

**SAMHI Hotels (Gurgaon) Private Limited**

**Statutory Audit for the year ended  
31 March 2022**

# B S R & Co. LLP

Chartered Accountants

Building No.10,12th Floor, Tower-C,  
DLF Cyber City, Phase-II,  
Gurugram – 122 002, India

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## Independent Auditor's Report

To the Members of SAMHI Hotels (Gurgaon) Private Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of SAMHI Hotels (Gurgaon) Private Limited (the "Company") which comprise the balance sheet as at 31 March 2022, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its loss and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs 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 have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

#### Emphasis of Matter

We draw attention to Note 37 to the financial statements, which explains the management's assessment of going concern assumption and financial impact on account of COVID-19 pandemic situation and its assertion that based on best estimates made by it, the Company will continue as a going concern i.e. continue its operations and will be able to discharge its liabilities and realise its assets, for the foreseeable future.

Our opinion is not modified in respect of this matter.

#### Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Directors' 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 the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Registered Office:

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

**Independent Auditor's Report (Continued)**

**SAMHI Hotels (Gurgaon) Private Limited**

**Management's and Board of Directors' Responsibilities for the Financial Statements**

The Company's Management and Board of Directors are 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 state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

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

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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements 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

**Independent Auditor's Report (Continued)**

**SAMHI Hotels (Gurgaon) Private Limited**

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 Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 A. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - a. The Company does not have any pending litigations which would impact its financial position.
  - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - d (i) The management has represented that, to the best of it's knowledge and belief, as disclosed in the Note 41 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
    - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or
    - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**Independent Auditor's Report (Continued)**

**SAMHI Hotels (Gurgaon) Private Limited**

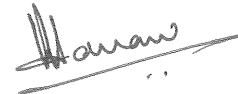
- (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 41 to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on such audit procedures as 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 (d) (i) and (d) (ii) contain any material mis-statement.
- e. The Company has neither declared nor paid any dividend during the year.
- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, no remuneration has been paid or payable by the Company to its directors during the current year and accordingly, the provisions of Section 197 of the Act are not applicable.

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

*Chartered Accountants*

Firm's Registration No.:101248W/W-100022



**Vikram Advani**

*Partner*

Place: New Delhi

Date: 19 August 2022

Membership No.: 091765

ICAI UDIN: 22091765APJAJB4848

**Annexure A to the Independent Auditor's Report on the Financial Statements of SAMHI Hotels (Gurgaon) Private Limited for the year ended 31 March 2022**

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

(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.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified once in period of three years. In accordance with this programme, all property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(i) (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable property ("Freehold Land") disclosed in the financial statements are not held in the name of the Company, details of which are as follows:

Description of property	Gross carrying value	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Khasra No. 22/1/2/1/1, 2/1/1, 3, 4/1 in the revenue estate of village Mollahera, Distt Gurugram	Rs. 801,800 thousand	Milestone Landbase Estates Private Limited	No	04 August 2009	The sale deed of Land is in the name of Milestone Landbase Estates Private Limited, erstwhile name of the Company which was changed to SAMHI Hotels (Gurgaon) Private Limited. Fresh certificate of incorporation consequent to change of name dated 16 April 2012

**Annexure A to the Independent Auditor's Report on the Financial Statements of SAMHI Hotels (Gurgaon) Private Limited for the year ended 31 March 2022 (Continued)**

Description of property	Gross carrying value	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
					was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana.

However, original title deeds are under lien with bank for the loan facilities availed by the Company. Therefore, we could not verify those title deeds and have not received independent confirmation from bank.

- (i) (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.
- (i) (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Refer Note 41 to the financial statements.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from bank on the basis of security of current assets. As informed to us and as per the terms of sanction letters of such limits, there are no requirements on the Company to submit quarterly returns or statements with the banks.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in companies, firms, limited liability partnership or any other parties. The Company has provided guarantees to bank on behalf of companies during the year, in respect of which the requisite information is as below. The Company has not provided any guarantee or security, granted any loans or advances in the nature of loans, secured or unsecured, to limited liability partnership or any other parties during the year.

**Annexure A to the Independent Auditor's Report on the Financial Statements of SAMHI Hotels (Gurgaon) Private Limited for the year ended 31 March 2022 (Continued)**

- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided guarantees to any other entity as below:

Particulars	Guarantees
Aggregate amount during the year Others (fellow subsidiaries)	Rs. 90,000 thousand
Balance outstanding as at balance sheet date Others (fellow subsidiaries)	Rs. 90,000 thousand

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the guarantee provided during the year and the terms and conditions of the guarantee provided during the year are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clause 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not made any investments, or given any loans, or given any security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of guarantees provided by the Company, the provisions of Section 185 of the Act have been complied with. The Company has complied with Section 186(1) of the the Act. According to the information and explanations given to us, the provisions of Section 186 (except for sub-section (1) of the Section 186) of the Companies Act, 2013 are not applicable to the Company since the Company is engaged in the business of providing infrastructural facilities.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services rendered or goods sold by the Company. Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise and Sales tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Value Added Tax, Cess and Other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of Income-Tax, Provident fund and Goods and Services Tax.
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Value Added Tax, Cess and Other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Value Added Tax, Cess and Other



**Annexure A to the Independent Auditor's Report on the Financial Statements of SAMHI Hotels (Gurgaon) Private Limited for the year ended 31 March 2022 (Continued)**

statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender. As at 31 March 2022, the Company also has loan amounting to Rs. 345,108 thousand from SAMHI Hotels Limited ("Parent Company"), repayable at the option of the Company and accordingly classified as "other equity". As this loan is repayable at the option of the Company, there has been no default in repayment thereof.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2022. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (f) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2022. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the 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) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) According to information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details regarding such transactions have been disclosed in the financial statements as required by applicable accounting standards. Being a wholly owned

**Annexure A to the Independent Auditor's Report on the Financial Statements of SAMHI Hotels (Gurgaon) Private Limited for the year ended 31 March 2022 (Continued)**

subsidiary company of public limited company, the requirements of Section 177 of the Act of having an Audit Committee are not applicable.

- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has incurred cash losses of Rs 127,052 thousand in the current financial year and Rs 147,130 thousand in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) We draw attention to Note 37 to the financial statements which explains that the Company has incurred losses in current year and previous year and has accumulated losses as at 31 March 2022. Further, the Company's current liabilities exceed its current assets as at 31 March 2022 by Rs. 116,786 thousand. The note also explains the management's assessment of going concern assumption and financial impact on account of COVID-19 pandemic situation and its assertion that based on best estimates made by it, the Company will continue as a going concern i.e. continue its operations and will be able to discharge its liabilities and realise its assets, for the foreseeable future.

