

INDEPENDENT AUDITOR'S REPORT

To the Members of Duet India Hotels (Chennai OMR) Private Limited

Report on the Audit of the Financial statements**Qualified Opinion**

We have audited the accompanying financial statements of Duet India Hotels (Chennai OMR) Private Limited ("the Company"), which comprise the Balance sheet as at March 31 2022, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the 'Basis for Qualified Opinion' section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit/loss its cash flows and for the year ended on that date.

Basis for Qualified Opinion

- (a) We draw attention to Note 36 of the financial statements regarding Company's exposure in property, plant & equipment amounting to Rs. 7,127.26 lakhs as fully explained therein. The Company is incurring continued losses which has resulted in substantial erosion of net worth as at March 31, 2022. Considering aggressive future projections estimated by the company in the hotel as compared to present hotel industry performance, there are associated uncertainties with respect to future cash flows which may result into impairment in the carrying value of property, plant & equipment of Rs. 7,127.26 lakhs and upon which we are unable to comment on including any consequential impact thereof on statement of profit and loss. This matter was also qualified in our report dated November 08, 2021 on the financial statements for the year ended March 31, 2021.
- (b) We draw attention to Note 37 which explains management assessment for a dispute for fees payable in respect to hotel renovation of Rs 126.85 lakhs with the service provider. In the absence of final settlement with the service provider, we are unable to comment on the accuracy of the amount capitalized under Property, plant & equipment and liability for capital expenditure. This matter was also qualified in our report dated November 08, 2021 on the financial statements for the year ended March 31, 2021.
- (c) We draw attention to Note 38 of the financial statements regarding the assignment of loan receivable of Rs. 11 lakhs pertaining to a SARE Group entity by the Company to its fellow subsidiary without obtaining consent of the relevant SARE Group entity. In the absence of such consent we are unable to obtain sufficient appropriate audit evidence to assess the appropriateness of the above assignment and consequential implication if any on the financial statements including accuracy of the balances of debt payable and loan receivable as at year end and other income of Rs. 11 lakhs recorded in the financial statements pursuant to such assignment of loan balance.

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as 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' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we



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have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the financial statements.

Emphasis of Matter

We draw attention to Note 36 to the accompanying financial statements which describes the uncertainties and the impact of COVID- 19 pandemic on the Company's operations, future cash flows of the company and its consequential impact on the financial statement as assessed by the management. Our opinion is not qualified with respect to this matter.

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

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management 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 , cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Ruled 2016. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are



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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:

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

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

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



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and except for the matters described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) Except for the matters described in the Basis for Qualified Opinion paragraph, in our opinion, proper books of accounts 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, the Cash Flow Statement and dealt with by this Report are in agreement with the books of account;
 - (d) Except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid financial statements comply with the Companies (Accounting Standards) Rules, 2021 specified under section 133 of the Act read with Companies (Accounts) Rules, 2014.;
 - (e) The matters described in the Basis for Qualified Opinion paragraph and Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
 - (f) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;
 - (h) With respect to the adequacy of the internal financial controls with reference to financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (i) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2022;
 - (j) 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 does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company, its subsidiaries during the year ended March 31, 2022.



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- iv. a) The management has represented that, to the best of its knowledge and belief that 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(ies), 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 that no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 such audit procedures performed 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 (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per **Sanjay Vij**

Partner

Membership Number: 095169

UDIN: 22095169AXRRLD5737

Place of Signature: Gurugram

Date: September 30, 2022



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Annexure I referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date

Re: Duet India Hotels (Chennai OMR) Private Limited ('the Company')

- (i) (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The company has maintained proper records showing full particulars of intangible assets.
- (b) All Property, Plant and Equipment were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The 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) disclosed in note 10 to the financial statements included in property, plant and equipment are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year ended March 31, 2022.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory have not been noticed on such physical verification.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii)(a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) The terms and conditions of the above mentioned loans granted by the Company are prejudicial to the Company's interest on account of continued business losses incurred by the borrower and uncertainty around recoverability of such loans.
- (c) as mentioned in Note 26 of the financial statements, interest on unsecured loans has been waived off during current year. The Company is engaged in the business of hotel operations and has given loans to fellow subsidiaries who are also engaged in the hotel projects. The Company being an infrastructure facility providing company under section 186 (11) of the Act, has been exempted from charging interest under section 186 (7) of the Act on loans given by the Company. Further, according to the information and explanation given to us, repayment schedule of unsecured loans as mentioned in Note 5 of the financial statement has not been stipulated and is repayable as per the mutual consent between both the parties. Accordingly, we are unable to specifically comment on the regularity of repayment of unsecured loan
- (d) according to the information and explanations given to us, repayment schedule of unsecured loans has not been stipulated, therefore, there are no overdue amounts in respect to such loans as these are



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repayable as per the mutual consent between both the parties.

- (e) During the year, the Company had renewed / extended / granted fresh loans to companies to settle the loan/ advance in the nature of loan granted to these parties which had fallen due during the year.

The aggregate amount of such dues renewed / extended / settled by fresh loans and the percentage of the aggregate to the total loans or advances in the nature of loans granted during the year are as follows:

Name of Parties	Aggregate amount of overdues of existing loans renewed or extended or settled by fresh loans	Percentage ¹ of the aggregate to the total loans or advances in the nature of loans granted during the year
Duet India Hotels project management	50.40 lakhs	100%
Duet India Hotels	74 lakhs	100%

- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies 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) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been slight delays in few cases
- (b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess and other statutory dues which have not been deposited on account of any dispute.
- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.



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- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) Term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has utilized the monies raised during the year by way of debt instruments in the nature of fully compulsory convertible debentures for the purposes for which they were raised.
- (b) The Company has complied with provisions of sections 42 and 62 of the Companies Act, 2013 in respect of fully compulsory convertible debentures during the year. The funds raised, have been used for the purposes for which the funds were raised.
- (xi) (a) No fraud/ material fraud by the Company or no fraud / material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, 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 Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) (a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.
- (xiv) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(a) and 2(iv)(b) of the Order is not applicable to the Company.
- (xv) 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 provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.



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- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) There are no other Companies part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company has incurred cash losses amounting to Rs. 963.35 lakhs in the current year and amounting to Rs. 1,090.21 lakhs in the immediately preceding financial year respectively.
- (xviii) There has been no resignation of 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 disclosed in note 39 to the financial statements, the ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions and considering the Company's current liabilities exceeds the current assets by Rs. 280.39 lakhs, the Company has obtained the letter of financial support from the Holding Company, nothing has come to our attention, which causes us to believe 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, further state that this is not an assurance as to the future viability of the Company and 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 that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act.
- (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 sub section (6) of section 135 of Companies Act.
- (xxi) Company does not have any subsidiary, associate or joint venture and accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Company.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005



per Sanjay Vij
Partner
Membership Number: 095169
UDIN: 22095169AXRRLD5737
Place of Signature: Gurugram
Date: September 30, 2022



Annexure 2 to the Independent Auditor's Report of even date on the Duet India Hotels (Chennai OMR) Private Limited (the Company)

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

We have audited the internal financial controls with reference to financial statements of Duet India Hotels (Chennai OMR) Private Limited ("the Company") as of March 31, 2022, 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 Company's management 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 issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

An audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, 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 qualified audit opinion on the Company's internal financial controls with reference to these financial statements.

