the Companies Act, 2013 are not applicable.
- (viii) **Corporate Social Responsibility (CSR):** The provisions of Section 135 of the Companies Act, 2013, relating to Corporate Social Responsibility are not applicable to the Company.
- (ix) **Segment Reporting:** The Company has identified business segments as its primary reporting segment. These segments have been determined by management based on the nature of the products, differing risks and returns, the organizational structure, and the internal financial reporting system, in accordance with Accounting Standard (AS) 17 'Segment Reporting' issued by the Institute of Chartered Accountants of India.

25. Debts due by firms or companies in which directors are interested - Rs. NIL (PY Rs. NIL). Maximum amount outstanding at any time during the year Rs. NIL (PY Rs. NIL).

26. EXCEPTIONAL AND EXTRA-ORDINARY ITEMS

No exceptional or extra-ordinary items of revenue nature occurred during the year (PY Nil). Hence no disclosure of the same has been made in the Statement of Profit and Loss.

27. Figures have been rounded off to the nearest thousand rupees.

28. PREVIOUS YEAR FIGURES

Previous year figures have been regrouped/recast wherever considered necessary.

For ANIL SOOD & ASSOCIATES
Chartered Accountants
Firm Regn. No.004985N

Sd/-
(KAVEEN GUPTA)
Director
(DIN-00204605)

Place: New Delhi
Dated : 25/08/2026

Sd/-
(ANIL SOOD)
Partner
Membership No. 83939

Sd/-
(VIPUL GUPTA)
Director
(DIN-00204638)

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Independent Auditor's Report

To the Members of Sunair Hotels Limited

Report on the Audit of the consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **M/s Sunair Hotels Limited** (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as **at March 31, 2026**, the Consolidated Statement of Profit and Loss and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (Act) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2021 ("AS") and other accounting principles generally accepted in India, of their consolidated statement of affairs of the Company as **at March 31, 2026**, of their consolidated profit and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 consolidated financial statements.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated Financial Statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Financial Statements or our knowledge obtained during the course of our 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 Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- a) Identify and assess the risks of material misstatement of the consolidated 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.

- b) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company **and its subsidiary company which is a company incorporated in India** has adequate internal financial controls systems **with reference to Consolidated Financial Statements** in place and the operative effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) 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 **Group** 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 consolidated 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 **Group** to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the consolidated Financial Statements, including the disclosures, and whether the consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- f) Obtain sufficient appropriate evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial consolidated financial statements **of which we are the independent auditors.**

Materiality is the magnitude of misstatements in the consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

- 1) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the Auditor's Report on the financial statements of Company and its subsidiary as at and for the year ended March 31, 2026, included in the Consolidated Financial Statements of the Group, we report in respect of those companies where audits have been completed under section 143 of the Act, there has been no such qualifications or adverse remarks by any auditor in their respective reports.
- 2) As required by section 143(3) of the Act, based on our audit 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 of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Accounting Standards) Rules, 2021.
 - e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the said Group companies is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **Annexure-B** which is based on the auditor's reports of the Company and its subsidiary. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of those companies.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) 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 Consolidated Financial Statements disclose the impact of pending litigations on its Consolidated financial position of Group in respect of claims and demands which are being contested as mentioned in **Refer Note 33 and 41.**
 - (ii) the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) there were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Holding company and its subsidiary incorporated in India during the year ended **31st, March, 2026.**
 - (iv)(a) The respective management of the Holding Company and its subsidiary company, which are incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiary respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or in kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity (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 or any of such subsidiary (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The respective management of the Holding Company and its subsidiary company, which are incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiary respectively, that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiaries from any other person or entity, including foreign entity (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiary 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.
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b), contain any material misstatement.
 - (v) (a) The Company has neither declared nor paid any dividend during the year.
 - (b) The Company have not proposed any dividend for the year.

- (vi)Based on our examination, which included test checks, **the holding Company and its subsidiaries incorporated in India have** used accounting software systems for maintaining **their respective** books of account for the financial year ended March 31, 2026 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

for Anil Sood & Associates
Chartered Accountants
Firm Registration No. 004985N

S-316, Ground Floor,
Greater Kailash Part-I
Place: New Delhi
Date: 25/08/2026

Sd/-
(Anil Sood)
Partner
Membership No. 83939



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

Opinion

In conjunction with our audit of the consolidated financial statements of M/s **Sunair Hotels Limited** (hereinafter referred to as "the Holding Company") as of and for the year ended **31 March 2026**, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which is its subsidiary company, as of that date. In our opinion, the Holding Company and such companies incorporated in India which is its subsidiary company have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at **31 March 2026**, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary company in terms of their report is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

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

Limitations of Internal Financial Controls Over Financial Reporting

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

for Anil Sood & Associates
Chartered Accountants
Firm Registration No. 004985N

S-316, Ground Floor,
Greater Kailash Part-I
Place: New Delhi
Date: 25/08/2026

Sd/-
(Anil Sood)
Partner
Membership No. 83939

SUNAIR HOTELS LIMITED
CIN: U74899DL1977PLC008495

REGD OFFICE: A-7, 1st FLOOR, GEETANJALI ENCLAVE, NEW DELHI - 110 017

e-mail: sunairhotels@gmail.com

Website- www.hotelmetdelhi.com

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2026

(All amounts in thousand of ₹, unless otherwise stated)

Sl. Particulars No.	Notes	AS AT 31/03/2026	AS AT 31/03/2025
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share capital	3	397,500.00	397,500.00
(b) Reserves and surplus	4	1,782,182.11	1,672,005.82
		2,179,682.11	2,069,505.82
(2) Non-current Liabilities			
(a) Deferred tax liabilities (net)	5	164,637.34	162,978.58
(b) Other long-term liabilities	6	10,252.50	89,405.00
(c) Long-term provisions	7	32,730.90	29,518.54
		207,620.74	281,902.11
(3) Current Liabilities			
(a) Trade payables	8		
- Total Outstanding dues of Micro Enterprises and Small Enterprises;		-	-
- Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		19,990.68	23,960.78
(b) Other Current Liabilities	9	31,334.63	121,114.24
(c) Short-term provisions	10	12,683.27	11,747.60
		64,008.59	156,822.62
TOTAL		2,451,311.43	2,508,230.55
II. ASSETS			
(1) Non-current Assets			
(a) Property, Plant and Equipment			
(i) Tangible Assets	11	1,312,992.58	1,328,042.26
(b) Non-current investments	12	745,234.37	722,445.50
(c) Deferred Tax Asset (net)	13	1,199.50	700.84
(d) Long-term loans and advances	14	175,610.72	188,725.03
(e) Other non-current assets	15	11,085.66	12,753.36
		933,130.25	924,624.72
(2) Current Assets			
(a) Inventories	16	99,996.06	103,703.38
(b) Trade receivables	17	23,181.39	36,907.74
(c) Cash and bank balances	18	15,536.32	52,575.14
(d) Short-term loans and advances	19	58,204.34	52,820.12
(e) Other current assets	20	8,270.50	9,557.18
		205,188.61	255,563.57
TOTAL		2,451,311.43	2,508,230.55
Significant Accounting Policies	2	-	-

The accompanying notes are an integral part of these consolidated financial statements

As per our separate report of even date attached
For **ANIL SOOD & ASSOCIATES.**
Firm Regn No. 004985N
Chartered Accountants

sd/-
(KAVEEN GUPTA)
Executive Director
(DIN-00204605)

sd/-
(VIPUL GUPTA)
Executive Director
(DIN-00204638)

sd/-
(ANIL SOOD)
Partner

sd/-
(VIPIN JAIN)
Chief Financial Officer
M.No.-FCS 8984

sd/-
(NEHA RAJPUT)
Company Secretary
(M No. A-26116)

Place : New Delhi
Dated : 25/08/2026

Membership No. 83939 107

SUNAIR HOTELS LIMITED
CIN: U74899DL1977PLC008495

REGD OFFICE: A-7, 1st FLOOR, GEETANJALI ENCLAVE, NEW DELHI - 110 017

e-mail: sunairhotels@gmail.com

Website- www.hotelmetdelhi.com

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in thousand of ₹, unless otherwise stated)

Sl. No.	Particulars	Notes	31/03/2026	31/03/2025
I. Revenue				
(a)	Income from operations	21	726,253.63	697,923.74
(b)	Other Income	22	29,985.41	33,646.51
II. Total Revenue			756,239.04	731,570.26
III. Expenses				
(a)	Cost of materials consumed	23	44,748.42	46,438.92
(b)	Purchase of Stock	24	19,052.89	38,360.69
(c)	Change in Inventory	25	-9,153.79	-20,648.99
(d)	Cost of utilities and hospitality services	26	1,045.45	979.95
(e)	Employee benefit expenses	27	144,087.05	134,580.98
(f)	Other expenses	28	386,143.39	416,999.22
(g)	Finance costs	29	60.99	44.56
(h)	Depreciation and amortization expenses	30	33,609.99	34,319.34
(i)	Expenditure on CSR Activity	31	1,972.80	1,511.95
IV. Total Expenses			621,567.19	652,586.62
V. Profit / (loss) before exceptional item and tax (II - IV)			134,671.86	78,983.64
	Less : Exceptional item		-	-
VI. Profit / (loss) before tax (IV - V)			134,671.86	78,983.64
VII. Tax expense/(saving)				
(a)	Current tax	23,943.84	14,500.00	
(b)	Deferred tax	1,160.10	4,800.56	
(c)	Earlier Years Taxes	-608.37	24,495.57	4,421.81
VIII Profit / (loss) for the year (V - VI)			110,176.29	55,261.27
IX. Prior period adjustments			-	-
X. Profit / (loss) transferred to Balance Sheet (VII - VIII)			110,176.29	55,261.27
XI. Earnings per equity share (EPS)				
(a)	Basic	32	2.77	1.39
(b)	Diluted		2.77	1.39

Significant Accounting Policies

2

The accompanying notes are an integral part of these consolidated financial statements

As per our separate report of even date attached

For ANIL SOOD & ASSOCIATES.