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

B S R & Co. LLP

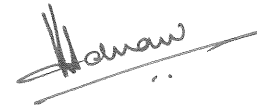
**Annexure A to the Independent Auditor's Report on the Financial Statements  
of SAMHI Hotels (Gurgaon) Private Limited for the year ended 31 March 2022  
(Continued)**

- (xx) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

*Chartered Accountants*

Firm's Registration No.: 101248W/W-100022



**Vikram Advani**

*Partner*

Place: New Delhi

Date: 19 August 2022

Membership No.: 091765

ICAI UDIN: 22091765APJAJB4848

**Annexure B to the Independent Auditor's Report on the financial statements of SAMHI Hotels (Gurgaon) Private Limited for the year ended 31 March 2022**

**Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

**(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Opinion**

We have audited the internal financial controls with reference to financial statements of SAMHI Hotels (Gurgaon) Private Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

**Management's and Board of Directors' Responsibilities for Internal Financial Controls**

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to 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 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 audit opinion on the Company's internal financial controls with reference to 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

**Annexure B to the Independent Auditor's Report on the financial statements of SAMHI Hotels (Gurgaon) Private Limited for the year ended 31 March 2022 (Continued)**

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

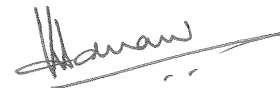
**Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

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 controls 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.

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

*Chartered Accountants*

Firm's Registration No.:101248W/W-100022



**Vikram Advani**

*Partner*

Place: New Delhi

Date: 19 August 2022

Membership No.: 091765

ICAI UDIN: 22091765APJAJB4848

**SAMHI Hotels (Gurgaon) Private Limited**

**Balance Sheet as at 31 March 2022**

(All amounts are in Indian Rupees ('000), unless otherwise stated)

	Note	As at 31 March 2022	As at 31 March 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	1,638,653	1,689,087
Intangible assets	4	3,559	4,535
Financial assets			
Other financial assets	5	60,765	52,937
Income tax assets (net)	6	6,535	10,116
Other non-current assets	8	3,669	194
<b>Total non-current assets</b>		<b>1,713,181</b>	<b>1,756,869</b>
<b>Current assets</b>			
Inventories	9	1,366	2,478
Financial assets			
Trade receivables	10	8,136	4,988
Cash and cash equivalents	11	196,998	173,289
Other financial assets	12	5,157	7,712
Other current assets	13	16,666	9,739
<b>Total current assets</b>		<b>228,323</b>	<b>198,206</b>
<b>TOTAL ASSETS</b>		<b>1,941,504</b>	<b>1,955,075</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	14	7,088	7,088
Other equity	15	269,381	448,443
<b>Total equity</b>		<b>276,469</b>	<b>455,531</b>
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	16	1,318,343	1,239,928
Provisions	17	1,583	1,159
<b>Total non-current liabilities</b>		<b>1,319,926</b>	<b>1,241,087</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	18	246,793	185,863
Trade payables	19		
- total outstanding dues of micro enterprises and small enterprises		2,579	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		79,229	63,400
Other financial liabilities	20	3,522	1,282
Other current liabilities	21	12,262	7,385
Provisions	22	724	527
<b>Total current liabilities</b>		<b>345,109</b>	<b>258,457</b>
<b>Total liabilities</b>		<b>1,665,035</b>	<b>1,499,544</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,941,504</b>	<b>1,955,075</b>

The notes from Note 1 to Note 43 form an integral part of these financial statements.

As per our report of even date attached

For **BSR & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 101248W/W-100022



**Vikram Advani**

Partner

Membership No.: 091765

Place: New Delhi  
Date: 19 August 2022

For and on behalf of Board of Directors of  
**SAMHI Hotels (Gurgaon) Private Limited**



**Rajat Mehra**

Director

DIN: 06813081

Place: Gurugram  
Date: 19 August 2022



**Gyana Das**

Director

DIN: 03563467

Place: Gurugram  
Date: 19 August 2022

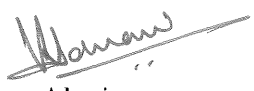
**SAMHI Hotels (Gurgaon) Private Limited**  
**Statement of Profit and Loss for the year ended 31 March 2022**  
*(All amounts are in Indian Rupees ('000), unless otherwise stated)*

	Note	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Income</b>			
Revenue from operations	23	202,952	113,536
Other income	24	4,901	1,181
<b>Total income</b>		<b>207,853</b>	<b>114,717</b>
<b>Expenses</b>			
Cost of materials consumed	25	16,765	7,801
Employee benefits expense	26	49,478	40,570
Other expenses	29	121,982	78,648
		<b>188,225</b>	<b>127,019</b>
<b>Profit/(loss) before finance cost, depreciation, amortisation and tax</b>		<b>19,628</b>	<b>(12,302)</b>
Finance costs	27	146,680	134,828
Depreciation and amortisation expense	28	51,409	51,854
		<b>198,089</b>	<b>186,682</b>
<b>Loss before tax</b>		<b>(178,461)</b>	<b>(198,984)</b>
<b>Tax expense</b>	7		
Current tax		-	-
Deferred tax		-	-
		<b>-</b>	<b>-</b>
<b>Loss after tax</b>		<b>(178,461)</b>	<b>(198,984)</b>
<b>Other Comprehensive Income</b>			
<i>Items that will not be reclassified to profit or loss</i>			
- Re-measurement gain/(loss) on defined benefit obligations	26	(601)	(112)
		<b>(601)</b>	<b>(112)</b>
<b>Other comprehensive income/(loss), net of tax</b>		<b>(601)</b>	<b>(112)</b>
<b>Total comprehensive income/(loss) for the year</b>		<b>(179,062)</b>	<b>(199,096)</b>
<b>Earnings per equity share</b>			
Nominal value of share INR 10 [previous year INR 10]	30		
Basic [INR]		(251.79)	(280.75)
Diluted [INR]		(251.79)	(280.75)

The notes from Note 1 to Note 43 form an integral part of these financial statements.

As per our report of even date attached

For **B S R & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No.: 101248W/W-100022

  
**Vikram Advani**  
Partner  
Membership No.: 091765

Place: New Delhi  
Date: 19 August 2022

For and on behalf of Board of Directors of  
**SAMHI Hotels (Gurgaon) Private Limited**

  
**Rajat Mehra**  
Director  
DIN: 06813081

Place: Gurugram  
Date: 19 August 2022

  
**Gyana Das**  
Director  
DIN: 03563467

Place: Gurugram  
Date: 19 August 2022

**SAMHI Hotels (Gurgaon) Private Limited**  
**Statement of Cash Flows for the year ended 31 March 2022**  
*(All amounts are in Indian Rupees ('000), unless otherwise stated)*