Meaning of Internal Financial Controls With Reference to Financial Statements

A Company's internal financial controls with reference to 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 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



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unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022 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 S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005



per Sanjay Vij
Partner
Membership Number: 095169
UDIN: 22095169AXRRLD5737
Place of Signature: Gurugram
Date: September 30, 2022



Duet India Hotels (Chennai OMR) Private Limited
Balance Sheet as at March 31, 2022
 (All amounts in Rs. Lakhs, unless otherwise stated)

	Notes	As at March 31, 2022	As at March 31, 2021
Equity And Liabilities			
Shareholders' funds			
Share capital	3	445.55	445.55
Reserves and surplus	4	(4,489.47)	(3,526.12)
		<u>(4,043.92)</u>	<u>(3,080.57)</u>
Non-current liabilities			
Long-term borrowings	5	11,319.90	10,736.04
Deferred tax liabilities (Net)	6	-	-
Long-term provisions	7	11.29	13.30
		<u>11,331.19</u>	<u>10,749.34</u>
Current liabilities			
Trade payables	8	-	-
a) Total outstanding dues of micro enterprises and small enterprises		4.32	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		314.99	248.06
Other current liabilities	9	190.56	258.46
Short-term provisions	7	0.82	0.94
		<u>510.69</u>	<u>507.46</u>
TOTAL		<u><u>7,797.96</u></u>	<u><u>8,176.23</u></u>
Assets			
Non-current assets			
Property, Plant and Equipment and Intangible Assets			
Property, Plant and Equipment	10	7,111.26	7,516.76
Intangible assets	11	16.00	27.71
Long-term loans and advances	12	48.88	31.94
Other non-current assets	13	391.55	390.33
		<u>7,567.69</u>	<u>7,966.74</u>
Current assets			
Inventories	14	4.86	1.66
Trade receivables	15	60.04	19.17
Cash and bank balances	16	39.74	31.99
Short-term loans and advances	17	100.09	135.28
Other current assets	13	25.54	21.39
		<u>230.27</u>	<u>209.49</u>
TOTAL		<u><u>7,797.96</u></u>	<u><u>8,176.23</u></u>

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. Battibai & Co. LLP
 Firm Registration No : 301003E/E300005
 Chartered Accountants

per Sanjay Vij
 Partner
 Membership No. 095169

Place: Gururam
 Date: September 30, 2022

For and on behalf of the Board of Directors of
Duet India Hotels (Chennai OMR) Private Limited

Sudhir Gupta
 Director
 DIN: 03102047

Place: Gururam
 Date: September 30, 2022

Rahul N. Latta
 Director
 DIN: 07886515

Place: Gururam
 Date: September 30, 2022



Duet India Hotels (Chennai OMR) Private Limited
Statement of Profit and Loss for the year ended March 31, 2022
 (All amounts in Rs. Lakhs, unless otherwise stated)

	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue			
Revenue from operations	18	601.28	389.60
Other income	19	59.95	32.98
Total revenue (i)		661.23	422.58
Expenses			
Cost of materials consumed	20	47.36	47.51
Employee benefits expense	21	180.77	131.34
Depreciation and amortisation expense	22	417.31	384.93
Finance costs	23	477.64	595.63
Other expenses	24	501.50	353.38
Total expenses (ii)		1,624.58	1,512.79
Loss before tax (iii) = (i-ii)		(963.35)	(1,090.21)
Tax expense (iv)		-	-
- Current tax		-	-
Loss after tax (v) = (iii-iv)		(963.35)	(1,090.21)
Earnings/(Loss) per equity share			
[Nominal value of share Rs. 10 (previous year Rs. 10)]	25		
Basic		(21.62)	(24.47)
Diluted		(21.62)	(24.47)
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. Batliboi & Co. LLP
 Firm Registration No. 301003E/E300005
 Chartered Accountants

per Sanjay Vij
 Partner
 Membership No. 095169

Place: Gurugram
 Date: September 30, 2022

For and on behalf of the Board of Directors of
 Duet India Hotels (Chennai OMR) Private Limited

Sudhir Gupta
 Director
 DIN: 03102047

Place: Gurugram
 Date: September 30, 2022

Rahul N. Latta
 Director
 DIN: 07886515

Place: Gurugram
 Date: September 30, 2022



Duet India Hotels (Chennai OMR) Private Limited
Cash flow statement for the year ended March 31, 2022
 (All amounts in Rs Lakhs, unless otherwise stated)

	For the year ended March 31, 2022	For the year ended March 31, 2021
A. Cash flows from operating activities		
Net loss before taxes	(963.35)	(1,090.21)
Adjustment to reconcile profit/(loss) before tax to net cash flows:		
Interest income	(16.90)	(20.66)
Depreciation and amortisation	417.32	384.93
Liabilities and provisions no longer required written back	(41.40)	(11.00)
Provision for doubtful other receivables	-	1.70
Finance costs	477.64	595.63
Operating loss before working capital changes	(126.69)	(139.61)
(Increase)/decrease in Inventories	43.20	3.59
(Increase)/decrease in trade receivables	(40.87)	26.74
(Increase)/decrease in loans and advances	27.75	(1.54)
(Increase)/decrease in other current assets and non current assets	(3.54)	5.62
Increase/(decrease) in other current liabilities	(25.74)	4.38
Increase/(decrease) in trade payables	71.25	17.46
Increase/(decrease) in provisions	(2.13)	(1.78)
	23.52	54.47
Cash used in operations	(103.17)	(85.14)
Direct taxes paid (net of refunds)	(9.53)	(3.95)
Net cash used in operating activities (A)	(112.70)	(89.09)
B. Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(17.28)	(23.68)
Redemption/(Investment) in bank deposits	(10.06)	62.66
Interest received	17.55	21.90
Intercompany loans received back	16.40	-
Net cash flow from/ (used) in investing activities (B)	6.61	60.88
C. Cash flows from financing activities		
Proceeds from issue of debentures	149.50	1,655.71
Repayment of long term borrowings	262.77	(1,090.68)
Proceeds of Intercompany loan taken	325.61	141.70
Repayment of Intercompany loan taken	(154.00)	(387.11)
Interest paid	(470.04)	(294.09)
Net cash flow from/ (used in) in financing activities (C)	113.84	25.53
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	7.75	(2.68)
Cash and cash equivalents at the beginning of the year	31.99	34.67
Cash and cash equivalents at the end of the year (refer notes below)	39.74	31.99

Notes to cash flow statement:

1. Components of cash and cash equivalents

	As at March 31, 2022	As at March 31, 2021
Cash and Cash Equivalents		
Cash on hand	1.70	1.13
Balance with banks on current account	38.04	30.86
Total	39.74	31.99

2. The cash flow statement has been prepared with the "Indirect Method" as set out in the Accounting Standard (AS) - 3 on "Cash flow Statements"

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. Batliboi & Co. LLP
 Firm Registration No. 301003E/E300005
 Chartered Accountants

per Sanjay Vij
 Partner
 Membership No. 095169

Place: Gurugram
 Date: September 30, 2022

For and on behalf of the Board of Directors of
 Duet India Hotels (Chennai OMR) Private Limited.

Sudhir Gupta
 Director
 DIN: 03102047

Place: Gurugram
 Date: September 30, 2022

Rahul N. Latta
 Director
 DIN: 07886515

Place: Gurugram
 Date: September 30, 2022



Duet India Hotels (Chennai OMR) Private Limited
Notes to the financial statements for the year ended March 31, 2022
(All amounts in Rs. Lakhs, unless otherwise stated)

1 Corporate information

Duet India Hotels (Chennai OMR) Private Limited ('the Company') was incorporated on July 21, 2010 under the Companies Act, 1956. The Company is primarily engaged in acquisition, development, operation and management of Hotels in India.