Firm Regn No. 004985N
Chartered Accountants

Sd/-
(KAVEEN GUPTA)

Executive Director
(DIN-00204605)

Sd/-
(VIPUL GUPTA)

Executive Director
(DIN-00204638)

Sd/-
(ANIL SOOD)

Partner
Membership No. 83939

Sd/-
(VIPIN JAIN)

Chief Financial Officer
M.No.-FCS 8984

Sd/-
(NEHA RAJPUT)

Company Secretary
(M No. A-26116)

Place : New Delhi

Dated : 25/08/2026

SUNAIR HOTELS LIMITED
CIN: U74899DL1977PLC008495

REGD OFFICE: A-7, 1st FLOOR, GEETANJALI ENCLAVE, NEW DELHI - 110 017

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Website- www.hotelmetdelhi.com

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in thousand of ₹, unless otherwise stated)

Sl. Particulars No.	31/03/2026	31/03/2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit /(loss) before tax and after prior period expenses	135,280.23	74,561.83
<u>Adjustments for:</u>		
- Interest Income	-37.11	-36.96
- Dividend Received	-3.68	-3.20
- Depreciation	33,609.99	34,319.34
- (Profit) / Loss on sale of Assets	-	3,124.90
Operating (loss) before working capital changes	168,849.43	111,965.91
<u>Movement in working capital:</u>		
-(Increase) / Decrease in inventories	3,707.32	-21,563.95
-(Increase) / Decrease in Debtors	13,726.36	-7,382.61
-(Increase) / Decrease in Short Term Loans & Advances	-5,384.22	5,043.35
-(Increase) / Decrease in Other Current assets	1,286.68	1,701.71
-(Increase) / Decrease in Other Non Current assets	1,667.70	160.00
-(Increase) / Decrease in Long-term loans and advances	13,114.31	-49,063.27
-Increase / (Decrease) in Trade payables	-3,970.10	-2,068.53
-Increase / (Decrease) in Other long-term liabilities	-79,152.50	-15.00
-Increase / (Decrease) in Long-term provisions	3,212.37	2,926.68
-Increase / (Decrease) in Sundry Liabilities	-89,779.60	16,927.66
-Increase / (Decrease) in Other Provisions	935.66	1,086.71
Cash (used in) operations	28,213.41	59,718.66
Direct taxes (paid)	23,943.84	14,500.00
Net cash (used in) operating activities (A)	4,269.57	45,218.66
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Investments	-22,788.87	-30,435.20
Purchase of Fixed Assets	-18,560.31	-1,162.23
Sale of Assets	-	3,986.90
Dividend received	3.68	3.20
Profit (Loss) on sale of Assets	-	-3,124.90
Net cash (used in) investing activities (B)	-41,345.51	-30,732.24
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest Income	37.11	36.96
Net cash from financing activities (C)	37.11	36.96
Net increase/(decrease) in cash and cash equivalents (A+B+C)	-37,038.82	14,523.38
Cash and cash equivalents at the beginning of the year (D)	52,575.14	38,051.75
Cash and cash equivalents at the end of the year (E)	15,536.31	52,575.14
Net increase / (decrease) in cash and cash equivalents (E-D)	-37,038.82	14,523.38
COMPONENTS OF CASH AND CASH EQUIVALENTS	31/03/2026	31/03/2025
Cash in Hand	4,727.29	4,103.67
FDRs with Banks	595.44	558.32
Balances with Banks	10,213.59	47,913.15
	15,536.31	52,575.14

SUNAIR HOTELS LIMITED

CIN: U74899DL1977PLC008495

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e-mail: sunairhotels@gmail.com

Website- www.hotelmetdelhi.com

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in thousand of ₹, unless otherwise stated)

Note: The above statement of cash flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash

Summary of material accounting policies

2

The accompanying notes are an integral part of these consolidated financial statements

As per our separate report of even date attached

For ANIL SOOD & ASSOCIATES.

Firm Regn No. 004985N
Chartered Accountants

Sd/-
(KAVEEN GUPTA)

Executive Director
(DIN-00204605)

Sd/-
(VIPUL GUPTA)

Executive Director
(DIN-00204638)

Sd/-
(ANIL SOOD)

Partner

Membership No. 83939

Sd/-
(VIPIN JAIN)

Chief Financial Officer
M.No.-FCS 8984

Sd/-
(NEHA RAJPUT)

Company Secretary
(M No. A-26116)

Place : New Delhi

Dated : 25/08/2026

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS
FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2026

1. ACCOUNTING CONVENTIONS

Principles of consolidation

The Consolidated Financial Statements relating to **Suanir Hotels Limited** (the parent company) and **Sun Areo Limited** (its wholly owned subsidiary in India) have been prepared in accordance with **Accounting Standard (AS) 21 – Consolidated Financial Statements**, issued by the **Institute of Chartered Accountants of India (ICAI)**.

- a) The financial statements of the Company have been prepared in accordance with the **Generally Accepted Accounting Principles** in India (Indian GAAP) to comply with the Accounting Standards specified **under Section 133 of the Companies Act, 2013**, read with the Companies (Accounting Standards) Rules, 2021, and the relevant provisions of the **Companies Act, 2013** ("the 2013 Act"), as applicable.
- b) The financial statements have been prepared on an **accrual basis** under the **historical cost convention**. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.
- c) The financial statements of the wholly owned subsidiary in India have been consolidated in accordance with **AS-21 – "Consolidated Financial Statements"**. In the consolidated financial statements, the assets, liabilities, income, and expenses of the subsidiary are combined on a line-by-line basis with those of the parent company. All inter-company balances and transactions have been eliminated in consolidation.

2. SIGNIFICANT ACCOUNTING POLICIES

A. Use of Estimates :

The preparation of Consolidated financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

B. Tangible Property, Plant and Equipment:

a) Own Property, Plant and Equipment:

- (i) Tangible Property, Plant and Equipment are stated at cost. Cost includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any. All costs, including expenditures and levies directly attributable to bringing the assets to their working condition for the intended use. Net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the Property, Plant and Equipment are capitalised.
- (ii) Land is stated at original cost of acquisition.
- (iii) Capital work-in-progress is stated at amount spent upto the date of Balance Sheet.

Gains or losses arising from derecognition of Property, Plant and Equipments are measured as the difference between the net disposal proceeds and the carrying amount of the assets, and are recognized in the statement of profit and loss when the asset is derecognized.

b) Leased Assets:

- (i) Operating Leases: Rentals are expensed with reference to lease terms and other considerations.
- (ii) Finance Leases: The lower of the fair value of the assets and present value of the minimum lease rentals is capitalised as Property, Plant and Equipments with corresponding amount shown as lease liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to the statement of profit and loss.

- (iii) However, rentals referred to in (i) or (ii) above and the interest component referred to in (ii) above pertaining to the period upto the date of commissioning of the assets are capitalized.
- (iv) All assets given on finance lease are shown as receivables at an amount equal to net investment in the lease. Initial direct costs in respect of lease are expensed in the year in which such costs are incurred. Income from lease assets is accounted by applying the interest rate implicit in the lease to the net investment.

C. Intangible Assets & Amortisation:

Intangible Assets are recognised as per the criteria specified in Accounting Standard (AS-26) on "Intangible Assets" and are amortised over the useful life of the underlying assets as follows:

- a) Leasehold land: over the period of lease.
- b) Lump sum fees for technical know-how: over a period of six years in case of foreign technology and three years in case of indigenous technology.

Gains or losses arising from derecognition of Property, Plant and Equipments are measured as the difference between the net disposal proceeds and the carrying amount of the assets, and are recognized in the statement of profit and loss when the asset is derecognized.

D. Depreciation and amortization:

- a) Depreciation on tangible Property, Plant and Equipments is calculated on Straight Line Method pursuant to the requirements of Schedule-II of the Companies Act, 2013 with effect from April 01, 2014, by using the rates prescribed therein over the estimated useful lives of the Property, Plant and Equipments as specified in Part 'C', while fixing the residual values of the Property, Plant and Equipments at 5% of their original cost, in respect of assets which are used for full period in the year and on prorata basis for assets acquired & put to use during the year.
- b) Intangible Property, Plant and Equipments are amortized on a straight-line basis over the estimated useful economic life in respect of assets which are used for full period in the year, and on prorata basis for assets acquired / recognized and put to use during the year. If there is a significant change from previous estimates in the expected pattern of economic benefits from the asset, the amortization period and method are changed accordingly to reflect the changed pattern. However, no amortization expense is provided on intangible assets derecognized during the year.

E. Impairment of Tangible and Intangible Assets:

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

F. Borrowing Costs :

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue in the period in which they are incurred.

G. Valuation of Investment:

- a) Trade investments are the investments made to enhance the Company's business interests. Investments are either classified as current or long-term based on Management's intention at the time of purchase.
- b) Current investments are carried at the lower of cost and fair market value of each investment individually.
- c) Long term investments are carried at cost less provisions recorded to recognize any diminution, other than temporary, in the carrying value of each investment.
- d) Cost for overseas investments comprises the Indian Rupee value of the consideration paid for the investment translated at the exchange rate prevalent at the date of investment.

H. Investment Property:

An investment in land or building, which is not intended to be occupied substantially for use by, or in the operations of, the Company, is classified as an investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Depreciation on building component of investment property is calculated on a Straight Line Method basis using the rates and useful lives prescribed in Schedule II to the Companies Act, 2013 in respect of such investment properties which are used for full period in the year, and on prorata basis for assets acquired and put to use during the year. However, no depreciation is provided on the investment properties sold during the year, but on disposal, the difference between its carrying amount and the net disposal proceeds is charged or credited to the statement of profit and loss.

I. Valuation of Inventory:

Inventories are stated at lower of cost or net realisable value wherever applicable. Cost is determined on weighted average basis.

J. Revenue Recognition:

All incomes and expenses are accounted for on accrual and prudent basis. Revenue in respect of insurance / other claims, interest, commission, etc. is recognised only when it is reasonably certain that the ultimate collection will be made. Expenses incurred for which benefit will accrue in the subsequent years are declared in the balance sheet as deferred revenue expenses and amortised over the period in which the benefit is expected to accrue.