	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>A. Cash flows from operating activities</b>		
Loss before tax	(178,461)	(198,984)
Adjustments to reconcile loss before tax to net cash flows:		
Depreciation and amortisation expense	51,409	51,854
Provision for bad and doubtful debts	-	699
Provision no longer required written back	(733)	(208)
Finance costs	146,680	134,828
Interest income	(4,168)	(973)
Loss on foreign exchange fluctuation (net)	520	-
Government grant written off	164	1,347
<b>Operating profit/loss before working capital changes</b>	<b>15,411</b>	<b>(11,437)</b>
(Increase) / decrease in inventories	1,112	(27)
(Increase) / decrease in trade receivables	(2,415)	11,253
(Increase) / decrease in other financial assets	2,391	1,496
(Increase) / decrease in other assets	(10,402)	3,949
Increase / (decrease) in trade payables	17,889	(61,152)
Increase / (decrease) in other liabilities	4,877	(3,489)
Increase in provisions	20	82
Increase / (decrease) in other financial liabilities	2,924	(1,228)
<b>Cash generated/ (used) by operations</b>	<b>31,807</b>	<b>(60,553)</b>
Income taxes refunded - net	3,925	4,206
<b>Net cash provided/ (used) by operating activities</b>	<b>35,732</b>	<b>(56,346)</b>
<b>B. Cash flows from investing activities</b>		
Purchase of property, plant and equipment and Intangible assets	(684)	-
Interest received	4,698	5,450
Bank deposits matured	663,016	126,869
Bank deposits made	(671,718)	(134,936)
<b>Net cash used in investing activities</b>	<b>(4,688)</b>	<b>(2,617)</b>
<b>C. Cash flows from financing activities</b>		
Non-current borrowings availed during the year	235,800	235,821
Non-current borrowings repaid during the year	(96,139)	(29,428)
Interest free loans received from holding company	-	92,100
Finance costs paid	(145,110)	(86,995)
Current borrowings repaid during the year - net	(1,886)	(276)
<b>Net cash provided/ (used) by financing activities</b>	<b>(7,335)</b>	<b>211,223</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>23,709</b>	<b>152,260</b>
Cash and cash equivalents at the beginning of the year	173,289	21,029
<b>Cash and cash equivalents at the end of the year</b>	<b>196,998</b>	<b>173,289</b>

	As at 31 March 2022	As at 31 March 2021
<b>Notes to statement of cash flows</b>		
<b>i. Components of Cash and cash equivalents</b>		
Cash on hand	170	350
Balances with banks on current account	196,828	172,939
	<b>196,998</b>	<b>173,289</b>

	Non-current borrowings	Current borrowings	Total
<b>ii. Movement in financial borrowings</b>			
As on 1 April 2021	1,239,928	185,863	1,425,791
Cash flows (net)	76,845	60,930	137,775
Finance cost expense	138,939	7,741	146,680
Finance costs paid	(137,369)	(7,741)	(145,110)
As on 31 March 2022	<b>1,318,343</b>	<b>246,793</b>	<b>1,565,136</b>


iii. The Statement of Cash Flows has been prepared in accordance with the 'Indirect Method' as set out in the Ind AS 7 "Statement of Cash Flows".

The notes from Note 1 to Note 43 form an integral part of these financial statements.

As per our report of even date attached

For **B S R & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No.: 101248W/W-100022

For and on behalf of Board of Directors of  
**SAMHI Hotels (Gurgaon) Private Limited**

  
**Vikram Advani**  
Partner  
Membership No.: 091765

  
**Rajat Mehra**  
Director  
DIN: 06813081

  
**Gyana Das**  
Director  
DIN: 03563467

Place: New Delhi  
Date: 19 August 2022

Place: Gurugram  
Date: 19 August 2022

Place: Gurugram  
Date: 19 August 2022



SAMHI Hotels (Gurgaon) Private Limited  
Statement of Changes in Equity for the year ended 31 March 2022  
(All amounts are in Indian Rupees('000), unless otherwise stated)

Equity share capital

Particulars	Number of shares	Amount
As at 1 April 2020	708,760	7,088
Changes in equity share capital during the year	-	-
As at 31 March 2021	708,760	7,088
Changes in equity share capital during the year	-	-
As at 31 March 2022	708,760	7,088

Other equity (refer note 15)

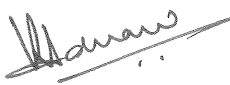
Particulars	Equity component of interest free loans from Holding Company	Other comprehensive income Remeasurement of defined benefit liability / asset	Reserves and surplus		Total
			Securities premium	Retained earnings	
Balance as at 1 April 2020	253,008	-	337,032	(34,601)	555,439
Loss for the year	-	-	-	(198,984)	(198,984)
Other comprehensive loss (net of tax)	-	(112)	-	-	(112)
Total comprehensive income	-	(112)	-	(198,984)	(199,096)
Transferred to retained earnings	-	112	-	(112)	-
Equity component of interest free loans received during the year (net of tax)	92,100	-	-	-	92,100
Balance as at 31 March 2021	345,108	-	337,032	(233,697)	448,443
Loss for the year	-	-	-	(178,461)	(178,461)
Other comprehensive loss (net of tax)	-	(601)	-	-	(601)
Total comprehensive income	-	(601)	-	(178,461)	(179,062)
Transferred to retained earnings	-	601	-	(601)	-
Balance as at 31 March 2022	345,108	-	337,032	(412,759)	269,381

The notes from Note 1 to Note 43 form an integral part of these financial statements.

As per our report of even date attached

For B S R & Co. LLP  
Chartered Accountants  
ICAI Firm Registration No.: 101248W/W-100022

For and on behalf of Board of Directors of  
SAMHI Hotels (Gurgaon) Private Limited

  
Vikram Advani  
Partner  
Membership No.: 091765

  
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DIN: 03563467

Place: New Delhi  
Date: 19 August 2022

Place: Gurugram  
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**SAMHI Hotels (Gurgaon) Private Limited**  
**Notes to the financial statements for the year ended 31 March 2022**  
*(All amounts are in Indian Rupees ('000), unless otherwise stated)*

**1.1 Corporate information**

SAMHI Hotels (Gurgaon) Private Limited ('the Company') is a Company domiciled in India. The Company was incorporated in India on 25 July 2006 as per the provisions of Indian Companies Act and is limited by shares.

The Company is a hotel development and investment Company with focus on operating internationally branded hotels across key cities in the Indian sub-continent.

Presently, the Company has one hotel under it (Hyatt Regency, Gurgaon) which is operational.

**1.2 Basis of preparation**

**A. Statement of Compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. Also, refer note 37 for going concern basis of accounting used by the management.

The financial statements were authorised for issue by the Company's Board of Directors on 19 August 2022.

**B. Functional and presentation currency**

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest thousands, unless otherwise indicated.

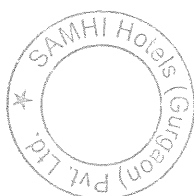
**C. Basis of Measurement**

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement Basis
Certain financial assets and liabilities	Fair Value

**D. Significant accounting judgments, estimates and assumptions**

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures. Uncertainty about the assumptions and estimates could result in outcomes that may require material adjustment to the carrying value of assets or liabilities affected in future periods.



**SAMHI Hotels (Gurgaon) Private Limited**

**Notes to the financial statements for the year ended 31 March 2022**

*(All amounts are in Indian Rupees ('000), unless otherwise stated)*

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The following are the significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements:

**i) Critical accounting estimates and judgements**

Certain financial instruments are valued on the basis of valuation techniques that feature one or more significant market inputs that are unobservable, and for them the measurement of fair value is more judgemental. An instrument in its entirety is classified as valued using significant unobservable inputs if, in the opinion of management, a significant proportion of the instrument's inception profit or greater than 5% of the instrument's valuation is driven by unobservable inputs. 'Unobservable' in this context means that there is little or no current market data available from which to determine the price at which an arm's length transaction would be likely to occur.