2 Basis of preparation of financial statements

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013 read together with the Companies (Accounting Standards) Rules, 2021 and presentation requirements of Division I of Schedule III to the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

2.1 Summary of significant accounting policies

a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make judgements, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amount of assets or liabilities in future periods.

b) Going concern assumption

The Company has incurred a loss of Rs. 963.35 during the current year and has accumulated loss of Rs. 7,573.30 at the year-end resulting in erosion of net worth of the Company. Further, as at the year end, the Company's current assets exceed its current liabilities by Rs. 280.39. Asiya Capital Investment Kuwait, the ultimate holding company has undertaken to provide unconditional continued financial and operational support to the Company. Also, with increased vaccinations & consequent reduction in no. of cases & easing of restrictions, the Group has witnessed recovery in business during certain part of the year. Management believes that the continued financial and operational support from the ultimate holding company and operational efficiencies with the expected significant improvements in the average room rates and increase in demand leading to incremental increase in top line and bottom line will enable the Company to settle its obligations as they fall due. Further, during the year, the Company has availed additional borrowing facility of Rs. 262.77 as part of ECLGS Scheme. In view of the aforesaid the management believes that there is no material uncertainty on going concern assumptions of the Company and has continued to prepare these financials statement on a going concern basis.

c) Current and non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is treated as current when it is:

- (a) expected to be realised in, or is intended for sale or consumption in normal operating cycle,
- (b) it is held primarily for the purpose of being traded,
- (c) expected to be realised within 12 months after the reporting date, or
- (d) cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is treated as current when:

- (a) it is expected to be settled normal operating cycle,
- (b) it is held primarily for the purpose of being traded,
- (c) it is due to be settled within 12 months after the reporting date, or
- (d) there is No unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities.



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Duet India Hotels (Chennai OMR) Private Limited
Notes to the financial statements for the year ended March 31, 2022
 (All amounts in Rs Lakhs, unless otherwise stated)

d) Property, plant and equipment and depreciation

Property, plant and equipment

Property, plant and equipment are carried at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures related to an item of property, plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. All other repair and maintenance cost are recognized in profit and loss as incurred.

Gains or losses arising from de-recognition of Property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

The company identifies and determines cost of component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining life.

Depreciation on Property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The Company has used the following useful life to provide depreciation on its Property, plant and equipment.

Block of Asset	Estimated life (Years)
Building*	5-60
Plant and Machinery*	5-15
Furniture and Fixture	8
Computers and Server*	3-6

* For the above class of assets, the management based on internal technical evaluation, has determined that the useful lives as given above best represent the period over which management expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Depreciation on additions/deletions is provided on pro-rata basis with reference to the days of addition/deletion.

The residual values, useful lives and methods of depreciation of Property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. In case of a revision, the unamortized depreciable amount is charged over the remaining useful life.

Capital work-in-progress

Capital work-in-progress includes property, plant and equipment under construction and cost attributable to construction of assets not ready for intended use before the year-end.

e) Intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

Intangible assets includes computer software that are amortised in Statement of Profit and Loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset. Accordingly, at present, these are being amortised on straight line basis over a useful life of 4 years.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use and disposal.

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

f) Borrowing cost

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to acquisition and/or construction of those property, plant and equipment which necessarily take a substantial period of time to get ready for their intended use are capitalised.

Ancillary cost incurred in connection with arrangement of the borrowing are charged off to statement of profit and loss over the period of loan. All other borrowing costs are recognised as an expense in the Statement of Profit and Loss in the period in which they are incurred.





g) **Impairment**

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

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

h) **Cash and cash equivalents**

Cash and cash equivalents comprises cheques on hand, cash in hand, at bank and demand deposit with banks. Cash equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value.

i) **Revenue Recognition**

Revenue comprises of room rentals, sale of food and beverages and other allied services related to hotel operations. Revenue is recognised upon rendering of services and sale of food and beverages. The Company collects value added tax (VAT) and Goods and Service Tax on behalf of the government, and therefore, these are not economic benefits flowing to the Company.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Insurance Claim

Claims lodged with the insurance companies are accounted on accrual basis to the extent these are measurable and ultimate collection is reasonably certain.

j) **Foreign currency translations:**

Foreign currency transactions and balances

Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction, and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in special purpose financial statements, are recognized as income or as expenses in the year in which they arise.

k) **Income Taxes**

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period and reversal of timing differences of previous years). Income-tax expense is recognised in Statement of Profit and Loss except that tax expense related to items recognised directly in reserves is also recognized in those reserves.

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognised in respect of timing differences between taxable income and accounting income (i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

Minimum alternate tax

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




l) Employee benefits

Short term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

Post-employment benefits

(a) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions and has no obligation to pay any further amounts. Provident fund scheme and employee state insurance are defined contribution schemes. The Company makes specified monthly contributions towards these schemes. The Company's contributions are recorded as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

(b) Defined benefit plans

The Company's gratuity scheme is a defined benefit plan. The present value of obligations under such defined benefit plans are determined based on actuarial valuation carried out by an independent actuary using Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on government securities as at the balance sheet date, having maturity period approximating to the terms of related obligations. Actuarial gains and losses on the curtailment and settlement of any defined benefit plans are recognised in the Statement of Profit and Loss as and when the curtailment and settlement occurs.

Compensated absences

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilised wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

m) Provisions and contingency

A provision is recognised if, as a result of a past event, the Company has a present obligation as a result of past event; it is probable that an outflow of economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Provision for expenditure relating to voluntary retirement is made when the employee accepts the offer of early retirement.

Contingencies

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognized when it is probable that a liability has been incurred, and the amount can be estimated reliably.

n) Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

o) Earnings per share

Basic earnings/ (loss) per equity share have been computed by dividing net loss after tax attributable to equity shareholders by the weighted average number of equity shares outstanding for the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders, share split, and reverse share split (consolidation of shares).

Diluted earnings per share is computed using the weighted average number of equity and equivalent dilutive equity equivalent shares outstanding during the year, except where results would be anti-dilutive.



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Duet India Hotels (Chennai OMR) Private Limited
Notes to the financial statements for the year ended March 31, 2022
 (All amounts in Rs. Lakhs, unless otherwise stated)

3 Share capital	As at March 31, 2022	As at March 31, 2021
Authorised		
4,990,000 (previous year 4,990,000) Equity shares of Rs. 10 each	<u>499.00</u>	<u>499.00</u>
	<u>499.00</u>	<u>499.00</u>
Issued, subscribed and paid up		
4,455,473 (previous year 4,455,473) Equity shares of Rs. 10 each	<u>445.55</u>	<u>445.55</u>
	<u>445.55</u>	<u>445.55</u>

3 (a) Reconciliation of shares outstanding at the beginning and at the end of the reporting year

Equity shares	As at March 31, 2022		As at March 31, 2021	
	Number of	Amount	Number of shares	Amount
At the commencement and end of the year	<u>44,55,473</u>	<u>445.55</u>	<u>44,55,473</u>	<u>445.55</u>

Rights, preferences and restrictions attached to equity shares

The Company has single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in company's residual assets. The equity shares are entitled to receive dividend as and when declared. The voting rights of an equity shareholder are in proportion to the paid-up equity capital of the Company. On winding up of the company, the holders of equity shares will be entitled to receive the residual assets of the Company remaining after distribution of all preferential amounts in proportion to the number of equity shares held. During the year ended March 31, 2022 and March 31, 2021, the Company has not declared any dividend to equity shareholders.