K. Foreign Currency Transactions:

- a) In accordance with the Accounting Standard AS-11 on "Effects of changes in foreign exchange rate" as prescribed by the ICAI, year-end balance of foreign currency transactions is translated at the year-end rates and the corresponding effect is given in the respective accounts. Transactions denominated in foreign currency are recorded at exchange rate prevailing at the time of transaction. However, transactions completed during the year are adjusted on actual basis.
- b) In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.
- c) Non-monetary foreign currency items are carried at cost.
- d) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the statement of profit and loss except in cases where they relate to acquisition of Property, Plant and Equipments, in which case they are adjusted to the carrying cost of such assets.
- e) Difference in outstanding value of term loan in foreign currency as at the year end vis-à-vis the date of obtaining loan is recorded in the books of account in a separate account called 'Exchange Difference (FC Loan)' Account to be appropriated at the conclusion of the said term loan.
- f) Difference in foreign exchange forward contracts is recognised as income / loss in the books of account by spreading the same proportionately over the effective life of the contract.

L. Employee Benefits :

- a) All short-term employee benefits expected to be paid in exchange for services rendered by the employees during the year are recognised, at the undiscounted amount, as liability (accrued expense), after deducting any amount already paid. Where the amount already paid exceeds the undiscounted amount of the benefits, such excess is recognised as an asset (prepaid expense).
- b) Company's contribution to Provident Fund, which is a defined contribution plan, is charged to the statement of profit and loss.
- c) Gratuity liability is a 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.
- d) Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit method.
- e) Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.
- f) Termination benefits are recognised as a liability immediately on incurrence of any such obligation.

M. Provision for Current and Deferred Tax :

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

N. Provisions, Contingent Liabilities and Contingent Assets :

- a) Provisions are recognised for liabilities that can only be measured by using a substantial degree of estimation, if;
- (i) the Company has a present obligation as a result of a past event,
 - (ii) a probable outflow of resources is expected to settle the obligation, and
 - (iii) the amount of obligation can reliably be estimated.

Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will ultimately be received.

- b) Contingent Liability is disclosed in case of:
- (i) a present obligation arising on past events, when it is not probable that an outflow of resources will be required to settle the obligation,
 - (ii) a present obligation, when no reliable estimate is possible, and
 - (iii) a possible obligation arising from past events, where the probability of outflow of resources is not remote.
- c) Contingent Assets are neither recognised nor disclosed.
- d) Provisions, Contingent Liabilities and Contingent Assets are reviewed at each balance sheet date.

O. Prior Period Items :

Prior Period items are disclosed separately in the statement of profit and loss for the year, keeping in view their materiality and the past method of accounting.

P. Exceptional and Extra-ordinary Items:

Exceptional and extra-ordinary items of the Company during the period are disclosed separately in the statement of profit and loss for the year, as part of net profit.

SUNAIR HOTELS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026 (Contd...)
(All amounts in thousand of ₹, unless otherwise stated)
3. SHARE CAPITAL

	31/03/2026		31/03/2025	
	<u>Number</u>	<u>Amount</u>	<u>Number</u>	<u>Amount</u>
<u>Authorised and Issued Share Capital:</u>				
Equity shares of Rs. 10/- each	40,000,000	400,000.00	40,000,000	400,000.00
<u>Subscribed and Paid-Up Share Capital:</u>				
Equity shares of Rs. 10/- each fully paid-up	39,750,000	397,500.00	39,750,000	397,500.00
Total	39,750,000	397,500.00	39,750,000	397,500.00

Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting

	31/03/2026		31/03/2025	
	<u>Number</u>	<u>Amount</u>	<u>Number</u>	<u>Amount</u>
Shares outstanding at the beginning of the year	39,750,000	397,500.00	39,750,000	397,500.00
Shares outstanding at the end of the year	39,750,000	397,500.00	39,750,000	397,500.00

Terms / rights attached to equity shares:

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March, 2026 the amount of per share dividend recognized as distributions to equity shareholders was Rs. Nil (PY Rs. Nil).

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.

Details of shareholders holding more than 5% equity shares in the Company:

	31/03/2026		31/03/2025	
	<u>No. of Shares held</u>	<u>% of Holding</u>	<u>No. of Shares held</u>	<u>% of Holding</u>
Equity shares of Rs. 10/- each fully paid-up				
A. Columbia Trading Co. Ltd.	2,280,176	5.73%	2,280,176	5.73%
B. Kaveen Gupta	8,736,310	21.98%	8,736,310	21.98%
C. Mrs. Sheel Gupta	2,228,750	5.61%	2,228,750	5.61%
D. Star Light Credit India Ltd.	4,257,500	10.71%	4,257,500	10.71%
E. Vipul Gupta	8,437,080	21.22%	8,437,080	21.22%
F. VLS Finance Limited*	9,594,824	24.14%	9,594,824	24.14%
(* Under dispute)				

Details of shares held by promoters in the Company

	31/03/2026		31/03/2025	
	<u>No. of Shares held</u>	<u>% of Holding</u>	<u>No. of Shares held</u>	<u>% of Holding</u>
<u>Name of the shareholder</u>				
A. Ananya Gupta & Kaveen Gupta	530,000	1.34%	530,000	1.34%
B. Mrs. Babita Gupta	1,780,000	4.48%	1,780,000	4.48%
C. Mr. Kaveen Gupta	8,736,310	21.98%	8,736,310	21.98%
D. Kaveen Gupta (HUF)	465,000	1.17%	465,000	1.17%
E. Mrs. Monisha Gupta	1,415,000	3.56%	1,415,000	3.56%
F. Mrs. Sheel Gupta	1,706,150	4.29%	1,706,150	4.29%
G. Mrs. Sheel Gupta	522,600	1.32%	522,600	1.32%
G. Mr. Vipul Gupta	8,437,080	21.22%	8,437,080	21.22%
H. Columbia Trading Co. Ltd.	2,280,176	5.73%	2,280,176	5.73%

SUNAIR HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026 (Contd...)

(All amounts in thousand of ₹, unless otherwise stated)

4. RESERVES & SURPLUS

	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
A. <u>Capital Reserves</u>		
Opening Balance	80,000.00	80,000.00
Closing Balance (A)	<u>80,000.00</u>	<u>80,000.00</u>
B. <u>Other Reserves</u>		
General Reserve		
Opening Balance	30.00	30.00
Closing Balance (B)	<u>30.00</u>	<u>30.00</u>
C. <u>Surplus / (deficit) in the statement of profit and loss</u>		
Opening Balance	1,591,975.82	1,536,714.55
Add : Net Profit / (Net Loss) for the current year	110,176.29	55,261.27
Amount available for Appropriations	1,702,152.11	1,591,975.82
Less: Appropriations	-	-
Closing Balance (C)	<u>1,702,152.11</u>	<u>1,591,975.82</u>
Total (A+B+C)	<u>1,782,182.11</u>	<u>1,672,005.82</u>

5. DEFERRED TAX LIABILITIES (NET)

In line with the method recommended by the Accounting Standard AS-22 on "Accounting for Taxes on Income" components of deferred tax assets and liabilities as on 1st April, 2025 and 31st March, 2026 are given as

	<u>01/04/2025</u>	<u>For the Year</u>	<u>Reversing</u>	<u>31/03/2026</u>
A. <u>Deferred Tax Assets</u>				
a. Gratuity Provision	7,304.39	777.35	-	8,081.73
b. Prov. For Leave Encashment	1,890.50	219.67	-	2,110.16
c. Prov. For Bonus (Good work reward)	915.20	-	128.97	786.23
Total (A)	<u>10,110.08</u>	<u>997.01</u>	<u>128.97</u>	<u>10,978.13</u>
B. <u>Deferred Tax Liabilities</u>				
a. Depreciation	173,088.66	2,526.81	-	175,615.46
Total (B)	<u>173,088.66</u>	<u>2,526.81</u>	<u>-</u>	<u>175,615.46</u>
Net Deferred Tax Liabilities (B-A)	<u>162,978.58</u>	<u>1,529.79</u>	<u>-128.97</u>	<u>164,637.34</u>

Deferred tax asset has been recognised and carried forward since there is a reasonable certainty that sufficient future taxable income shall be available against which the same can be realised.

6. OTHER LONG TERM LIABILITIES

	31/03/2026	31/03/2025
<u>Others</u>	<u>Amount</u>	<u>Amount</u>
<u>Security Deposit</u>		
a. Security Deposits	10,252.50	89,405.00
	<u>10,252.50</u>	<u>89,405.00</u>

SUNAIR HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026 (Contd...)

(All amounts in thousand of ₹, unless otherwise stated)

7. LONG TERM PROVISIONS

	31/03/2026	31/03/2025
<u>Provision for Employee Benefits</u>	<u>Amount</u>	<u>Amount</u>
a. Gratuity	26,335.42	23,904.89
b. Leave Encashment (Hotel)	6,395.49	5,613.64
	<u>32,730.90</u>	<u>29,518.54</u>

8. TRADE PAYABLES

Particulars	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
Total outstanding dues of micro enterprises and small enterprises (refer note 38)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises (refer note below)	19,990.68	23,960.78
	<u>19,990.68</u>	<u>23,960.78</u>

Particulars(Outstanding from invoice date)	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
(i) MSME		
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	<u>-</u>	<u>-</u>
(ii) Others		
Less than 1 year	19,883.84	23,866.63
1-2 years	12.70	94.15
2-3 years	94.15	-
More than 3 years	-	-
	<u>19,990.68</u>	<u>23,960.78</u>
(iii) Disputed dues-MSME		
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	<u>-</u>	<u>-</u>
(iv) Disputed dues-Others		
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	<u>-</u>	<u>-</u>
	<u>19,990.68</u>	<u>23,960.78</u>

SUNAIR HOTELS LIMITED**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026 (Contd...)***(All amounts in thousand of ₹, unless otherwise stated)***9. OTHER CURRENT LIABILITIES**

	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
a. Duties & Taxes Payables	10,288.85	26,537.53
b. Advance Sub-License fee	9,356.73	86,997.27
c. Other Payables	9,116.09	7,579.44
d. Income Tax Payable	1,072.97	-
e. Other Current Liabilities	1,500.00	-
Total	<u>31,334.63</u>	<u>121,114.24</u>