**ii) Useful lives, recoverable amounts and impairment of property, plant and equipment and intangible assets**

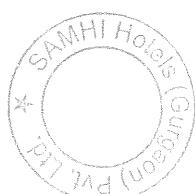
The estimated useful lives and recoverable amounts of property, plant and equipment and intangible assets are based on estimates and assumptions regarding the expected market outlook, expected future cash flows, obsolescence, demand, competition, and known technological advances. The Company reviews the useful lives and recoverable amounts of property, plant and equipment and intangible assets at the end of each reporting date.

**iii) Employee benefit obligations**

Employee benefit obligations (gratuity and compensated absences) are determined using actuarial valuations, which involves determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**iv) Fair value measurement of financial instruments**

The fair values of financial instruments recorded in the balance sheet in respect of which quoted prices in active markets are not available are measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Also, refer note 34 for further disclosures.



**SAMHI Hotels (Gurgaon) Private Limited**  
**Notes to the financial statements for the year ended 31 March 2022**  
*(All amounts are in Indian Rupees ('000), unless otherwise stated)*

**v) Recognition of Deferred Tax assets**

Recognition of deferred tax assets/liabilities involves making judgements and estimations about the availability of future taxable profit against which tax losses carried forward can be used. A deferred tax asset is recognised for unused tax losses and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

**E. Current and non-current classification**

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle.
- it is held primarily for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- it is 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.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/liabilities include current portion of non-current financial assets/liabilities respectively. All other assets/ liabilities are classified as non-current. Deferred tax assets and liabilities (if any) are classified as non-current assets and liabilities.

**Operating cycle**

Based on the nature of the operations and the time between the acquisition of assets for processing and their realization in cash or cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

**F. Measurement of fair values**

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework



**SAMHI Hotels (Gurgaon) Private Limited**  
**Notes to the financial statements for the year ended 31 March 2022**  
*(All amounts are in Indian Rupees ('000), unless otherwise stated)*

with respect to the measurement of fair values. The finance team has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Holding Company's Chief Financial Officer.

They regularly review significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values then the finance team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 34.

## **2. Summary of significant accounting policies**

### **1) Property, plant and equipment**

#### **Recognition and measurement**

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses if any.

Cost comprises the purchase price, import duties and other non-refundable taxes or levies, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. Any trade discounts and rebates are deducted in arriving at the purchase price.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.



**SAMHI Hotels (Gurgaon) Private Limited**

**Notes to the financial statements for the year ended 31 March 2022**

*(All amounts are in Indian Rupees ('000), unless otherwise stated)*

**Subsequent costs and disposal**

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure, are charged to the profit or loss for the period during which such expenses are incurred.

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

**Depreciation**

Depreciation on Property, plant and equipment is calculated using the straight-line method (SLM) to allocate their cost, net of their residual values, over their estimated useful lives (determined by the management based on technical estimates). The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. In case of a revision, the unamortized depreciable amount is charged over the remaining useful life.

Depreciation on addition/ (disposals) is provided on a pro-rata basis i.e. from/ (up to) the date on which the asset is ready for use/ (disposed off).

The management estimate of the useful life of various categories of assets is as follows:

Asset Category*	Useful Life (years)	Useful life as per Schedule II to the Companies Act, 2013
Building	15-60	60
Computers and accessories	3-6	3-6
Plant and machinery	5-20	15
Furniture and fixtures	5-8	10
Vehicles	8	8
Office equipment	5	5

\* 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 of few assets included in the above asset categories are different from the useful lives as prescribed under Part C of Schedule II to the Companies Act 2013.

Freehold land is not depreciated.

Depreciation is calculated on a pro rata basis for assets purchased/sold during the year.

The residual values, useful lives and methods of depreciation of property plant and equipment are reviewed by management at each reporting date and adjusted prospectively, as appropriate.



**SAMHI Hotels (Gurgaon) Private Limited**  
**Notes to the financial statements for the year ended 31 March 2022**  
*(All amounts are in Indian Rupees ('000), unless otherwise stated)*

**2) Intangible assets**

**Recognition and measurement**

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 accumulated amortisation and accumulated impairment loss, if any.

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

**Amortisation**

Intangible assets of the Company represents computer software and are amortized using the straight-line method over the estimated useful life (at present three to eight years) or the tenure of the respective software license, whichever is lower. 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.

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

**3) Financial instruments**

*i. Recognition and initial measurement*

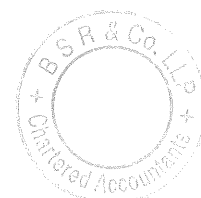
Trade receivables issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

All financial instruments are initially recognised at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of a financial instrument on initial recognition is generally its transaction price (that is, the fair value of the consideration given or received). However, if there is a difference between the transaction price and the fair value of financial instruments whose fair value is based on a quoted price in an active market or a valuation technique that uses only data from observable markets, the Company recognises the difference as a gain or loss at inception ('day 1 gain or loss'). In all other cases, the entire day 1 gain or loss is deferred and recognised in the Statement of Profit and Loss over the life of the transaction until the transaction matures or is closed out.

*ii. Classification and subsequent measurement*

*Financial assets*

On initial recognition, a financial asset is classified as measured at



**SAMHI Hotels (Gurgaon) Private Limited**

**Notes to the financial statements for the year ended 31 March 2022**

*(All amounts are in Indian Rupees ('000), unless otherwise stated)*

- amortised cost;
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measure at FVOCI if it meets both of the following conditions and is not designated as at FVTPL.

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

*Financial assets: Business model assessment*

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management, for instance the stated policies and objectives for the portfolio, frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

*Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest*

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:





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*(All amounts are in Indian Rupees ('000), unless otherwise stated)*

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features.

*Financial assets: Subsequent measurement and gains and losses*

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

*Financial liabilities: Classification, subsequent measurement and gains and losses*

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

*iii. Derecognition*

*Financial assets*

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.



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*Financial liabilities*

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. *Offsetting*

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

*Interest free loans*

The Company has obtained interest free loan from its holding company. Such interest free loans are measured at fair values determined using a present value technique with inputs that include future cash flows and discount rates that reflect assumptions that market participants would apply in pricing such loans. The difference between the transaction price and the fair value of such loans have been recognised as equity component in the books of the Company. The loan component is subsequently measured at amortised costs and interest expense is recognised using effective interest rate method. On modification in the terms of such loans wherein they became repayable at the option of the borrower resulting in it becoming perpetual debt such loans including accrued interest up to the date of modification have been treated as other equity.

v. *Modification of financial assets and liabilities*

*Financial assets:*

If the terms of a financial asset are modified, the Company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognized and a new financial asset is recognized at fair value.

If the cash flows of the modified asset carried at amortized cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Company recalculates the gross carrying amount of the financial asset and recognizes the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss.