3 (b) Shares held by ultimate holding company/ holding company and their subsidiaries/ associates

	As at March 31, 2022		As at March 31, 2021	
	Number of	Amount	Number of shares	Amount
ACIC Mauritius 1, the holding company	33,86,159	338.62	33,86,159	338.62
ACIC Mauritius 2	<u>10,69,314</u>	<u>106.93</u>	<u>10,69,314</u>	<u>106.93</u>
	<u>44,55,473</u>	<u>445.55</u>	<u>44,55,473</u>	<u>445.55</u>

3 (c) Details of shareholders holding more than 5% shares of the Company

	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% holding in the class	Number of shares	% holding in the class
Equity shares of Rs. 10 each fully paid up held by				
ACIC Mauritius 1, the holding company	33,86,159	76%	33,86,159	76%
ACIC Mauritius 2	<u>10,69,314</u>	<u>24%</u>	<u>10,69,314</u>	<u>24%</u>
	<u>44,55,473</u>	<u>100%</u>	<u>44,55,473</u>	<u>100%</u>

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Duet India Hotels (Chennai OMR) Private Limited
Notes to the financial statements for the year ended March 31, 2022
 (All amounts in Rs. Lakhs, unless otherwise stated)

3 (d) Details of shares held by promoters as on March 31, 2022

S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of Rs. 10 each	ACIC Mauritius 1	33,86,159	-	33,86,159	76.00%	-
Equity shares of Rs. 10 each	ACIC Mauritius 2	10,69,314	-	10,69,314	24.00%	-
Total		44,55,473	-	44,55,473	100.00%	

Details of shares held by promoters as on March 31, 2021

S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of Rs. 10 each	ACIC Mauritius 1	33,86,159	-	33,86,159	76.00%	-
Equity shares of Rs. 10 each	ACIC Mauritius 2	10,69,314	-	10,69,314	24.00%	-
Total		44,55,473	-	44,55,473	100.00%	

4 Reserves and surplus

	As at March 31, 2022	As at March 31, 2021
Securities premium		
At the commencement and end of the year	<u>3,083.83</u>	<u>3,083.83</u>
Surplus/ (deficit) in the statement of profit and loss		
At the commencement of the year	(6,609.95)	(5,519.74)
Loss for the year	<u>(963.35)</u>	<u>(1,090.21)</u>
Balance at the end of the year	<u>(7,573.30)</u>	<u>(6,609.95)</u>
Total	<u>(4,489.47)</u>	<u>(3,526.12)</u>

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Duet India Hotels (Chennai OMR) Private Limited
Notes to the financial statements for the year ended March 31, 2022
(All amounts in Rs Lakhs, unless otherwise stated)

5	Long-term borrowings	Non-current portion		Current maturities	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
	Fully Compulsory Convertible Debentures (FCCD) issued to Holding Company - ACIC Mauritius I				
	5,437,204 (Previous year 5,437,204) of Rs 10 each (unsecured) [^]	543.72	543.72	-	-
	8,640,737 (Previous year 8,640,737) of Rs 10 each (unsecured) ^{^^}	864.07	864.07	-	-
	16,791,840 (Previous year 16,791,840) of Rs 10 each (unsecured) ^{^^^}	1,679.18	1,679.18	-	-
	5,147,736 (Previous year 5,147,736) of Rs 10 each (unsecured) ^{^^^^}	514.77	514.77	-	-
	1,202,410 (Previous year 1,202,410) of Rs 10 each (unsecured) ^{^^^^^}	120.24	120.24	-	-
	1,904,274 (Previous year 1,904,274) of Rs 10 each (unsecured) ^{^^^^^^}	190.43	190.43	-	-
	888,125 (Previous year 888,125) of Rs 10 each (unsecured) ^{^^^^^^^}	88.81	88.81	-	-
	15,680,400 (Previous year 15,680,400) of Rs 10 each (unsecured) ^{^^^^^^^^}	1,568.04	1,568.04	-	-
	876,740 (Previous year 876,740) of Rs 10 each (unsecured) ^{^^^^^^^^^}	87.67	87.67	-	-
	1,495,000 (Previous year NIL) of Rs 10 each (unsecured) ^{^^^^^^^^^^}	149.50	-	-	-
	Term loan from financial institution (secured)*	4,982.18	4,719.41	-	-
	Intercompany loan from related parties (unsecured)**	531.29	359.68	-	-
		11,319.90	10,736.02		

- [^] FCCD of Rs 10 each having a coupon rate of SBI base rate plus 300 basis points per annum were allotted to Asiya Asset Management Cayman Ltd. Each debenture holder will get 1 equity share of Rs 63 each in place of 63 debentures on maturity before 10 years from the date of issue. These FCCD's do not carry any interest till the repayment of term loans from the banks and financial institution and accordingly no interest is accrued on these FCCD's till March 31, 2022.
- ^{^^} FCCD of Rs 10 each having a coupon rate of SBI Base rate plus 300 basis points per annum were allotted on October 22, 2018, November 22, 2018, December 31, 2018, February 5, 2019 and March 1, 2019. Each debenture holder will get 1 equity share of Rs 10 each in place of 62 FCCD on maturity before 10 years from the date of issue. These FCCD's do not carry any interest till the repayment of term loans from the banks and financial institution and accordingly no interest is accrued on these FCCD's till March 31, 2022.
- ^{^^^} FCCD of Rs 10 each having a coupon rate of SBI Base rate plus 300 basis points per annum were allotted on May 13, 2019, June 28, 2019, October 1, 2019, December 20, 2019 and February 3, 2020. Each debenture holder will get 1 equity share of Rs 10 each in place of 62 FCCD on maturity before 10 years from the date of issue. These FCCD's do not carry any interest till the repayment of term loans from the banks and financial institution and accordingly no interest is accrued on these FCCD's till March 31, 2022.
- ^{^^^^} FCCD of Rs 10 each having a coupon rate of SBI Base rate plus 300 basis points per annum were allotted on October 01, 2020 and November 18, 2020. Each debenture holder will get 1 equity share of Rs 10 each in place of 62 FCCD's on maturity before 10 years from the date of issue. These FCCD's do not carry any interest till the repayment of term loans from the banks and financial institution and accordingly no interest is accrued on these FCCD's till March 31, 2022.
- ^{^^^^^} FCCD of Rs 10 each having a coupon rate of SBI Base rate plus 300 basis points per annum were allotted on October 09, 2021. Each debenture holder will get 1 equity share of Rs 10 each in place of 62 FCCD's on maturity before 10 years from the date of issue. These FCCD's do not carry any interest till the repayment of term loans from the banks and financial institution and accordingly no interest is accrued on these FCCD's till March 31, 2022.
- * The loan carries interest at 9.95% (previous year 9.95%) per annum linked to L&T Infra PLR (floating) with monthly rests and is repayable in 40 quarterly instalments after a moratorium period of 24 months from the date of first disbursement i.e. July 7, 2018. During the year the Company has taken an additional loan from L&T of Rs 262.77 for operational purpose. The term loan is secured by mortgage on all immovable properties together with all buildings, structures and appurtenances thereon and thereunder, both present and future, charge by way of hypothecation on all the movable assets of the Company, including but not limited to cash flows, receivables, movable machinery, machinery spares, tools, equipment(s) and accessories, both present and future. Pledge by the Promoter(s) of 100% of the fully paid up share capital of the Company /100% of CCCPS/FCCD's, in demat form; and pledge/charge on investments, if any, in demat form, of the Company.
- ** The Company has taken intercompany loans from related parties at an interest rate of 14% p.a. (previous year 14% p.a.) These loans are repayable as per the mutual consent between both the parties. Interest on intercompany loan received has been waived off as per mutual consent and accordingly no interest is accrued on these loan transactions from FY 2016-17 till FY 2021-22 (refer note 26).