10. SHORT TERM PROVISIONS

	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
A. <u>Provision for Employee Benefits</u>		
a. Salary & Wages Payable	7,029.11	5,916.20
b. Good-work Reward payable	2,749.06	3,200.00
c. Provision for Gratuity	1,922.39	1,634.92
d. Provision for Leave Encashment	982.71	996.49
Total	<u>12,683.27</u>	<u>11,747.60</u>

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SUNAIR HOTELS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026 (Contd...)
(All amounts in thousand of ₹, unless otherwise stated)

11. PROPERTY, PLANT & EQUIPMENT

DESCRIPTION OF ASSETS	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK	
	Balance as on 1st April, 2025	Additions During The Year	Disposals During The Year	Balance as on 31st March, 2026	Balance as on 1st April, 2025	Depreciation charge for the year on Disposals	Balance as on 31st March, 2026	Balance as on 31st March, 2025
A. Tangible Assets (Not Under Lease)								
a. Land	110,111.50	-	-	110,111.50	-	-	110,111.50	110,111.50
b. Buildings								
Hotel	1,151,199.43	-	-	1,151,199.43	316,309.01	17,962.69	816,927.73	834,890.42
Commercial	14,135.80	-	-	14,135.80	5,655.44	215.98	8,264.38	8,480.36
c. <u>Plant & Equipment</u>								
Hotel	524,037.17	-	-	524,037.17	451,849.75	8,047.15	64,140.27	72,187.42
Commercial	-	-	-	-	-	-	-	-
d. Furniture & Fixtures	291,190.10	-	-	291,190.10	265,295.69	2,167.09	23,727.32	25,894.41
e. Vehicles	30,061.51	16,709.46	-	46,770.97	13,541.38	4,511.30	28,718.29	16,520.13
f. Office Equipment	11,620.70	-	-	11,620.70	7,742.86	411.59	3,466.25	3,877.84
g. <u>Others</u>								
Computers & Accessories	42,919.88	50.85	-	42,970.72	40,652.50	47.53	2,270.69	2,267.37
Electrical Fittings & Installations	6,157.92	-	-	6,157.92	3,761.10	246.66	2,150.16	2,396.81
h. CWIP of Project Development	41,416.00	1,800.00	-	43,216.00	-	-	43,216.00	41,416.00
Total (A)	2,222,850.00	18,560.31	-	2,241,410.31	1,104,807.74	33,609.99	1,138,417.73	1,118,042.26
B. Tangible Assets (Under Lease)								
a. Land on License	210,000.00	-	-	210,000.00	-	-	210,000.00	210,000.00
Total (B)	210,000.00	0.00	-	210,000.00	-	-	210,000.00	210,000.00
Current Year Total (A+B)	2,432,850.00	18,560.31	-	2,451,410.31	1,104,807.74	33,609.99	1,138,417.73	1,328,042.26
Previous Year Total	2,437,406.99	1,162.23	5,719.22	2,432,850.00	1,072,220.72	34,319.34	1,104,807.74	1,365,186.27

Details in respect of each class of asset for the first five years subsequent to the date of reduction or increase due to impairment or revaluation: Rs.

No fixed asset was acquired through business combination during the year (PY Rs. Nil).

Land represents plot allotted on license by NDMC for which Rs. 21 crores were paid to Sun Aero Ltd., the subsidiary company, as development rights.

12. NON-CURRENT INVESTMENTS

Other Investments

Sl. No.	Particulars	Subsidiary / Associate / JV / Controlled Special Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully Paid	Extent of Holding (%)		Amount (Rs.)		Basis of Valuation
			As on 31st March 2026	As on 31st March 2025			As on 31st March 2026	As on 31st March 2025			
Investment in Mutual Funds											
(i)	Aditya Birla Sunlife IBX Fun	Others	4,962,640	4,962,640	Quoted	Fully paid	100%	100%	50,000.00	50,000.00	At Cost
(ii)	Aditya Birla Sunlife Corporate Bond Fund -G-D	Others	692,239	692,239	Quoted	Fully paid	100%	100%	64,905.87	64,905.87	At Cost
(iii)	Axis Short Term Fund- G	Others	1,378,345	525,390	Quoted	Fully paid	100%	100%	44,006.13	14,006.13	At Cost
(iv)	Bandhan Short Duration Fund Direct Plan Growth	Others	1,119,749	607,875	Quoted	Fully paid	100%	100%	62,500.76	30,000.76	At Cost
(v)	Bandhan Corporate Bond Fund-G -DP(erstwhile II	Others	3,594,486	4,033,827	Quoted	Fully paid	100%	100%	57,708.11	64,397.25	At Cost
(vi)	Bandhan Crisil IBX Giltapril-2028	Others	2,651,884	2,651,884	Quoted	Fully paid	100%	100%	29,037.73	29,037.73	At Cost
(vii)	Bandhan Liquid Fund -Direct Plan - Growth	Others	-	6,408	Quoted	Fully paid	-	100%	-	20,000.00	At Cost
(viii)	Edelweiss Multi Asset Allocation Fund	Others	1,498,912	-	Quoted	Fully paid	100%	-	18,330.21	-	At Cost
(ix)	HDFC Balance Advantage Fund	Others	86,656	-	Quoted	Fully paid	100%	-	50,000.00	-	At Cost
(x)	HDFC Corporate Bond Fund-DP-G	Others	2,189,341	1,311,409	Quoted	Fully paid	100%	100%	63,205.84	33,005.84	At Cost
(xi)	HSBC Short Duration Fund-D G (Formerly L & T	Others	-	897,999	Quoted	Fully paid	-	100%	-	20,008.89	At Cost
(xii)	ICICI Prudential Corporate Bond Fund a-DP-G	Others	3,742,037	3,742,037	Quoted	Fully paid	100%	100%	87,743.47	87,743.47	At Cost
(xiii)	ICICI Prudential Multi Asset Fund	Others	16,490	-	Quoted	Fully paid	100%	-	15,000.00	-	At Cost
(xiv)	ICICI Prudential Balanced Advantage Fund - Dire	Others	767,799	151,415	Quoted	Fully paid	100%	100%	64,047.77	11,547.77	At Cost
(xv)	ICICI Prudential Liquid Fund - Direct Plan - Growt	Others	-	70,201	Quoted	Fully paid	-	100%	-	26,900.00	At Cost
(xvi)	ICICI Prudential Long Term Bond Fund	Others	-	582,684	Quoted	Fully paid	-	100%	-	56,300.00	At Cost
(xvii)	Kotak Corporate Bond Fund Direct Growth	Others	24,013	24,013	Quoted	Fully paid	100%	100%	71,748.48	71,748.48	At Cost
(xviii)	Kotak Balanced Advantage Fund Direct - Growth	Others	961,028	553,971	Quoted	Fully paid	100%	100%	22,000.00	11,472.76	At Cost
(xix)	Kotak Bond Fund (Short Term) - Direct Plan - Gro	Others	-	239,105	Quoted	Fully paid	-	100%	-	20,000.00	At Cost
(xx)	Kotak Bond Fund Growth (Short Term)	Others	-	395,017	Quoted	Fully paid	-	100%	-	22,100.00	At Cost
(xxi)	Kotak Liquid Fund Direct Plan Growth	Others	-	6,042	Quoted	Fully paid	-	100%	-	31,600.00	At Cost
(xxii)	SBI Corporate Bond Fund	Others	3,705,864	3,705,864	Quoted	Fully paid	100%	100%	45,000.00	45,000.00	At Cost
Total 'b'									745,234.37	709,774.95	

Investment in Mutual Funds

(i)	True North Credit opportunities Fund I	Others	NA	NA	NA	NA	NA	NA	-	12,670.54	
Total 'c'									-	12,670.54	
Total (a+b+c)									745,234.37	722,445.50	

Summary details of non-current investments:

A. Aggregate amount of Quoted Investments

At cost

At market value

C. Value of Investment Property (Net Block)

D. Aggregate provision for diminution in value of investments

745,234.37	722,445.50
889,734.80	848,186.05
Nil	Nil
Nil	Nil

SUNAIR HOTELS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026 (Contd...)

(All amounts in thousand of ₹, unless otherwise stated)

13. DEFERRED TAX ASSET (NET)

In line with the method recommended by the Accounting Standard AS-22 on "Accounting for Taxes on Income" components of deferred tax assets and liabilities as on 1st April, 2025 and 31st March, 2026 are given as under:

	<u>01/04/2025</u>	<u>For the Year</u>	<u>Reversing</u>	<u>31/03/2026</u>
A. Deferred Tax Assets				
a. Depreciation	2.10	-	0.42	1.68
b. Unabsorbed Depreciation c/f	328.17	498.66	-	826.83
c. Unabsorbed Business Losses c/f	370.57	0.42	-	371.00
Total	700.84	499.08	0.42	1,199.50
Net Deferred Tax Asset (A-B)	700.84	499.08	0.42	1,199.50

Deferred tax asset has been recognised and carried forward since there is a reasonable certainty that sufficient future taxable income shall be available against which the same can be realised.

14. LONG TERM LOANS AND ADVANCES

	<u>31/03/2026</u> <u>Amount</u>	<u>31/03/2025</u> <u>Amount</u>
A. Capital Advances		
Unsecured, considered good		
a. Greater Noida Industrial Development Authority	550.00	550.00
Total (A)	550.00	550.00
B. Other Loans & Advances		
Unsecured, considered good		
a. Income Tax Refundable	20,390.72	21,366.86
b. GST Input Available	-	-
c. Cash Seized by I.T. Department	3,000.00	3,000.00
d. Other Advances	151,670.00	163,808.16
Total (B)	175,060.72	188,175.03
Total (A+C)	175,610.72	188,725.03
Details of loans & advances to directors or other officers, etc.		
Other Officers of the Company	-	-
Total	-	-

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SUNAIR HOTELS LIMITED**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026 (Contd...)***(All amounts in thousand of ₹, unless otherwise stated)***15. OTHER NON-CURRENT ASSETS**

	31/03/2026	31/03/2025
A. <u>Security Deposits</u>	<u>Amount</u>	<u>Amount</u>
Unsecured, considered good		
a. Security deposit to service providers	2,366.05	2,406.05
b. Security deposit for let-out properties	3,120.00	3,120.00
c. Security deposit with Government Agencies for Utilities	5,599.61	7,227.31
Total	<u>11,085.66</u>	<u>12,753.36</u>

16. INVENTORIES

	31/03/2026	31/03/2025
A. <u>Raw Materials & Components (Valued at cost)</u>	<u>Amount</u>	<u>Amount</u>
Food	1,708.33	1,852.00
Beverage	3,302.27	3,384.88
Operating Equipments	56,521.70	69,156.54
	<u>61,532.30</u>	<u>74,393.42</u>
B. <u>Stock-in-trade (Valued at Lower of Cost & NRV)</u>		
Shares / Mutual Funds	38,463.76	29,309.97
	<u>38,463.76</u>	<u>29,309.97</u>
Total (A)	<u>99,996.06</u>	<u>103,703.38</u>

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SUNAIR HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026 (Contd...)