*Financial Liabilities:*

The Company derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.



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**4) Impairment**

**A. Impairment of financial instruments**

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses i.e. bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.



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The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is 90 days or more past due.

*Measurement of expected credit losses*

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

*Presentation of allowance for expected credit losses in the balance sheet*

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

*Write-off*

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

**B. Impairment of Non-financial assets**

The carrying amounts of assets are reviewed at each reporting date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset (or cash generating unit) exceeds its recoverable amount. The recoverable amount is the greater of the asset's (or cash generating unit's) net selling price and value in use. 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 risks specific to the asset (or cash generating unit).

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

**5) Inventories**

Inventories which comprise stock of - beverages (including liquor) is carried at the lower of cost and net realisable value. Cost includes all expenses incurred in bringing the inventory to their present location and



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condition and is determined on a first in first out basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs to make the sale.

**6) Government grants and subsidies**

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

*Export Promotion Capital Goods scheme*

The grant or subsidy received to compensate the import cost of assets, subject to an export obligation is recognised in the Statement of Profit and Loss in ratio of fulfilment of associated export obligations.

*Service Exports from India scheme (SEIS)*

The scheme entitles the Company to receive SEIS licenses basis the annual earnings in foreign currency. These licenses can be utilised by the Company or sold in the market. The grant is recognised in the Statement of Profit and Loss on an accrual basis at realizable value.

**7) Provisions**

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of the obligation.

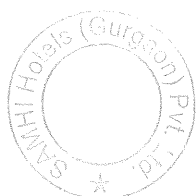
If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Provisions are reviewed by the management at each reporting date and adjusted to reflect the current best estimates.

**8) Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation, or a present obligation whose amount cannot be estimated reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

**9) Borrowing Costs**

Borrowing costs are interest and other costs (including exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred by the Company in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition and/or construction of those tangible fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Capitalisation of borrowing costs is suspended in the period during



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which active development is delayed due to interruption, other than temporary interruption. Other borrowing costs are recognised as an expense in the Statement of Profit and Loss in the period in which they are incurred.

**10) Employee benefits**

**(a) 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, short-term 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.

**(b) Post-employment benefits**

**Defined contribution plan – Provident fund and Employee State Insurance**

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 Profit or loss during the period in which the employee renders the related service. If the contribution already paid is less than the contribution payable to the scheme for service received before the balance sheet date, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.

**Defined benefit plan – Gratuity**

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 the Projected Unit Credit Method, which recognizes each period of service as giving rise to an 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, are based on the market yields on government securities as at the balance sheet date, having maturity period approximating to the terms of related obligations.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income and are never reclassified to profit or loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the profit or loss as past service cost.



**SAMHI Hotels (Gurgaon) Private Limited**

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**(c) Other long-term employee benefit obligations – Compensated absences**

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize 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 utilized 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. Re measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in the profit or loss.

**11) Revenue recognition**

Revenue is recognized at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring the goods or services to a customer i.e. on transfer of control of the goods or service to the customer. Revenue is net of indirect taxes and discounts.

***Revenue from hotel operations***

*Room revenue, sale of food and beverages and recreation services*

Revenue is recognized at the transaction price that is allocated to the performance obligation. Revenue comprises room revenue, sale of food and beverages, property management services, recreation and other services relating to hotel operations. Revenue is recognised upon rendering of the services and sale of food and beverages.

**12) Recognition of dividend income, interest income**

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.



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**Notes to the financial statements for the year ended 31 March 2022**  
*(All amounts are in Indian Rupees ('000), unless otherwise stated)*

**13) Accounting for Foreign Currency Transactions**

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the profit or loss on a net basis.

**14) Income Taxes**

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

**Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

**Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.





**SAMHI Hotels (Gurgaon) Private Limited**

**Notes to the financial statements for the year ended 31 March 2022**

*(All amounts are in Indian Rupees ('000), unless otherwise stated)*

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and Company intend to settle current tax liabilities and assets on a net basis or such tax assets and liabilities will be realised simultaneously.

**15) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Holding Company's Chief Executive Officer has been identified as the Chief Operating Decision Maker ('CODM')

**Identification of segments:**

In accordance with Ind AS 108, Operating Segments, the operating segments used to present segment information are identified on the basis of information reviewed by the CODM to allocate resources to the segments and assess their performance. An operating segment is a component of the Company that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Company's other components.

**16) Earnings per share**

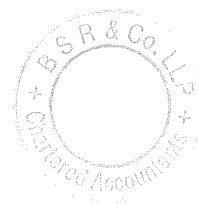
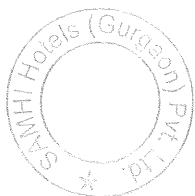
The Company presents basic and diluted earnings per share (EPS) data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding, for the effects of all dilutive potential equity shares, except where the results would be anti-dilutive.

**17) Cash and cash equivalents**

Cash and cash equivalents comprise of cash at banks and cheques on hand which are subject to an insignificant risk of changes in value.

**18) Expenditure**

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



3 Property, plant and equipment

Reconciliation of carrying amount

	Freehold land	Buildings	Furnitures and fixtures	Plant and machinery	Computers and accessories	Office equipment	Total
<b>Gross carrying amount</b>							
Balance as at 1 April 2020	801,800	882,374	76,091	246,945	36,355	24,410	2,067,975
Additions during the year	-	-	-	-	-	-	-
Balance as at 31 March 2021	801,800	882,374	76,091	246,945	36,355	24,410	2,067,975
Additions during the year	-	-	-	-	-	-	-
Balance as at 31 March 2022	801,800	882,374	76,091	246,945	36,355	24,410	2,067,975
<b>Accumulated depreciation</b>							
Balance as at 1 April 2020	-	141,470	51,270	78,337	33,810	23,160	328,047
Depreciation charge for the year	-	28,329	7,924	14,012	550	27	50,842
Balance as at 31 March 2021	-	169,799	59,194	92,349	34,360	23,187	378,889
Depreciation charge for the year	-	28,329	7,924	14,012	167	1	50,433
Balance as at 31 March 2022	-	198,128	67,118	106,361	34,527	23,188	429,322
<b>Net carrying amount</b>							
Balance as at 31 March 2021	801,800	712,575	16,897	154,596	1,995	1,223	1,689,087
Balance as at 31 March 2022	801,800	684,246	8,973	140,584	1,828	1,222	1,638,653

For details regarding charge on property, plant and equipment (refer to Note 16)

For details regarding the title deed of immovable property of the company (refer to Note 43)

4 Intangible assets

Reconciliation of carrying amount

	Computer software	Total
<b>Gross carrying amount</b>		
Balance as at 1 April 2020	9,254	9,254
Additions during the year	-	-
Balance as at 31 March 2021	9,254	9,254
Additions during the year	-	-
Balance as at 31 March 2022	9,254	9,254
<b>Accumulated amortisation</b>		
Balance as at 1 April 2020	3,707	3,707
Amortisation expense for the year	1,012	1,012
Balance as at 31 March 2021	4,719	4,719
Amortisation expense for the year	976	976
Balance as at 31 March 2022	5,695	5,695
<b>Net carrying amount</b>		
Balance as at 31 March 2021	4,535	4,535
Balance as at 31 March 2022	3,559	3,559