6	Deferred tax liabilities (Net)	As at	As at
		March 31, 2022	March 31, 2021
	Deferred tax liabilities		
	Difference between net book value and written down value of property, plant and equipment as per Income Tax Act, 1961	511.38	496.60
		511.38	496.60
	Deferred tax assets		
	Provision for employee benefits		
	-Gratuity	1.27	1.37
	-Compensated absences	1.85	2.30
	Brought forward business losses and unabsorbed depreciation*	508.26	492.93
		511.38	496.60
	Deferred tax asset/ liability (Net)	-	-

*In view of absence of virtual certainty of realization of unabsorbed tax losses, deferred tax asset has been recognized only to the extent of deferred tax liabilities

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Duet India Hotels (Chennai OMR) Private Limited
Notes to the financial statements for the year ended March 31, 2022
 (All amounts in Rs. Lakhs, unless otherwise stated)

7	Provisions	Non-current		Current	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
	Provision for employee benefits	4.90	5.31	0.03	0.01
	Provision for Gratuity (refer note 28)	6.39	7.99	0.79	0.93
	Provision for leave benefits	<u>11.29</u>	<u>13.30</u>	<u>0.82</u>	<u>0.94</u>
8	Trade payables			As at March 31, 2022	As at March 31, 2021
	a) Total outstanding dues of micro enterprises and small enterprises (refer note 27)			4.32	-
	b) Total outstanding dues of creditors other than micro enterprises and small enterprises			<u>314.99</u>	<u>248.06</u>
				<u>319.31</u>	<u>248.06</u>

Trade payables Ageing schedule

As at 31 March 2022

	Outstanding for following periods from date of transaction					Total Rs Lakhs
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	Rs Lakhs	Rs Lakhs	Rs Lakhs	Rs Lakhs	Rs Lakhs	
Total outstanding dues of micro enterprises and small enterprises	-	4.32	-	-	-	4.32
Total outstanding dues of creditors other than micro enterprises and small enterprises	86.68	114.39	64.06	45.89	3.97	314.99
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	<u>86.68</u>	<u>118.71</u>	<u>64.06</u>	<u>45.89</u>	<u>3.97</u>	<u>319.31</u>

As at 31 March 2021

	Outstanding for following periods from date of transaction					Total Rs Lakhs
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	Rs Lakhs	Rs Lakhs	Rs Lakhs	Rs Lakhs	Rs Lakhs	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	61.10	115.73	59.98	11.25	-	248.06
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	<u>61.10</u>	<u>115.73</u>	<u>59.98</u>	<u>11.25</u>	<u>-</u>	<u>248.06</u>

9 Other current liabilities

	As at March 31, 2022	As at March 31, 2021
Statutory dues	15.89	42.52
Liability for capital expenditure	160.50	177.67
Employee related payables	13.37	13.17
Advance from customers	0.80	0.10
Others (refer note 29)	-	25.00
	<u>190.56</u>	<u>258.46</u>

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Duet India Hotels (Chennai OMR) Private Limited
Notes to the financial statements for the year ended 31 March 2022
 (All amounts in Rs. Lakhs, unless otherwise stated)

10. Property, Plant and Equipment

	Freehold land	Building	Plant and Machinery	Furniture and Fixtures	Computer	Total
Cost						
At April 1, 2020	1,416.02	4,618.21	2,169.86	849.96	255.04	9,309.09
Additions	-	0.63	(7)	6.55	0.13	9.02
Disposals	-	-	-	-	-	-
At March 31, 2021	1,416.02	4,618.84	2,171.57	856.51	255.17	9,318.11
At April 1, 2021	1,416.02	4,618.84	2,171.57	856.51	255.17	9,318.11
Additions	-	-	0.11	-	-	0.11
Disposals	-	-	-	-	-	-
At March 31, 2022	1,416.02	4,618.84	2,171.68	856.51	255.17	9,318.22
Depreciation						
At April 1, 2020	-	424.66	641.64	218.76	143.06	1,428.12
Charge for the year	-	110.83	155.67	69.34	37.39	373.23
Disposals	-	-	-	-	-	-
At March 31, 2021	-	535.49	797.31	288.10	180.45	1,801.35
At April 1, 2021	-	535.49	797.31	288.10	180.45	1,801.35
Charge for the year	-	111.81	160.71	94.54	38.55	405.61
Disposals	-	-	-	-	-	-
At March 31, 2022	-	647.30	958.02	382.64	219.00	2,206.96
Net Block						
At March 31, 2022	1,416.02	3,971.54	1,213.66	473.87	36.17	7,111.26
At March 31, 2021	1,416.02	4,083.35	1,374.26	568.41	74.72	7,516.76



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Duet India Hotels (Chennai OMR) Private Limited
Notes to the financial statements for the year ended March 31, 2022
 (All amounts in Rs. Lakhs, unless otherwise stated)

11. Intangible assets

	Computer software	Total
Gross block		
At April 1, 2020	46.82	46.82
Additions	-	-
Disposals	-	-
At March 31, 2021	<u>46.82</u>	<u>46.82</u>
At April 1, 2021	46.82	46.82
Additions	-	-
Disposals	-	-
At March 31, 2022	<u>46.82</u>	<u>46.82</u>
Amortisation		
At April 1, 2020	7.41	7.41
Charge for the year	11.70	11.70
Disposals	-	-
At March 31, 2021	<u>19.11</u>	<u>19.11</u>
At April 1, 2021	19.12	19.12
Charge for the year	11.70	11.70
Disposals	-	-
At March 31, 2022	<u>30.82</u>	<u>30.82</u>
Net Block		
At March 31, 2022	16.00	16.00
At March 31, 2021	27.71	27.71

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Duet India Hotels (Chennai OMR) Private Limited
Notes to the financial statements for the year ended March 31, 2022
(All amounts in Rs Lakhs, unless otherwise stated)

12	Long term loans and advances <i>(unsecured considered good, unless otherwise stated)</i>	As at March 31, 2022	As at March 31, 2021
	To parties other than related parties		
	Intercompany loan to other parties (unsecured)*	108.00	124.40
	Less: provision for doubtful loans	<u>(108.00)</u>	<u>(124.40)</u>
	Advance tax [net of provision for tax Rs Nil (previous year Rs nil)]	17.97	8.44
	Capital advances	23.49	23.49
	Prepaid expenses	7.42	-
		<u>48.88</u>	<u>31.93</u>

* The Company has given Intercompany loan to other parties at an interest rate of 14% p.a. (previous year 14% p.a.) This loan is repayable on demand Interest on intercompany loan given has been waived off as per mutual consent and accordingly no interest is accrued on these loan transactions from FY 2016-17 till FY 2021-22.

13	Other assets <i>(unsecured considered good, unless otherwise stated)</i>	Non Current		Current	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
	Interest accrued on intercompany loan to related parties (refer note 26)	-	-	3.56	7.13
	Interest accrued on Bank deposits	-	-	0.04	0.68
	Security deposits	23.77	25.01	-	-
	Unbilled revenue	-	-	14.34	5.98
	Unamortised ancillary borrowing costs	53.25	60.83	7.60	7.60
	Bank deposits (due to mature after 12 months from the reporting date)**	314.55	304.49	-	-
		<u>391.55</u>	<u>390.33</u>	<u>25.54</u>	<u>21.39</u>

** These deposits includes Rs 314.55 (previous year Rs 304.49) which are not available for use by the Company as the same has been placed as fixed deposits for the stipulated cash margin against bank guarantees issued towards The Director General of Foreign Trade and certain fixed deposits are in Debt Service Reserve Account

14	Inventories <i>(Valued at the lower of cost and net realisable value)</i>	As at March 31, 2022	As at March 31, 2021
	Food and beverages	3.16	1.63
	Stores and operating supplies	1.70	0.03
		<u>4.86</u>	<u>1.66</u>