(All amounts in thousand of ₹, unless otherwise stated)

17. TRADE RECEIVABLES

	31/03/2026 Amount	31/03/2025 Amount
a) Undisputed trade receivables		
- considered good	23,181.39	36,907.74
- which have significant increase in credit risk	-	-
- which are credit impaired	-	-
b) Disputed trade receivables		
- considered good	-	-
- which have significant increase in credit risk	-	-
- which are credit impaired	-	-
	<u>23,181.39</u>	<u>36,907.74</u>

**Below table represents the trade receivables ageing:
Particulars**

(i) Undisputed trade receivables - considered good		
Less than 6 months	22,999.84	32,699.40
6 months - 1 year	181.55	-
1-2 years	-	5.41
2-3 years	-	4,202.94
More than 3 years	-	-
	<u>23,181.39</u>	<u>36,907.74</u>
(ii) Undisputed trade receivables - considered doubtful		
Less than 6 months	-	-
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	<u>-</u>	<u>-</u>
	<u>23,181.39</u>	<u>36,907.74</u>

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person.

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SUNAIR HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026 (Contd...)

*(All amounts in thousand of ₹, unless otherwise stated)***18. CASH AND BANK BALANCES**

	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
A. <u>Cash and cash equivalents</u>		
a. Balances with banks		
Current Account with Scheduled Banks	10,213.59	47,913.15
There are no Earmarked Balances, Margin Money, Security against borrowings, Guarantees and Other Commitments included in the balances above (PY Nil)		
b. Cash on hand (including Imprest)	4,727.29	4,103.67
Total (A)	<u>14,940.88</u>	<u>52,016.81</u>
B. <u>Other bank balances</u>		
a. Bank deposits with original maturity of more than 12 months but within 12 months from balance sheet date	595.44	558.32
Total (B)	<u>595.44</u>	<u>558.32</u>
Total (A + B)	<u>15,536.31</u>	<u>52,575.14</u>

19. SHORT TERM LOANS AND ADVANCES

unsecured, considered good

Other Loans & Advances

	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
A. Advance License Fees (NDMC) (Prepaid)	19,879.20	18,932.57
B. Advance (Staff & Consultants)	800.00	800.00
C. Prepaid Expenses (Hotel) (Licence fee L3 & L5)	12,059.84	7,622.26
D. Advance for assets	25,465.30	25,465.30
	<u>58,204.34</u>	<u>52,820.12</u>

Details of loans & advances to directors or other officers, etc. : NIL (P.Y. NIL)

20. OTHER CURRENT ASSETS

	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
A. <u>Other Taxes Recoverable</u>		
i. GST Input Available	8,264.30	9,554.30
ii. Dividend Receivable	6.21	2.88
	<u>8,270.50</u>	<u>9,557.18</u>

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SUNAIR HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026 (Contd...)

(All amounts in thousand of ₹, unless otherwise stated)

21. INCOME FROM OPERATIONS

	31/03/2026		31/03/2025	
	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>
A. Sale of Products				
Shares / Mutual Funds		10,304.62		17,864.47
B. Sale of Services				
<u>Facilities and Services Charges for Hotel Complex</u>				
Rooms	467,381.66		447,756.08	
<u>Food & Beverage</u>				
Food	91,437.61		83,069.07	
Soft Beverage	2,568.15		2,368.39	
Liquor	19,000.41		15,406.90	
Banquet Fees	6,482.47		4,315.64	
Other Operating Departments	13,966.79		15,336.47	
Sub License Fees	115,111.93	715,949.02	111,806.72	680,059.28
Income from Operations (Gross)		726,253.63		697,923.74
Less: Excise Duty		-		-
Income from Operations (Net)		<u>726,253.63</u>		<u>697,923.74</u>

22. OTHER INCOME

A. Interest from Bank Deposits	37.11	36.96
B. Interest on Income tax refund	87.15	488.64
C. Capital Gain on Sale of Mutual Funds	18,433.53	20,685.32
D. Dividends received on share / Mutual Funds	3.68	3.20
E. Gain / (Loss) on Foreign Exchange Curr. Fluctuation	40.83	34.38
F. Miscellaneous Income	1,163.89	1,380.08
G. Commission	331.76	385.95
H. Other Income	277.57	204.31
I. Communication Tower Charges	-	2,870.74
J. Used Cooking Oil	5.84	14.74
K. Electricity & Water Charges	6,802.40	4,681.71
L. Garbage & Handling Charges	505.00	455.00
M. Income From Travel Desk	800.00	700.00
N. Guest Transport Charges & Tour	1,496.66	1,705.50
Total	<u>29,985.41</u>	<u>33,646.51</u>

23. COST OF MATERIALS CONSUMED

Materials Consumed

Inventory at the beginning of the year	5,236.88	4,748.75
Add : Purchases	44,522.14	46,927.05
	49,759.02	51,675.80
Less: Inventory at the end of the year	5,010.61	5,236.88
Cost of Raw Material Consumed	<u>44,748.42</u>	<u>46,438.92</u>

Details of Materials Consumed

A. Food	39,120.36	42,657.78
B. Beverages	5,628.06	3,781.14
	<u>44,748.42</u>	<u>46,438.92</u>

* Cost of operating equipments consumed is directly booked as an expense under its relevant expenditure head.

SUNAIR HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026 (Contd...)

(All amounts in thousand of ₹, unless otherwise stated)

24. PURCHASE OF STOCK-IN-TRADE

	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
Shares / Mutual Funds	19,052.89	38,360.69
	<u>19,052.89</u>	<u>38,360.69</u>

25. (INCREASE) / DECREASE IN INVENTORIES OF TRADED GOODS

	31/03/2026	31/03/2025	(Increase) / Decrease
	<u>Amount</u>	<u>Amount</u>	<u>31/03/2026</u>
<u>Inventories at the end of the year</u>			
Shares / Mutual Funds	38,463.76	29,309.97	-9,153.79
	<u>38,463.76</u>	<u>29,309.97</u>	<u>-9,153.79</u>
<u>Inventories at the beginning of the year</u>			<u>31/03/2025</u>
Shares / Mutual Funds	29,309.97	8,660.98	-20,648.99
	<u>29,309.97</u>	<u>8,660.98</u>	<u>-20,648.99</u>
Increase / (Decrease) in Inventories	<u>9,153.79</u>	<u>20,648.99</u>	<u>-11,495.20</u>

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SUNAIR HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026 (Contd...)

(All amounts in thousand of ₹, unless otherwise stated)

26. COST OF UTILITIES AND HOSPITALITY SERVICES

	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
A. Laundry Cost	894.35	785.88
B. Health Club	151.11	194.07
	<u>1,045.45</u>	<u>979.95</u>

27. EMPLOYEE BENEFIT EXPENSES

	31/03/2026		31/03/2025
	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>
A. Salaries, wages and bonus			
a. Salary	82,999.12		76,034.81
b. Bonus	2,556.12		3,200.00
c. Exgratia Paid	302.09		421.11
d. Gratuity	3,348.08	89,205.40	3,503.68
			83,159.59
B. Directors Remuneration		7,800.00	5,400.00
C. <u>Contributions to:</u>			
a. Provident Fund	6,264.31		5,821.45
b. ESI	102.66		215.51
c. Other Funds	1,068.55	7,435.52	1,062.24
			7,099.19
D. Staff Welfare Expenses		5,163.77	4,347.91
E. Security Services		7,500.67	5,976.17
F. Contract Labour		6,402.25	7,453.31
G. Manpower Outsourced		20,579.44	21,144.81
		<u>144,087.05</u>	<u>134,580.98</u>

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SUNAIR HOTELS LIMITED**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026 (Contd...)***(All amounts in thousand of ₹, unless otherwise stated)***28. OTHER EXPENSES**

	31/03/2026		31/03/2025	
	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>
a. Power & Fuel		89,795.54		86,793.95
b. Rent		5,100.00		4,650.00
c. <u>Repairs & Maintenance</u>				
i. Plant & Machinery	15,134.65		24,135.13	
ii. Buildings	66,421.41		83,010.92	
iii. Others	<u>14,334.29</u>	95,890.35	<u>31,245.65</u>	138,391.70
d. Advertising & Sales Promotion		1,855.58		2,017.56
e. AGM & Conference Charges		1.30		4.43
f. Banquet Expenses		7,552.84		6,187.20
g. Bad Debts		5,060.83		-
h. Cleaning Supply		1,067.75		1,286.23
i. Commission on Rooms		26,361.77		22,248.96
j. Communication Cost		566.89		492.97
k. Credit Card Charges		3,638.18		3,426.84
l. Director Traveling		9,153.62		4,007.58
m. Guest Supplies		20,656.28		10,035.42
n. Guest Supply & Relation Expenses		8,359.67		7,479.61
o. Guests Entertainment & Business Promotion		1,398.26		1,563.16
p. Insurance		3,408.32		3,628.33
q. internet Expense		1,005.00		978.00
r. Laundry & Dry Cleaning		223.59		196.47
s. Legal & Professional Fees		62,407.20		81,830.70
t. Licence fee		31,077.85		27,790.38
u. Local Transportation & Vehicle Maintenance		3,926.26		3,386.69
v. Membership Fees & Subscription		187.38		137.39
w. Misc Expenses		1,912.15		742.56
x. Music & Entertainment		486.44		420.00
y. Payment to Auditors		785.00		663.00
z. Postage/Courier/Telegram		29.59		33.84
aa. Printing & Stationery		1,619.57		2,300.49
ab. R.O.C. Fee		32.21		90.60
ac. Sitting Fees		60.00		115.00
ad. Uniform		43.98		22.47
ae. Loss on Sale of Fixed Assets		-		3,124.90
af. GST Expenses		2,479.76		2,952.13
ag. STT Paid		0.25		0.69
Total		<u>386,143.39</u>		<u>416,999.22</u>

Details of Payment to Auditors**As Auditor:**

- Audit Fee	615.00	525.00
- Tax Audit Fee	170.00	138.00
Total	<u>785.00</u>	<u>663.00</u>

SUNAIR HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026 (Contd...)