**SAMHI Hotels (Gurgaon) Private Limited**

Notes to the financial statements for the year ended 31 March 2022

(All amounts are in Indian Rupees('000), unless otherwise stated)

**5 Non-current financial assets - Others**

(Unsecured considered good)

Bank deposits with maturity more than 12 months from the reporting date\* #  
Security deposits

	As at 31 March 2022	As at 31 March 2021
	59,653	51,825
	1,112	1,112
	<u>60,765</u>	<u>52,937</u>

\* includes interest accrued on bank deposits amounting to INR 430 (31 March 2021 - INR 1,304)

# includes bank deposits under lien amounting to INR 59,223 (31 March 2021 - INR 50,521)

**6 Income tax assets (net)**

Tax deducted at source

	As at 31 March 2022	As at 31 March 2021
	6,535	10,116
	<u>6,535</u>	<u>10,116</u>



SAMHI Hotels (Gurgaon) Private Limited

Notes to the financial statements for the year ended 31 March 2022

(All amounts are in Indian Rupees('000), unless otherwise stated)

7 Income tax

For the year ended 31 March 2022 For the year ended 31 March 2021

A: The major components of income tax expense / (income) are

Recognised in profit or loss

Current tax  
Deferred tax

-	-
-	-
-	-

For the year ended 31 March 2022 For the year ended 31 March 2021

Recognised in Other comprehensive income

Re-measurement gain/(loss) on defined benefit obligations

Before tax  
Tax impact  
After tax

(601)	(112)
-	-
(601)	(112)

Recognised in equity

Temporary differences arising from interest free loans received during the year

Before tax  
Tax impact  
After tax

-	92,100
-	-
-	92,100

B. Reconciliation of effective tax rate (tax expense and the accounting profit multiplied by Company's domestic tax rate)

	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Percentage	Amount	Percentage	Amount
Loss before tax		(178,461)		(198,984)
Tax using the Company's domestic tax rate	25.17	(44,915)	25.17	(50,081)
Non recognition of deferred taxes on temporary differences	(24.42)	43,575	(25.17)	50,081
Others	(0.75)	1,340	-	-
Effective tax rate	-	-	-	-

C. Deferred tax assets / liabilities

Deferred tax assets

Unabsorbed business loss and depreciation  
Disallowance u/s 43B of the Income-tax Act, 1961  
Provision for employee benefits  
Loss allowance for doubtful debts

	As at 31 March 2022	As at 31 March 2021
316,952	270,294	
16,413	16,415	
966	605	
2,070	2,254	
336,401	289,568	

Deferred tax liabilities

Property, plant and equipment and Intangible assets

148,605	145,347
148,605	145,347

Net deferred tax asset / (liabilities)

187,796	144,221
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Deferred tax asset / (liability) recognised\*

-	-
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\*As at year end, the Company has significant unabsorbed depreciation and carry forward business losses as per Income Tax Act, 1961. In view of absence of reasonable certainty of sufficient future taxable profits, deferred tax assets has been recognised to the extent of deferred tax liabilities only.



**SAMHI Hotels (Gurgaon) Private Limited**

Notes to the financial statements for the year ended 31 March 2022

(All amounts are in Indian Rupees(000), unless otherwise stated)

**D. Movement in temporary differences**

31 March 2022

Particulars	Balance as at April 1, 2021	Movement during FY 2021-22	Balance as at 31 March 2022
<b>Deferred tax assets</b>			
Unabsorbed business loss and depreciation	270,294	46,658	316,952
Disallowance u/s 43B of the Income-tax Act, 1961	16,415	(2)	16,413
Provision for employee benefits	605	361	966
Loss allowance for doubtful debts	2,254	(184)	2,070
	<b>289,568</b>	<b>46,833</b>	<b>336,401</b>
<b>Deferred tax liabilities</b>			
Property, plant and equipment and Intangible assets	145,347	3,258	148,605
	<b>145,347</b>	<b>3,258</b>	<b>148,605</b>

Net deferred tax asset / (liability) [unrecognised]

144,221 43,575 187,796

31 March 2021

Particulars	Balance as at 1 April 2020	Movement during FY 2020-21	Balance as at 31 March 2021
<b>Deferred tax assets</b>			
Unabsorbed business loss and depreciation	229,227	41,067	270,294
Disallowance u/s 43B of the Income-tax Act, 1961	2,224	14,191	16,415
Provision for employee benefits	661	(56)	605
Loss allowance for doubtful debts	2,078	176	2,254
	<b>234,190</b>	<b>55,378</b>	<b>289,568</b>
<b>Deferred tax liabilities</b>			
Property, plant and equipment and Intangible assets	140,074	5,273	145,347
	<b>140,074</b>	<b>5,273</b>	<b>145,347</b>

Net deferred tax asset / (liability) [unrecognised]

94,116 50,105 144,221

**E. Tax losses and unabsorbed depreciation carried forward**

Tax losses for which no deferred tax asset was recognised with expiry date as follows :

	As at 31 March 2022	
	Amount	Expiry Date (Financial Year)
Business loss	52,296	2022-23
Business loss	110,651	2023-24
Business loss	26,348	2024-25
Business loss	32,732	2025-26
Business loss	58,683	2026-27
Business loss	-	2027-28
Business loss	89,297	2028-29
Business loss	126,556	2029-30
Unabsorbed depreciation	762,658	Never expire

	As at 31 March 2021	
	Amount	Expiry Date (Financial Year)
Business loss	1,597	2021-22
Business loss	52,296	2022-23
Business loss	110,651	2023-24
Business loss	26,348	2024-25
Business loss	32,732	2025-26
Business loss	58,683	2026-27
Business loss	-	2027-28
Business loss	89,772	2028-29
Unabsorbed depreciation	698,143	Never expire



**SAMHI Hotels (Gurgaon) Private Limited**

**Notes to the financial statements for the year ended 31 March 2022**

*(All amounts are in Indian Rupees('000), unless otherwise stated)*

<b>8 Other non-current assets</b> <i>(unsecured, considered good)</i> Prepaid expenses	<b>As at</b> <b>31 March 2022</b> <hr/> <b>3,669</b> <hr/> <hr/> <b>3,669</b>	<b>As at</b> <b>31 March 2021</b> <hr/> <b>194</b> <hr/> <hr/> <b>194</b>
<b>9 Inventories</b>  <i>(valued at lower of cost or net realisable value)</i> Food and beverages	<b>As at</b> <b>31 March 2022</b> <hr/> <b>1,366</b> <hr/> <hr/> <b>1,366</b>	<b>As at</b> <b>31 March 2021</b> <hr/> <b>2,478</b> <hr/> <hr/> <b>2,478</b>
<b>10 Current financial assets - Trade receivables</b>  Unsecured, considered good Unsecured, credit impaired  Allowance for credit impaired	<b>As at</b> <b>31 March 2022</b>   <hr/> <b>8,136</b> <hr/> <b>8,224</b> <hr/> <b>16,360</b> <hr/> <b>(8,224)</b> <hr/> <b>8,136</b>	<b>As at</b> <b>31 March 2021</b>   <hr/> <b>4,988</b> <hr/> <b>8,957</b> <hr/> <b>13,945</b> <hr/> <b>(8,957)</b> <hr/> <b>4,988</b>

The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in Note 34.