15 Trade receivables
(unsecured considered good, unless stated otherwise)

(a)	Receivables outstanding for a period exceeding six months from the date they became due for payment		
	Unsecured, considered good	6.75	13.66
	Unsecured, considered doubtful	4.96	4.96
		11.71	18.62
	Less : Provision for doubtful receivables	<u>(4.96)</u>	<u>(4.96)</u>
		6.75	13.66
(b)	Other receivables		
	Unsecured, considered good	53.29	5.51
		<u>60.04</u>	<u>19.17</u>

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Duet India Hotels (Chennai OMR) Private Limited
Notes to the financial statements for the year ended March 31, 2022
 (All amounts in Rs. Lakhs, unless otherwise stated)

Trade receivables Ageing Schedule

As at March 31, 2022

	Outstanding for following periods from transaction date						Total
	Current but not due	Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
	Rs Lakhs	Rs Lakhs	Rs Lakhs	Rs Lakhs	Rs Lakhs	Rs Lakhs	
Undisputed Trade Receivables - considered good	37.01	16.28	5.53	0.85	0.05	0.32	60.04
Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables - considered doubtful	-	-	-	-	3.26	1.70	4.96
Total	37.01	16.28	5.53	0.85	3.31	2.02	65.00

As at March 31, 2021

	Outstanding for following periods from transaction date						Total
	Current but not due	Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
	Rs Lakhs	Rs Lakhs	Rs Lakhs	Rs Lakhs	Rs Lakhs	Rs Lakhs	
Undisputed Trade Receivables - considered good	1.67	3.84	7.64	4.00	1.45	0.57	19.17
Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables - considered doubtful	-	-	-	3.26	1.70	-	4.96
Total	1.67	3.84	7.64	7.26	3.15	0.57	24.13

There are unbilled receivables of Rs 14.34 (previous year Rs 5.98) (refer note 13)

16 Cash and bank balances

As at
March 31, 2022

As at
March 31, 2021

Cash and Cash Equivalents

Cash on hand
Balance with banks on current account

1.70
38.04
39.74

1.13
30.86
31.99

Details of bank deposits

Bank deposits due to mature after 12 months of the reporting date included under 'Other non-current assets' (refer note 13)

314.55
314.55

304.49
304.49

17 Short term loans and advances

(unsecured considered good, unless otherwise stated)

As at
March 31, 2022

As at
March 31, 2021

Prepaid expenses
Balance with government authorities
Advances to employees
Advances to supplier
Others

25.46
63.14
0.05
9.21
2.23
100.09

8.83
91.16
0.28
35.01
-
135.28

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Duet India Hotels (Chennai OMR) Private Limited

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Duet India Hotels (Chennai OMR) Private Limited
Notes to the financial statements for the year ended March 31, 2022
(All amounts in Rs Lakhs, unless otherwise stated)

	For the year ended March 31, 2022	For the year ended March 31, 2021
18 Revenue from operations		
Room rentals	456.37	259.62
Food and beverages	140.86	125.57
Other operating revenue	4.05	4.40
	<u>601.28</u>	<u>389.59</u>
19 Other income		
Interest income on fixed deposits	16.90	20.66
Liabilities and provisions no longer required written back (refer note 29 & 38)	41.40	11.00
Miscellaneous Income *	1.65	1.33
	<u>59.95</u>	<u>32.99</u>
*It includes income for reversal of defined benefit obligation of Rs 0.39 (Refer note 28).		
20 Cost of materials consumed		
Food and beverages		
Inventory at the beginning of the year	1.63	4.68
Add: Purchases	48.89	44.46
Less: Inventory at the end of the year	3.16	1.63
Cost of material consumed	<u>47.36</u>	<u>47.51</u>
21 Employee benefits expense		
Salaries, wages and bonus	127.42	94.18
Contribution to provident fund and other funds (refer note 28)	8.49	5.59
Gratuity (refer note 28)	-	1.14
Staff welfare expense	44.86	30.43
	<u>180.77</u>	<u>131.34</u>
22 Depreciation and amortisation expense		
Depreciation on property, plant and equipment*	405.61	373.23
Amortisation of intangible assets	11.70	11.70
	<u>417.31</u>	<u>384.93</u>
* Includes reversal of Rs Nil (previous year Rs. 38.18) on account of prior period adjustment		
23 Finance costs		
Interest on term loans	470.04	588.03
Amortization of ancillary borrowing costs	7.60	7.60
	<u>477.64</u>	<u>595.63</u>

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Duet India Hotels (Chennai OMR) Private Limited
Notes to the financial statements for the year ended March 31, 2022
 (All amounts in Rs. Lakhs, unless otherwise stated)

24 Other expenses	For the year ended March 31, 2022	For the year ended March 31, 2021
Rates and taxes	27.60	19.63
Brand, license and marketing fees	149.90	81.87
Management fees	14.25	15.00
Legal and professional charges	25.70	20.76
Payment to auditors*	12.34	9.00
Travelling and conveyance	7.86	2.32
Communication expenses	17.29	16.09
Printing and stationery	5.70	2.17
Security services	7.68	5.97
Insurance	13.33	13.78
Contractual manpower	6.46	1.77
Consumption of stores and operating supplies	36.80	27.85
Repairs and maintenance		
- building	5.57	0.99
- plant and machinery	17.37	12.81
- others	15.13	7.38
Power and fuel	135.82	108.22
Provision for doubtful other receivables	-	1.70
Bank charges	2.57	3.63
Miscellaneous expenses	0.13	2.45
	<u>501.50</u>	<u>353.39</u>
*Payment to auditors (exclusive of applicable taxes)	For the year ended March 31, 2022	For the year ended March 31, 2021
As auditor		
Audit Fees	12.30	9.00
Reimbursement of expenses	0.04	-
	<u>12.34</u>	<u>9.00</u>

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Duet India Hotels (Chennai OMR) Private Limited
Notes to the financial statements for the year ended March 31, 2022
 (All amounts in Rs. Lakhs, unless otherwise stated)

25 Earnings/ (Loss) per share	For the year ended March 31, 2022	For the year ended March 31, 2021
Net loss attributable to equity shareholders (A)	(963.35)	(1,090.21)
Weighted average of number of equity shares used in computing basic earnings per share (B)	44,55,473	44,55,473
Weighted average of number of equity shares used in computing diluted earnings per share (C)	1,36,81,270	1,22,08,153
Basic earnings/ (loss) per share (A/B)	(21.62)	(24.47)
Diluted earnings/ (loss) per share (A/B)*	(21.62)	(24.47)

* As the potential equity shares are anti-dilutive, the effect of the same are ignored in calculating diluted earnings per share as per the requirements of Accounting Standard 20.

Reconciliation of net profit/ (loss) attributable to equity shareholders (basic earnings/ (loss) per share)

Net profit / (loss) after tax per Statement of Profit and Loss	(963.35)	(1,090.21)
Net profit/ (loss) attributable to equity shareholders	<u>(963.35)</u>	<u>(1,090.21)</u>

Calculation of weighted average number of shares for diluted earnings per share for the year ended March 31, 2022

Particulars	Number	Weighted Average
Equity shares as on April 1, 2021	44,55,473	44,55,473
Fully compulsory convertible debentures (FCCD) as on April 1, 2021	91,10,187	91,10,187
Fully compulsory convertible debentures issued during the year ended March 31, 2022	2,41,129	1,15,610
	<u>1,38,06,789</u>	<u>1,36,81,270</u>

Calculation of weighted average number of shares for diluted earnings per share for the year ended March 31, 2021

Particulars	Number	Weighted Average
Equity shares as on April 1, 2020	44,55,473	44,55,473
Fully compulsory convertible debentures (FCCD) as on April 1, 2020	64,39,681	64,39,681
Fully compulsory convertible debentures issued during the year ended March 31, 2021	26,70,506	13,12,999
	<u>1,35,65,660</u>	<u>1,22,08,153</u>

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Duet India Hotels (Chennai OMR) Private Limited
Notes to the financial statements for the year ended March 31, 2022
 (All amounts in Rs. Lakhs, unless otherwise stated)

26 Related party transactions

A. Name of related parties

a) Related parties and nature of related party relationships where control exists :-

Ultimate holding company

Asiya Capital Investments Company K.S.C.P.