(All amounts in thousand of ₹, unless otherwise stated)

29. FINANCE COST

	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
a. Interest on Taxes	0.48	1.90
b. Bank Charges	60.51	42.66
Total	60.99	44.56

30. DEPRECIATION AND AMORTIZATION EXPENSES

	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
a. Depreciation on Assets	33,609.99	34,319.34
Total	33,609.99	34,319.34

31. DETAILS OF EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY

	<u>Year Ended March 31,</u> <u>2026</u>		<u>Year Ended March 31,</u> <u>2025</u>	
(a) Gross Amount required to be spent by the company during the year		1,972.75		1,511.92
		<u>1,972.75</u>		<u>1,511.92</u>
(b) Amount spent during the year on:	<u>In Cash</u>	<u>Yet to be paid in cash</u>	<u>In Cash</u>	<u>Yet to be paid in cash</u>
(i) <u>On purposes other than (i) above</u>				
- <u>Contribution for Medical Relief to poor</u>				
- Abhinandan Jan Kalyan Society	1,972.80		1,511.95	
Total (A):	<u>1,972.80</u>	<u>-</u>	<u>1,511.95</u>	<u>-</u>
(c) Contribution paid to trust controlled by the related party				
- N.A	N.A	-	N.A	-
Total (B):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total (A+B):	<u>1,972.80</u>	<u>-</u>	<u>1,511.95</u>	<u>-</u>

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SUNAIR HOTELS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026 (Contd...)
(All amounts in thousand of ₹, unless otherwise stated)
32. EARNING PER SHARE (EPS)

	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
Total operations for the year		
Profit / (loss) after tax	110,176.29	55,261.27
Less: Dividends & dividend tax on other than equity shares	0.00	0.00
Net profit / (loss) for calculation of Basic EPS	<u>110,176.29</u>	<u>55,261.27</u>
Net profit as above	110,176.29	55,261.27
Add : Dividends & dividend tax on other than equity shares	-	-
Add : Adjustments for the effects of dilutive potential equity shares	-	-
Net profit / (loss) for calculation of Diluted EPS	<u>110,176.29</u>	<u>55,261.27</u>
Weighted average number of equity shares in calculating Basic EPS	39,750,000	39,750,000
Effect of dilution:		
Convertible preference shares (numbers)	-	-
Convertible bonds (numbers)	-	-
Stock option granted under ESOP	-	-
Weighted average number of equity shares in calculating Diluted EPS	<u>39,750,000</u>	<u>39,750,000</u>
(a) Basic	2.77	1.39
(b) Diluted	2.77	1.39

33. CONTINGENT LIABILITIES & COMMITMENTS (to the extent not provided for)

	31/03/2026	31/03/2025
(i) <u>Contingent Liabilities</u>		
A. Claims against the Company not acknowledged as debts	Nil	Nil
B. Guarantees	Nil	Nil
C. Bills of exchange discounted with banks	Nil	Nil
D. Tax demand disputed in appeals	-	146,651.40
E. Others (*)	80,000.00 (*)	80,000.00 (*)
(*) The amount represents forfeitable security deposit, which is not due as per the legal opinion received by the Company. OMP and Enf(c) have been filed in the matter. Refer to Note No. 41.		
(ii) <u>Commitments</u>		
A. Estimated amount of contracts remaining to be executed on capital accounts and not provided for	4,250.00	5,000.00
B. Uncalled liability on shares and other investments partly paid	Nil	Nil
C. Other commitments	Nil	Nil

SUNAIR HOTELS LIMITED**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026 (Contd...)***(All amounts in thousand of ₹, unless otherwise stated)***34. Related Party Disclosure**

In accordance with AS-14 "Related Party Disclosures" the names of related parties along with aggregate amount of transactions and year end balances with them are given as follows:

A. Related parties and their relationship**1) Controlling shareholders**

The Company is controlled via the shareholding arrangement outlined in Note 3.

2) Key management personnel and their relatives

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over those entities. A number of these personnel transacted with the Company during the reporting period. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or those which might reasonably be expected to be available, in respect of similar transactions with non-key management personnel related entities on an arm's length basis.

Name of key management personnel, their relatives and entities over which they have control or significant influence with whom transaction were entered during the year or balance was outstanding at the balance sheet date are as follows:

a) Key management personnel

- Mr. Kaveen Gupta	:	Whole Time Director
- Mr. Vipul Gupta	:	Whole Time Director
- Mrs. Sheel Gupta	:	Directors
- Mr. Vipin Jain	:	CFO
- Mrs. Neha Rajput	:	Company Secretary

b) Relatives of Key Management Personnel

S.P Gupta (HUF)	:	Mr. Kaveen Gupta is Karta of HUF
Kaveen Gupta (HUF)	:	Mr. Kaveen Gupta is Karta of HUF
Vipul Gupta (HUF)	:	Mr. Vipul Gupta is Karta of HUF
Mrs. Monisha Gupta	:	Wife of Mr. Vipul Gupta
Mrs. Babita Gupta	:	Wife of Mr. Kaveen Gupta

Enterprises where Key Managerial Personnel along with their relatives exercise significant influence:

a) Subsidiary Companies	:	Sun Aero Limited
b) Associate Companies / Firm	:	Pushpanjali Trexim Pvt. Limited
	:	Unique LifeStyle Pvt. Ltd.

Key management personnel and relatives compensation**Transaction with related parties**

The details of the related-party transactions entered into by the Company for the years ended 31 March 2026 and 31 March 2025 are as follows:

Particulars	31/03/2026 Amount	31/03/2025 Amount
A. Expenses		
i) Rent	5,100.00	4,650.00
ii) Director Remuneration	7,800.00	5,400.00
iii) Sitting Fees	60.00	115.00
iv) Salary	3,876.93	3,712.29

Balances with related parties

All outstanding balances are unsecured and are repayable in cash. The aggregate value of the Company's outstanding balances relating to related parties are as follows:

Particulars	31/03/2026	31/03/2025
	Amount	Amount
A. Advances Given	10,000.00	21,538.16

SUNAIR HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026 (Contd...)

(All amounts in thousand of ₹, unless otherwise stated)

34.1 Transactions during the year*

Particulars	Key Management		Enterprises under the		Total	
	31/03/2026	31/03/2025	31/03/2026	31/03/2025	31/03/2026	31/03/2025
Rent						
- Monisha Gupta	750.00	750.00	-	-	750.00	750.00
- Vipul Gupta (HUF)	750.00	750.00	-	-	750.00	750.00
- Kaveen Gupta (HUF)	750.00	750.00	-	-	750.00	750.00
- Babita Gupta	750.00	750.00	-	-	750.00	750.00
- S.P. Gupta (HUF)	2,100.00	1,650.00	-	-	2,100.00	1,650.00
	5,100.00	4,650.00	-	-	5,100.00	4,650.00
Director's Remuneration						
- Kaveen Gupta	3,900.00	2,700.00	-	-	3,900.00	2,700.00
- Vipul Gupta	3,900.00	2,700.00	-	-	3,900.00	2,700.00
	7,800.00	5,400.00	-	-	7,800.00	5,400.00
Sitting Fees						
- Sheel Gupta	60.00	65.00	-	-	60.00	65.00
- Mr. R C Dubey	-	50.00	-	-	-	50.00
	60.00	115.00	-	-	60.00	115.00
Salary						
- Vipin Jain	2,662.01	2,477.57	-	-	2,662.01	2,477.57
- Neha Rajput	1,214.92	1,234.73	-	-	1,214.92	1,234.73
	3,876.93	3,712.29	-	-	3,876.93	3,712.29

Terms of conditions of transactions with related parties

The transactions with related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions. The settlement of outstanding balances as at year end occurs in cash.

34.2 Balance outstanding at the year end:

Particulars	Key Management Personnel		Enterprises under the control of key management personnel (KMP) of entity having joint control over the Holding Company and their		Total	
	31/03/2026	31/03/2025	31/03/2026	31/03/2025	31/03/2026	31/03/2025
Advances Given						
Pushpanjali Trexim (P) Limited	-	-	10,000.00	21,538.16	10,000.00	21,538.16
	-	-	10,000.00	21,538.16	10,000.00	21,538.16

SUNAIR HOTELS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026 (Contd...)

(All amounts in thousand of ₹, unless otherwise stated)

35. Gratuity & Other Post-employment Benefits

The Company does not have a defined benefit gratuity plan. However, every employee who has completed five years or more of service gets gratuity on departure at 15 days' salary (last drawn basic salary) for each completed year of service or part thereof in excess of six months on projected unit method.

The following tables summarize the components of net benefit expense recognised in the profit and loss account and amounts recognized in the balance sheet.