**Trade receivables ageing schedule**

**As at 31 March 2022**

Particulars	Outstanding for following periods from transaction date					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	6,243	1,256	16	438	183	8,136
(ii) Undisputed Trade receivables – credit impaired	-	1,747	1,308	3,221	1,948	8,224
<b>Total</b>	<b>6,243</b>	<b>3,003</b>	<b>1,324</b>	<b>3,659</b>	<b>2,131</b>	<b>16,360</b>

**As at 31 March 2021**

Particulars	Outstanding for following periods from transaction date					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	3,827	270	510	269	112	4,988
(ii) Undisputed Trade receivables – credit impaired	-	1,437	5,226	762	1,532	8,957
<b>Total</b>	<b>3,827</b>	<b>1,707</b>	<b>5,736</b>	<b>1,031</b>	<b>1,644</b>	<b>13,945</b>



**SAMHI Hotels (Gurgaon) Private Limited**  
**Notes to the financial statements for the year ended 31 March 2022**  
*(All amounts are in Indian Rupees('000), unless otherwise stated)*

11 Current financial assets - Cash and cash equivalents	As at 31 March 2022	As at 31 March 2021
Balances with banks		
- on current accounts	196,828	172,939
Cash on hand	170	350
	<u>196,998</u>	<u>173,289</u>
<b>12 Current financial assets - Others</b> <i>(unsecured, considered good)</i>	<b>As at</b> <b>31 March 2022</b>	<b>As at</b> <b>31 March 2021</b>
Unbilled revenue*	3,204	5,615
Security deposits	20	-
Government grant receivable #	1,933	2,097
	<u>5,157</u>	<u>7,712</u>

\* Net of advance from customers of INR 927 (31 March 2021 - INR 194).

# The Company is availing export incentive under Service Exports from India Scheme (SEIS). Under the scheme, the Company is entitled to receive SEIS licenses based on the annual earnings in foreign currency. These licenses can be utilized by the Company or sold in the market. During the year, the Company has written off government grant amounting INR 164 (31 March 2021 - INR 1,347).

13 Other current assets	As at 31 March 2022	As at 31 March 2021
Advance to suppliers	782	856
Balance with statutory authorities	4,449	3,374
Prepaid expenses *	11,435	5,509
	<u>16,666</u>	<u>9,739</u>

\* includes current portion of non-current prepaid expenses amounting to INR 1,837 (31 March 2021 - INR 1,671).



14 Equity share capital

	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
<b>Authorised share capital</b>				
Equity shares of INR 10 each	6,500,000	65,000	6,500,000	65,000
	<u>6,500,000</u>	<u>65,000</u>	<u>6,500,000</u>	<u>65,000</u>
<b>Issued, subscribed and fully paid up</b>				
Equity shares of INR 10 each	708,760	7,088	708,760	7,088
	<u>708,760</u>	<u>7,088</u>	<u>708,760</u>	<u>7,088</u>

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

	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
<b>Equity shares</b>				
At the beginning of the year	708,760	7,088	708,760	7,088
At the end of the year	<u>708,760</u>	<u>7,088</u>	<u>708,760</u>	<u>7,088</u>

b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having the par value of INR 10 per share. Each holder of equity share is entitled to one vote per share. The equity shares are entitled to receive dividend as and when declared. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Shares held by holding company or their subsidiaries/ associates

Name of shareholder	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
<b>Equity shares of INR 10 each</b>				
SAMHI Hotels Limited (Holding Company) *	708,760	7,088	708,760	7,088

d) Details of shareholders holding more than 5% shares

Name of shareholder	As at 31 March 2022		As at 31 March 2021	
	Number of shares	% of holding	Number of shares	% of holding
<b>Equity shares of INR 10 each</b>				
SAMHI Hotels Limited (Holding Company) *	708,760	100%	708,760	100%

\*1 share is held by Mr. Ashish Jakhanwala as a nominee shareholder

e) Details of shares held by promoters

As at 31 March 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
1	SAMHI Hotels Limited (Holding Company)	708,760	-	708,760	100%	-

As at 31 March 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
1	SAMHI Hotels Limited (Holding Company)	708,760	-	708,760	100%	-

f) No shares have been allotted without payment of cash or by way of bonus shares or bought back during the period of five years immediately preceding the Balance Sheet date.





**SAMHI Hotels (Gurgaon) Private Limited**  
**Notes to the financial statements for the year ended 31 March 2022**  
*(All amounts are in Indian Rupees ('000), unless otherwise stated)*

15 Other equity	As at 31 March 2022	As at 31 March 2021
Securities premium	337,032	337,032
Retained earnings	(412,759)	(233,697)
Equity component of interest free loans from Holding Company	345,108	345,108
	<u>269,381</u>	<u>448,443</u>

**a) Securities premium**

Balance at the beginning of the year	337,032	337,032
Balance at the end of the year	<u>337,032</u>	<u>337,032</u>

Securities premium is used to record the premium received on issue of shares. It is utilized in accordance with the provisions of the Companies Act, 2013.

**b) Retained Earnings**

Balance at the beginning of the year	(233,697)	(34,601)
Loss for the year	(178,461)	(198,984)
Transferred from other comprehensive income	(601)	(112)
Balance at the end of the year	<u>(412,759)</u>	<u>(233,697)</u>

Retained earnings represent the amount of accumulated profits/(losses) of the Company.

**c) Other comprehensive income - Remeasurement of defined benefit plans (net of tax)**

Balance at the beginning of the year	-	-
Remeasurements of defined benefit liability / asset (net of tax)	(601)	(112)
Transferred to retained earnings	601	112
Balance at the end of the year	<u>-</u>	<u>-</u>

Remeasurements of defined benefit liability / asset comprises actuarial gains and losses.

**d) Equity component of interest free loans from Holding Company**

Balance at the beginning of the year	345,108	253,008
Add : Additions made during the year	-	92,100
Balance at the end of the year	<u>345,108</u>	<u>345,108</u>

This represents the equity component of the interest free loan received from SAMHI Hotels Limited, the holding company. Below are the terms of unsecured loan from Holding Company :

- Loan to be considered as perpetual debt
- Nil rate of interest
- Repayable at the option of the Company.