Holding company

ACIC Mauritius 1

b) Other related parties with whom transactions have taken place during the current and previous year :-

Fellow subsidiaries

Duet India Hotels (Ahmedabad) Private Limited
 Duet India Hotels (Chennai) Private Limited
 Duet India Hotels (Hyderabad) Private Limited
 Duet India Hotels (Navi Mumbai) Private Limited
 Duet India Hotels (Pune) Private Limited
 Duet India Hotels (Jaipur) Private Limited
 Duet India Hotels (Bangalore) Private Limited

Enterprise holding significant influence over the Company

ACIC Mauritius 2

Enterprise in which key management personnel (KMP) exercise significant influence

Duet India Hotels (Mumbai) Private Limited (till February 22, 2021)

B. Transactions with related parties

	For the year ended March 31, 2022	For the year ended March 31, 2021
Reimbursement of expenses		
-Duet India Hotels (Chennai) Private Limited	-	4.83
Fully Compulsory Convertible Debentures (FCCDs)		
-ACIC Mauritius 1	149.50	1,655.71
Long term borrowings		
Intercompany loan taken from related parties		
-Duet India Hotels (Chennai) Private Limited	-	2.00
-Duet India Hotels (Hyderabad) Private Limited	150.84	27.00
-Duet India Hotels (Pune) Private Limited	172.70	112.70
-Duet India Hotels (Jaipur) Private Limited	2.07	-
Intercompany loan repaid to related parties		
-Duet India Hotels (Chennai) Private Limited		66.00
-Duet India Hotels (Hyderabad) Private Limited	154.00	66.00
-Duet India Hotels (Pune) Private Limited	-	238.78
-Duet India Hotels (Jaipur) Private Limited	-	21.33
-Duet India Hotels (Navi Mumbai) Private Limited	-	6.00

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Duet India Hotels (Chennai OMR) Private Limited
Notes to the financial statements for the year ended March 31, 2022
 (All amounts in Rs Lakhs, unless otherwise stated)

C. Balances outstanding at the end of the year

	As at March 31, 2022	As at March 31, 2021
Long term borrowings		
Intercompany loan from related parties		
-Duet India Hotels (Hyderabad) Private Limited	12.84	16.00
-Duet India Hotels (Navi Mumbai) Private Limited	45.00	45.00
-Duet India Hotels (Pune) Private Limited	471.38	298.68
-Duet India Hotels (Jaipur) Private Limited	2.07	-
Other current assets		
Interest accrued on intercompany loan to related parties*		
-Duet India Hotels (Ahmedabad) Private Limited	3.56	3.56
-Duet India Hotels (Mumbai) Private Limited	-	3.57
Trade receivables		
-Duet India Hotels (Chennai) Private Limited	4.83	4.83
Trade Payable		
-Duet India Hotels (Pune) Private Limited	0.87	0.87
-Duet India Hotels (Hyderabad) Private Limited	4.12	4.12
Fully Compulsory Convertible Debentures (FCCDs)		
-ACIC Mauritius I	5,806.45	5,656.95

* Interest on intercompany loan given/ received has been waived off as per mutual consent and accordingly no interest is accrued on these loan transactions from FY 2016-17 till FY 2021-22.

27 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

	As at March 31, 2022	As at March 31, 2021
The principal amount and interest due thereon remaining unpaid to any supplier as at end of each accounting year		
Principal amount due to micro and small enterprises	4.32	-
Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amount of payment made to the supplier beyond the appointment day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act	-	-
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	-	-

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Duet India Hotels (Chennai OMR) Private Limited
Notes to the financial statements for the year ended March 31, 2022
 (All amounts in Rs. Lakhs, unless otherwise stated)

28 Disclosure in respect of employee benefits under Accounting Standard (AS) – 15 (Revised) "Employee Benefits".

A Defined contribution plans

The Company's employee provident fund scheme and employee state insurance are defined contribution plans. A sum of Rs. 8.49 (previous year Rs. 5.59) has been recognised as an expense in relation to the scheme and included under "employee benefit expenses" in the Statement of Profit and Loss.

B Defined benefit plans - Gratuity

	As at March 31, 2022	As at March 31, 2021
(a) Change in defined benefit obligation		
Present value of obligation at the beginning of the year	5.32	4.18
Interest cost	0.36	0.28
Current service cost	2.04	2.91
Benefits paid	-	-
Actuarial (gain)/ loss on obligation	(2.79)	(2.05)
Present value of obligation at the end of the year	4.93	5.32
(b) Amount recognised in Balance Sheet		
Present value of funded obligations as at the end of the year	4.93	5.32
Net liability	(4.93)	(5.32)
(c) Expenses recognised in Statement of Profit and Loss		
Current service cost	2.04	2.91
Interest cost	0.36	0.28
Net actuarial (gain)/loss recognized in the year	(2.79)	(2.05)
Net expense	(0.39)	1.14

(d) Experience adjustments on actuarial gain/ (loss) for Planned benefits obligations and Plan assets	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2018
Defined benefit obligation	4.93	5.32	4.18	1.59	1.35
Surplus/(deficit)	(4.93)	(5.32)	(4.18)	(1.59)	(1.35)
Experience adjustments on planned benefit obligation	2.62	2.05	0.55	0.73	1.37

(e) Principal assumptions used in determining the defined benefit obligation are as given below:

	For the year ended March 31, 2022	For the year ended March 31, 2021
Discount rate*	7.26%	6.76%
Salary escalation rate (per annum)**	10.00%	10.00%

*The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

**The salary escalation rate is based on estimates of salary increases, which take into accounts inflation, seniority, promotion and other relevant factors.

(f) Demographic assumptions

Mortality: Published rates under the IAM (2012-14) mortality table
 Retirement age: The employees of the company are assumed to retire at age of 58/60 years (previous year 58/60 years).
 Withdrawal Rate: Withdrawal rate at the specimen ages are shown below

Age (Years)	Rates p.a	
	31 March 2022	31 March 2021
Upto-30	0.15	0.15
From 31-44	0.15	0.15
Above 44	0.20	0.20

(g) Enterprise best estimate of contribution during next year is Rs. 3.46 (previous year Rs. 4.13).

(h) As the Company does not have any gratuity fund, the disclosures with respect to plan assets are not applicable.



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 (All amounts in Rs. Lakhs, unless otherwise stated)

Other long term employee benefits-compensated absences

(a) The principle actuarial assumptions used at the balance sheet date for determining the provision for compensated absences are as follows:

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Discount rate*	7.26%	6.76%
Salary escalation rate (per annum)**	10.00%	10.00%

*The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

**The salary escalation rate is based on estimates of salary increases, which take into accounts inflation, seniority, promotion and other relevant factors.

(b) Demographic assumptions

Mortality:	Published rated under the IALM (2012-14) mortality table
Retirement age:	The employee of the company are assumed to retire at age of 58/60 years (previous year 58/60 years)
Withdrawal Rate:	Withdrawal rate at the specimen ages are shown below

Age (Years)	Rates p.a	
	March 31, 2022	March 31, 2021
Upto-30	0.15	0.15
From 31-44	0.15	0.15
Above 44	0.20	0.20

29 During earlier years, the Company had entered into certain loan transactions with group companies (having common directors with the Company). These loan transactions were not permitted under the provisions of section 185 of the Companies Act, 2013 ("the Act") and accordingly the management had recorded a provision for penalty of Rs 25 in the books of accounts. Based on subsequent change in objective of law, ratification of these transactions by the shareholders and passage of time, the management based on legal view obtained by them during the year believe that these transactions are not in non-compliance with the provisions of Section 185 of the Act and accordingly have reversed the provision of Rs. 25 created in earlier years.