I. Gratuity

	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
1. <u>Change in present value of obligation</u>		
a) Present value of obligation as at the beginning of the period	25,539.81	22,673.33
b) Acquisition adjustment	-	-
c) Interest cost	1,658.92	1,619.99
d) Past service cost	-	-
e) Current service cost	1,922.39	1,634.92
f) Curtailment cost / (Credit)	-	-
g) Settlement cost / (Credit)	-	-
h) Benefit paid	-630.81	-637.20
i) Actuarial (gain) / Loss on obligation	-232.50	248.77
j) Present value of obligation as at the end of the period	<u>28,257.81</u>	<u>25,539.81</u>
2. <u>Changes in fair value of plan assets</u>		
a) Fair value of plan assets at the beginning of the period	-	-
b) Acquisition adjustment	-	-
c) Expected return on plan assets	-	-
d) Contribution	-	-
e) Benefits paid	-	-
f) Actuarial gain / (loss) on plan assets	-	-
g) Fair value of plan assets at the end of the period	<u>-</u>	<u>-</u>
3. <u>Fair value of plan assets</u>		
a) Fair value of plan assets at the beginning of the period	-	-
b) Acquisition adjustment	-	-
c) Actual return on plan assets	-	-
d) Contributions	-	-
e) Benefits paid	-	-
f) Fair value of plan assets at the end of the period	-	-
g) Funded status	-28,257.81	-25,539.81
h) Excess of actual over estimated return on plan assets	-	-
4. <u>Actuarial gain / losses recognized</u>		
a) Actuarial gain / (loss) for the period- obligation	232.50	-248.77
b) Actuarial (gain) / loss for the period- plan assets	-	-
c) Total (gain) / loss for the period	-232.50	248.77
d) Actuarial (gain) / loss recognized in the period	-232.50	248.77
e) Unrecognized actuarial (gains) losses at the end of the period	-	-
f) Experience Adjustment on Present Value of Obligation-Loss/(Gain)	91.64	-365.12

: 2 :

5. The amounts to be recognized in the balance sheet and related analysis

a) Present value of obligation as at the end of the period	28,257.81	25,539.81
b) Fair Value of plan assets at the end of the Period	-	-
c) Funded status / Difference	-28,257.81	-25,539.81
d) Excess of actual over estimated	-	-
e) Unrecognized actuarial (gains) / losses	-	-
f) Net assets / (liability) recognized in balance sheet	-28,257.81	-25,539.81

6. Expense recognized in the statement of profit and loss

a) Current service cost	1,922.39	1,634.92
b) Past service cost	-	-
c) Interest cost	1,658.92	1,619.99
d) Expected return on plan assets	-	-
e) Curtailment cost / (Credit)	-	-
f) Settlement cost / (credit)	-	-
g) Net actuarial (gain) / loss recognized in the period	-232.50	248.77
h) Expenses recognized in the statement of profit & losses	3,348.80	3,503.68

7. Reconciliation statement of expenses in the statement of profit & loss

a) Present value of obligation as at the end of the period	28,257.81	25,539.81
b) Present value of obligation as at the beginning of the period	25,539.81	22,673.33
c) Benefit paid	-	-
d) Actual return on plan assets	-	-
e) Acquisition adjustment	-	-
f) Expenses recognized in the statement of profit & losses	3,348.80	3,503.68

8. Amount for the current period

a) Present value of obligation as at the end of the period	28,257.81	25,539.81
b) Fair value of plan assets	-	-
c) Surplus / (Deficit)	-28,257.81	-25,539.81
d) Experience adjustment on plan liabilities (loss) / gain	-91.64	-248.77
e) Experience adjustment on plan assets (loss) / gain	-	-

9. Movement in the liability recognized in the balance sheet

a) Opening net liability	25,539.81	22,673.33
b) Expense as above	3,348.80	3,503.68
c) Benefits paid	-630.81	-637.20
d) Actual return on plan assets	-	-
e) Acquisition adjustment	-	-
f) Closing net liability	28,257.81	25,539.81

10. Major categories of plan assets (as percentage of total plan assets)

a) Government of India Securities	-	-
b) State Government Securities	-	-
c) High quality corporate bonds	-	-
d) Equity shares of listed companies	-	-
e) Property	-	-
f) Special deposit scheme	-	-
g) Funds managed by insurer	-	-
h) Bank balance (For Gratuity)	-	-

Total

-	-
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11. The principal assumption used in determining gratuity obligation for the Company's plans are shown below:

	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
a) Discount rate	6.85	6.50
b) Rate of return on Plan Assets	-	-
c) Salary Escalation	6.00	6%

II. Leave Encashment

	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
a) Present value of obligation as at the beginning of the period	6,610.13	6,034.38
b) Acquisition adjustment	-	-
c) Interest cost	429.35	431.15
d) Past service cost	-	-
e) Current service cost	982.71	996.49
f) Curtailment cost / (Credit)	-	-
g) Settlement cost / (Credit)	-	-
h) Benefit paid	-300.48	-486.49
i) Actuarial (gain) / Loss on obligation	-343.51	-365.40
j) Present value of obligation as at the end of the period	<u>7,378.20</u>	<u>6,610.13</u>

2. Changes in fair value of plan assets

a) Fair value of plan assets at the beginning of the period	-	-
b) Acquisition adjustment	-	-
c) Expected return on plan assets	-	-
d) Contribution	-	-
e) Benefits paid	-	-
f) Actuarial gain / (loss) on plan assets	-	-
g) Fair value of plan assets at the end of the period	<u>-</u>	<u>-</u>

3. Fair value of plan assets

a) Fair value of plan assets at the beginning of the period	-	-
b) Acquisition adjustment	-	-
c) Actual return on plan assets	-	-
d) Contributions	-	-
e) Benefits paid	-	-
f) Fair value of plan assets at the end of the period	-	-
g) Funded status	-7,378.20	-6,610.13
h) Excess of actual over estimated return on plan assets	-	-

4. Actuarial gain / losses recognized

a) Actuarial gain / (loss) for the period- obligation	-343.51	-365.40
b) Actuarial (gain) / loss for the period- plan assets	-	-
c) Total (gain) / loss for the period	-343.51	-365.40
d) Actuarial (gain) / loss recognized in the period	-343.51	-365.40
e) Unrecognized actuarial (gains) losses at the end of the period	-	-
f) Experience Adjustment on Present Value of Obligation-Loss/(Gain)	-267.45	-516.15

5. The amounts to be recognized in the balance sheet and related analysis

a) Present value of obligation as at the end of the period	7,378.20	6,610.13
b) Fair Value of plan assets at the end of the Period	-	-
c) Funded status / Difference	-7,378.20	-6,610.13
d) Excess of actual over estimated	-	-
e) Unrecognized actuarial (gains) / losses	-	-
f) Net assets / (liability) recognized in balance sheet	7,378.20	6,610.13

6. <u>Expense recognized in the statement of profit and loss</u>		
a) Current service cost	982.71	996.49
b) Past service cost	-	-
c) Interest cost	429.35	431.15
d) Expected return on plan assets	-	-
e) Curtailment cost / (Credit)	-	-
f) Settlement cost / (credit)	-	-
g) Net actuarial (gain) / loss recognized in the period	-343.51	-365.40
h) Expenses recognized in the statement of profit & losses	<u>1,068.55</u>	<u>1,062.24</u>
7. <u>Reconciliation statement of epenses in the statement of profit & loss</u>		
a) Present value of obligation as at the end of the period	7,378.20	6,610.13
b) Present value of obligation as at the beginning of the period	6,610.13	6,034.38
c) Benefit paid	-300.48	-486.49
d) Actual return on plan assets	-	-
e) Acquisition adjustment	-	-
f) Expenses recognized in the statement of profit & losses	1,068.55	1,062.24
8. <u>Amount for the current period</u>		
a) Present value of obligation as at the end of the period	7,378.20	6,610.13
b) Fair value of plan assetsas at the end of the period	-	-
c) Surplus / (Deficit)	-7,378.20	-6,610.13
d) Experience adjustment on plan liabilities (loss) / gain	343.51	365.40
e) Experience adjustment on plan assets (loss) / gain	-	-
9. <u>Movement in the liability recognized in the balance sheet</u>		
a) Opening net liability	6,610.13	6,034.38
b) Expense as above	1,068.55	1,062.24
c) Benefits paid	-300.48	-486.49
d) Actual return on plan assets	-	-
e) Acquisition adjustment	-	-
f) Closing net liability	7,378.20	6,610.13
10. <u>Major categories of plan assets (as percentage of total plan assets)</u>		
a) Government of India Securities	-	-
b) State Government Securities	-	-
c) High quality corporate bonds	-	-
d) Equity shares of listed companies	-	-
e) Property	-	-
f) Special deposit scheme	-	-
g) Funds managed by insurer	-	-
h) Bank balance (For Gratuity)	-	-

11. The principal assumption used in determining leave encashment obligation for the Company's plans are shown below:

	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
a) Discount rate	6.85	6.50
b) Rate of return on Plan Assets	-	-
c) Salary Escalation	6.00	6.00

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Previous year figures have not been given since those are not fully available.

SUNAIR HOTELS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026 (Contd...)

(All amounts in thousand of ₹, unless otherwise stated)

36. Segment Reporting

The business segments of the Company have been identified in line with the Accounting Standard AS-17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India, taking into account the organisational structure and different risk and return of these segments. The Company's reportable business segments consists of the following:

- Hotel Business
- Commercial Centre
- Portfolio Management

The accounting policies adopted for segment reporting are in line with the following additional policies for segment reporting :

- Revenue and expenses have been identified to a segment on the basis of relationship to operating business activities of the segment. Revenue and expenses, which relate to enterprise as a whole that cannot be allocated to a segment on reasonable basis, have been disclosed separately under the column "unallocable".
- Segment assets and liabilities represent assets and liabilities in respective segments. Assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed under the column "unallocable".

<u>Particulars</u>	<u>Hotel Business</u>	<u>Commercial Business</u>	<u>Portfolio Management</u>	<u>Total Amount</u>
<u>Segment Revenue</u>				
- Revenue including other income	622,689.91	115,111.93	18,437.21	756,239.04
Net Sales / Income from Operations (A)	<u>622,689.91</u>	<u>115,111.93</u>	<u>18,437.21</u>	<u>756,239.04</u>
<u>Segment Expenses</u>				
<u>Allocable Expenses</u>				
-Consumption of Stores, Provisions & Beverages and Purchase of Mutual Funds	55,692.97	-	-	55,692.97
-Employee benefit expenses	144,087.05	-	-	144,087.05
-Operating / Administration Expenses	386,143.39	-	-	386,143.39
-Finance Cost	60.99	-	-	60.99
-Expenditure on CSR Activity	1,972.80	-	-	1,972.80
(B)	<u>587,957.19</u>	<u>-</u>	<u>-</u>	<u>587,957.19</u>
Segment Result (A - B)	<u>34,732.72</u>	<u>115,111.93</u>	<u>18,437.21</u>	<u>168,281.85</u>
Less : Depreciation				33,609.99
Profit before Taxation				134,671.86
Less : Tax Expense for the year				24,495.57
Profit after Taxation				<u>110,176.29</u>
Segment Assets (including Misc. expenditure and debit balance of Profit & Loss A/c)	2,443,047.06	8,264.38	-	2,451,311.43
Segment Liabilities (including long term liabilities)	262,272.60	9,356.73	-	271,629.32
Total Carrying Amount of fixed assets	1,312,992.58	-	-	1,312,992.58
Total Depreciation on fixed assets	33,394.01	215.98	-	33,609.99

The business segments of the Company viz., hotel business and commercial centre are both located at one geographical place only and accordingly the geographical segment is not applicable to the company.

37. Ratio

S. No.	Particulars	Measures	31/03/2026	31/03/2025	% Variance	Reason for variance
1	Current Ratio	Times	3.21	1.63	97%	The ratio has increased due to decrease in both current assets and current liabilities.
2	Debt-Equity Ratio	Times	N.A.	N.A.	N.A.	N.A.
3	Debt service coverage ratio	Times	N.A.	N.A.	N.A.	N.A.
4	Return on equity ratio	Percentage	0.05	0.03	89%	The increase in the return on equity ratio indicates an increase in profitability relative to shareholders' equity due to higher net
5	Inventory turnover ratio	Times	0.44	0.50	-12%	The ratio has decreased during the current year due to decrease in the cost of good sold and increase in average inventory.
6	Trade receivables turnover ratio	Times	24.17	21.01	15%	The ratio has increased during the current year due to increase in sales during the year and decrease in average trade receivables.
7	Trade payables turnover ratio	Times	2.03	1.88	8%	The ratio has increased during the current year due to decrease in the credit Purchases and average payables during the year as compared to previous year.
8	Net capital turnover ratio	Times	5.14	7.07	-27%	The ratio has decreased during the current year due to increase in the credit sales and working capital during the year as compared to previous year.
9	Net profit ratio	Percentage	0.15	0.08	92%	The ratio has increased during the current year due to increase in the profit earned during the year and increase in sales.
10	Return on capital employed	Percentage	0.06	0.03	68%	The ratio has increased due to increase in earnings before interest in the current year in comparison to previous year
11	Return on investment	Percentage	0%	0%	-2%	The ratio has decreased due to increase in investment.

S. No.	Ratios	Numerator	Denominator
1	Current ratio	Current assets	Current liabilities
2	Debt-equity ratio	Total debt = long term borrowings +	Shareholder's equity
3	Debt service coverage ratio	Earning for debt service = Net profit before taxes + non-cash operating	Debt service = Interest payments + principal repayments
4	Return on equity ratio	Net profits after taxes – preference dividend (if any)	Average shareholder's equity
5	Inventory turnover ratio	Cost of goods sold	Average inventory = (Opening + closing balance / 2)
6	Trade receivables turnover ratio	Net credit sales	Average accounts receivables
7	Trade payables turnover ratio	Net credit purchases	Average trade payables
8	Net capital turnover ratio	Net sales	Average working capital (i.e. total current assets less total current liabilities)
9	Net profit ratio	Net profit	Net sales
10	Return on capital employed	Earning before interest and taxes (EBIT)	Capital employed = Tangible net worth + total debt + deferred tax liability
11	Return on investment	Income generated from investments	Time weighted average investments

SUNAIR HOTELS LIMITED**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026 (Contd...)***(All amounts in thousand of ₹, unless otherwise stated)***38. Dues to Micro, small and medium enterprises as defined under the MSMED Act, 2006**

In terms of Schedule III of the Companies Act, 2013 and notification number GSR 719(e), the company had requested its various suppliers, who may be registered under the Micro, Small and Medium Enterprises Development Act, 2006, to furnish the relevant registration certificate under that Act and confirmation regards them being under the said category. From the date of receipt of confirmed details and information from the said parties the outstanding on account purchase made/services obtained from such suppliers including the disputed amounts due to them, were ascertained and reflected in the financials as due to Micro & Small Enterprises. The details in respect of the parties that could be identified as Micro and Small enterprises as per the MSMED Act on the basis of the information available with the management are given below:

	31/03/2026	31/03/2025
	<u>Amount</u>	<u>Amount</u>
(i) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.		
-Principal amount due to micro and small enterprises	-	-
-Interest due on above	-	-
(ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iii) 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 the MSMED Act 2006.	-	-
(iv) 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 MSMED Act 2006.	-	-

39. Details of Registration of Charges or satisfaction with Registrar of Companies

- (i) Presently, the MCA site does not show any charge registered over the movable assets of the Company including current assets.

40. EXCEPTIONAL AND EXTRA-ORDINARY ITEMS

No exceptional or extra-ordinary items of revenue nature occurred during the year (PY Nil). Hence no disclosure of the same has been made in the Statement of Profit and Loss.

SUNAIR HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026 (Contd...)

(All amounts in thousand of ₹, unless otherwise stated)

41. Applications filed by the Company and VLS Finance Ltd (a registered shareholder of the Company) u/s 34 of the Arbitration and Reconciliation Act 1996, challenging the Award therein given are pending for disposal since the year 2015 by the Hon'ble Delhi High Court as on the date of signing of these annual financial statements. Similarly, the second petition for enforcement of the said Award filed by VLS Finance Ltd in the Hon'ble Delhi High Court is also pending adjudication as an undertaking has been given by VLS Finance Ltd not to press the execution till the original cross petitions are decided. The earlier such petition filed by VLS Finance Ltd was dismissed by the Hon'ble Delhi High Court on 16/08/2017. The award contained directions to the Company / its directors to refund to VLS Finance Ltd the forfeited security deposit of Rs. 8 Crores in terms of the MOU dated 11/03/1995 with due interest. However, as per legal opinion received by the Company no such amount is refundable particularly when the Hon'ble Company Law Board vide its order dated 04/09/2013 has dismissed the Company Petition of VLS Finance Ltd and decided in favour of the Company. The matter has been heard by Hon'ble High Court of Delhi and only Rejoinder has to be heard and the next date of hearing 24/09/2026.

SFIO has filed a petition u/s 241(2) along with sections 246 and 339 of the Companies Act, 2013 before the Hon'ble NCLT against the Company and others which is also pending adjudication. Similarly, SFIO has also filed a complaint on the same subject as is before the Hon'ble NCLT in the court of the learned ASJ (Special Court) Dwarka New Delhi, also still pending as on this date.

In the FIRs filed by the State on the complaints of VLS Finance Ltd. against the Company and others, charges have been framed by the learned Trial Court where proceedings including revisions are still pending at different stages. Further Company has filed 2 FIRs bearing no. 326/04 & 380/05 against VLS Finance Ltd in which chargesheets have been filed.

Further, Pursuant to the provisions of Rule 41(6)(c) of the Companies (Incorporation) Rules, 2014, as amended by the Fourth Amendment Rules, 2018, Regional Director (Northern Region), Ministry of Corporate Affairs, New Delhi, vide Order dated 12.09.2025, has not approved the Company's application for the conversion of the Public Limited Company into a Private Limited Company under Section 14(1) of the Companies Act, 2013.

42. Income-tax provision has been made in the books of account as per legal advice received by the Company for assessment of various incomings and outgoings.

43. Sundry Debtors / Creditors, if any, are not reconciled due to non-receipt of corresponding statements of account from them. Necessary adjustments, if any, in the books of account will be made at the time of reconciliation of the same.

44. MCA notification dated 24th March 2021 for amendments to Schedule iii disclosures which are not applicable:

- (i) **Title deed of immovable property not held in the name of company:** All title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (ii) **Details of Benami Property and its proceedings:** No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended) and rules made thereunder. Accordingly, the requirement to disclose details of such property is not applicable.
- (iii) **Willfull defaulter:** The Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
- (iv) **Relationship with struck off companies:** The Company has not entered into any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956. Accordingly, there are no outstanding balances with such companies as at March 31, 2026, and March 31, 2025
- (v) **Compliance with number of layers of companies:** The Company has complied with the number of layers prescribed under Section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.
- (vi) **Compliance with approved scheme of arrangement:** No Scheme of Arrangement has been approved by the Competent Authority in terms of Sections 230 to 237 of the Companies Act, 2013 during the year or in previous years. Accordingly, the requirement to disclose effects of such schemes in the financial statements is not applicable.
- (vii) **Details of crypto currency or Virtual currency:** The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year. Accordingly, the disclosure requirements prescribed under Schedule III to the Companies Act, 2013 are not applicable.
- (viii) **Corporate Social Responsibility (CSR):** The provisions of Section 135 of the Companies Act, 2013, relating to Corporate Social Responsibility are applicable to the Company. Accordingly, the Company has constituted a CSR Committee and undertakes eligible CSR activities in accordance with the statutory requirements of the Act and the rules made thereunder.
- (ix) **Segment Reporting:** The Company has identified business segments as its primary reporting segment. These segments have been determined by management based on the nature of the products, differing risks and returns, the organizational structure, and the internal financial reporting system, in accordance with Accounting Standard (AS) 17 'Segment Reporting' issued by the Institute of Chartered Accountants of India.

45. All the figures have been rounded off to nearest thousand rupees.

46. PREVIOUS YEAR FIGURES

Previous figures have been regrouped / recast wherever considered necessary.

As per our separate report of even date attached

For ANIL SOOD & ASSOCIATES.

Firm Regn No. 004985N
Chartered Accountants

Sd/-
(KAVEEN GUPTA)
Executive Director
(DIN-00204605)

Sd/-
(VIPUL GUPTA)
Executive Director
(DIN-00204638)

Sd/-
(ANIL SOOD)
Partner

Membership No. 83939

Sd/-
(VIPIN JAIN)
Chief Financial Officer
M.No.-FCS 8984

Sd/-
(NEHA RAJPUT)
Company Secretary
(M No. A-26116)

Place : New Delhi
Dated : 25/08/2026

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