30 Earnings in foreign currency (on cash basis)	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from operations (including taxes)	2.60	12.34
31 Expenditure in foreign currency	For the year ended March 31, 2022	For the year ended March 31, 2021
Brand, license and marketing fees	97.64	53.56
32 Contingent liability and commitments (to the extent not provided for)	For the year ended March 31, 2022	For the year ended March 31, 2021
	-	-

There are no contingent liabilities as on March 31, 2022

Impact of Supreme Court judgement with regard to Provident Fund

There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated February 28, 2019. As a matter of caution, the company has made a provision on a prospective basis from the date of the SC order. The company will update its provision, on receiving further clarity on the subject.

33 The Company's exposure in respect of foreign currency denominated liabilities not hedged as on March 31, 2022 by derivative instruments or otherwise is USD 0.260 Mn (Rs. 197.76 Lakhs) [previous year USD 0.156 Mn (Rs. 112.50 Lakhs)].



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- 34 The Company had availed custom duty exemptions under the Export Promotion Capital Goods Scheme of the Government of India on import of capital equipment for use in its hotel project. Under the Scheme, the Company is required to discharge the obligation over a period of next six years from the date of authorisation. As of March 31, 2022, the Company's export obligations outstanding under the scheme aggregate Rs 766.26 (previous year Rs 769.39). Based on the current projection of future earnings in foreign currency, management is confident that it would be able to discharge the obligation within the time frame.
- 35 Disclosure requirements under Accounting Standard 17 on 'Segment Reporting', as specified in Section 133 of the Companies Act, 2013 are not applicable as the Company's business activity falls within a single primary business segment i.e. hotels. There are no geographical segment to be reported since all the operations are undertaken in India.
- 36 During the year ended 31 March 2022, the ongoing Covid 19 pandemic continued to adversely impact the Company's operation particularly during the first three months of the year and in the month of January, 2022 when the Company witnessed softer revenues particularly by the way of reduction in occupancy of hotels and average realization rate per room due to surge in COVID cases across the country. However with reduction in number of cases, business at the Company's hotel has generally picked up and the second half of the fourth quarter witnessed strong recovery. The Management expects the recovery of business to continue and has assessed the potential impact of COVID-19 in preparation of the standalone financial statements, including, but not limited to its assessment of liquidity and going concern assumption and believes that it has sufficient financing arrangements to fulfil its working capital requirements in addition to the funds expected to be generated from the operating activities and unconditional continued financial and operational support to the Company from its ultimate parent Company. The management has also assessed the potential impact of COVID-19 on the carrying value of property, plant & equipment, investments, trade receivables, inventories, and other current and non-current assets appearing in the financial statements as on March 31, 2022. Based on the current indicators of future economic conditions and subsequent realization of its assets, the management expects to recover the carrying value of property, plant & equipment, trade receivables, inventories, and other current assets. The impact of COVID-19 on the business may be different from that estimated on the date of approval of these standalone financial statements. The management of the Company will continue to closely monitor any material changes to future economic conditions.
- 37 In an earlier year, the Company had engaged with a service provider for assisting in hotel renovations at an agreed value of Rs 102.84 (design fees and Project Management fees) and a further incentive at a proportion of saving from the budgeted renovation cost. Till the end of FY 19-20, the service provider had raised invoices of Rs 39.53 for services rendered, Rs 47.29 for construction services and Rs 40.03 for incentives representing saving from budgeted renovation cost. During the previous year, the service provider has initiated arbitration proceedings for recovery of above amounts. During the current year management has filed a counter claim against the claims of service provider and has disputed claims on account of delay and lack of submission of cost details and saving arising out of the efforts of service provider and believes that no material adjustment is likely to arise upon final settlement with the service provider. In the current year, there is no update on the arbitration proceedings against the company. The final outcome of the matter is not yet decided.
- 38 The Company in earlier years had entered into a loan transaction with a SARE group company pursuant to which it was carrying an loan receivable of Rs Nil (After provision for doubtful loans and advances of Rs. 11) as at March 31, 2020. During the previous year, the Company has entered into an assignment agreement with its group company and has assigned the loan receivable from SARE group company to its group company.

There has been no update in the matter during the year and the management based on the legal opinion obtained by it believes that the assignment of loan receivable by the Company from SARE group company to its group company is permissible and no further adjustment is required in the financial statements in this regard in the current year.

39 Ratio Analysis and its elements

S.No.	Ratio	Units	March 31, 2022	March 31, 2021	Variance	Variance %	Reason for variance for more than 25%
1	Current Ratio	Times	0.47	0.41	0.05	13%	NA
2	Debt - Equity Ratio	Times	(2.80)	(3.49)	0.69	-20%	NA
3	Debt Service Coverage Ratio	Times	(4.90)	(2.40)	(2.49)	104%	Increase in earnings available for debt service has resulted in improvement in the ratio.
4	Return on Equity (ROE)	%	77.04%	43.00%	(0.16)	-37%	Issues during the current year and previous year has lead to negative net worth
5	Inventory Turnover Ratio	Times	14.51	13.73	0.77	6%	NA
6	Trade receivables turnover ratio	Times	2.60	2.92	(0.31)	-11%	NA
7	Trade payables turnover ratio	Times	1.93	1.68	0.26	16%	NA
8	Net capital turnover ratio	Times	(4.38)	(2.59)	(1.79)	69%	Excess of current liabilities over current assets during the current year has led to decrease in ratio
9	Net profit ratio	%	-161.30%	-283.03%	1.22	-43%	Revenue growth has resulted in improvement in the ratio
10	Return on capital employed (ROCE)	%	-7.03%	-6.85%	(0.00)	3%	NA
11	Return on investment	%	4.77%	6.14%	(0.01)	-22%	NA

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Duet India Hotels (Chennai OMR) Private Limited
Notes to the financial statements for the year ended March 31, 2022
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40 Other Statutory information

- a. The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.
- b. The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- c. The Company do not have any Benami Property where any proceeding has been initiated or pending against the Company for holding any Benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- d. The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- e. The Company has applied the borrowed fund for the specific purpose for which it was obtained as at the balance sheet date.
- f. The Company has not defaulted in on loans payable and have not been declared as wilful defaulter.
- g. The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(such as search or survey or any other relevant provisions of the Income Tax Act, 1961.
- h. The Company have complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

41 Code on Social security

The Code on Social Security, 2020 ('Code') relating to employee benefits received Presidential assent in September 2020. However, effective date and the final rules/ interpretation have not yet been notified / issued. The Company is in the process of assessing the impact of the Code and will recognize the impact, if any, based on its effective date.

- 42** Previous year figures have been regrouped/ reclassified wherever necessary to conform to the current period classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective April 01, 2021.

As per our report of even date.

For S.R. Batliboi & Co. LLP
Firm Registration No.: 301003E/E300005
Chartered Accountants



per Sanjay Vij
Partner
Membership No. 095169

Place: Gurugram
Date: September 30, 2022

For and on behalf of the Board of Directors of
Duet India Hotels (Chennai OMR) Private Limited



Sudhir Gupta
Director
DIN: 03102047

Place: Gurugram
Date: September 30, 2022



Rahul N. Latta
Director
DIN: 078865172

Place: Gurugram
Date: September 30, 2022