16 Non-current financial liabilities - Borrowings

	As at 31 March 2022	As at 31 March 2021
Term loan from bank secured	1,477,298	1,336,067
Less: Current maturities of long-term borrowings (refer note 18)	(158,955)	(96,139)
<b>Total</b>	<b>1,318,343</b>	<b>1,239,928</b>

**Terms in respect of term loans taken from banks:**

**Sanction amounts**

Secured term loan from IndusInd Bank Limited Term loan - INR 1,200,000 (31 March 2021: INR 1,200,000)  
 Secured working capital Term loan from IndusInd Bank Limited - INR 471,621 (31 March 2021: INR 235,821)

**Terms of security**

**-For Term Loan from IndusInd Bank Limited**

- First charge on all immovable fixed assets of the Hotel.
- First charge on all movable fixed assets of the Hotel.
- First charge on all current assets of the Hotel.
- First charge on all the cash flows of the Hotel to be routed through IndusInd Account of the Hotel.
- Debt Service Reserve Account (DSRA) of one quarter interest and principal to be maintained throughout the tenor of the loan.
- Non disposal undertaking for 100% equity share capital from the promoters.

**-For working capital term loan from IndusInd Bank Limited**

- Second charge on all present and future current assets of the Hotel.
- Second charge on all present and future movable fixed assets of the Hotel.
- Mortgage on immovable fixed assets of the Hotel.
- Cashflow of the Hotel both present and future.

**Rate of interest and terms of repayment**

**- For loans from IndusInd Bank Limited**

Rate of Interest 8.25% to 9.65% p.a.( 31 March 2021 - 9.50% to 9.65% p.a.)  
 The term loan amount is repayable in 42 quarterly installments starting from 16 February 2019.

The Company has availed moratorium on principal and interest payments with reference to RBI circular DOR.No.BP.BC.47/21.04.048/2019-20 dated 27 March 2020 and DOR.No.BP.BC.71/21.04.048/2019-20 dated 23 May 2020 for the period 1 March 2020 to 31 August 2020. Accordingly, principal repayments falling due during the period 1 March 2020 to 31 August 2020 have been shifted across the board, wherever applicable, resulting in increasing the loan tenure by 6 months.

**- For working capital term loan from IndusInd Bank Limited**

**Tranche 1**

During the year ended 31 March 2021, the Company had obtained working capital term loan amounting to INR 235,821 (under ECLGS scheme) ["Tranche 1"]  
 Rate of interest - 9.25% p.a. (31 March 2021: 9.25% p.a.).  
 The working capital term loan amount is repayable in 48 equal quarterly instalments after 1 year of moratorium from date of first disbursement i.e. 8 January 2021. However, there is no moratorium for interest. It shall be payable at monthly intervals.

**Tranche 2**

During the year ended 31 March 2022, the Company had obtained working capital term loan amounting to INR 235,800 (under ECLGS scheme) ["Tranche 2"]  
 Rate of interest - 8.75% p.a.(31 March 2021: Nil).  
 The term loan amount is repayable in 48 equal quarterly instalments after 2 year of moratorium from date of first disbursement i.e. 3 September 2021. However, there is no moratorium for interest. It shall be payable at monthly intervals.

The Company did not have any continuing defaults as on the balance sheet date in the repayment of loans and interest. There have been no material loan covenant defaults and there has been no intimation from the bank for recalling any loan facility.

Information about the Company's exposure to interest rate, foreign currency and liquidity risks is included in note 34.



<b>17</b>	<b>Non current Provisions</b>	<b>As at</b>	<b>As at</b>
		<b>31 March 2022</b>	<b>31 March 2021</b>
	<b>Provision for employee benefits</b>		
	Gratuity (Refer note 26)	645	513
	Compensated absences (Refer note 26)	938	646
		<u>1,583</u>	<u>1,159</u>

<b>18</b>	<b>Current financial liabilities - Borrowings</b>	<b>As at</b>	<b>As at</b>
		<b>31 March 2022</b>	<b>31 March 2021</b>
	Cash credit and overdraft facilities from bank (secured) *	87,838	89,724
	Current maturities of long-term borrowings (refer note 16)	158,955	96,139
		<u>246,793</u>	<u>185,863</u>

\*Includes interest on secured loan of INR 685 (31 March 2021 - INR 625). This loan is repayable on demand.

**Cash credit and overdraft facilities from bank**  
**IndusInd Bank Limited**

Cash credit and overdraft facilities from bank as on 31 March 2022 carry interest rate of 9.10% p.a (31 March 2021 - 9.10% p.a.) computed on monthly basis on the actual amount utilised, and are repayable on demand. These are secured by (a) First charge on all immovable fixed assets of the Hotel (b) First charge on all movable fixed assets of the Hotel (c) First charge on all current assets of the Hotel (d) First charge on all the cash flows of the Hotel to be routed through IndusInd Account of the Hotel (e) Non disposal undertaking for 100% equity share capital from the promoters.

<b>19</b>	<b>Current financial liabilities - Trade payables</b>	<b>As at</b>	<b>As at</b>
		<b>31 March 2022</b>	<b>31 March 2021</b>
	Trade payables		
	- total outstanding dues of micro enterprises and small enterprises	2,579	-
	- total outstanding dues of creditors other than micro enterprises and small enterprises	79,229	63,400
		<u>81,808</u>	<u>63,400</u>

a) Refer note 38 for disclosures under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED).

b) Refer note 33 for dues to related parties.

c) The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 34.

**Trade payables ageing schedule**

**As at 31 March 2022**

Particulars	Outstanding for following periods from due date of payment					Total
	Accrued expenses	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	2,060	474	45	-	2,579
(ii) Others	24,764	38,211	6,371	9,364	520	79,229
<b>Total</b>	<b>24,764</b>	<b>40,271</b>	<b>6,845</b>	<b>9,409</b>	<b>520</b>	<b>81,808</b>

**As at 31 March 2021**

Particulars	Outstanding for following periods from due date of payment					Total
	Accrued expenses	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	21,180	30,229	11,305	375	311	63,400
<b>Total</b>	<b>21,180</b>	<b>30,229</b>	<b>11,305</b>	<b>375</b>	<b>311</b>	<b>63,400</b>

<b>20</b>	<b>Current financial liabilities - Others</b>	<b>As at</b>	<b>As at</b>
		<b>31 March 2022</b>	<b>31 March 2021</b>
	Employee related payables	3,522	598
	Payable for capital assets	-	684
		<u>3,522</u>	<u>1,282</u>

<b>21</b>	<b>Other current liabilities</b>	<b>As at</b>	<b>As at</b>
		<b>31 March 2022</b>	<b>31 March 2021</b>
	Advance from customers	7,460	4,348
	Statutory dues payable	4,802	3,037
		<u>12,262</u>	<u>7,385</u>

<b>22</b>	<b>Current provisions</b>	<b>As at</b>	<b>As at</b>
		<b>31 March 2022</b>	<b>31 March 2021</b>
	<b>Provision for employee benefits</b>		
	Gratuity (refer note 26)	102	82
	Compensated absences (refer note 26)	622	445
		<u>724</u>	<u>527</u>



SAMHI Hotels (Gurgaon) Private Limited  
Notes to the financial statements for the year ended 31 March 2022  
(All amounts are in Indian Rupees ('000), unless otherwise stated)

23 Revenue from operations	For the year ended 31 March 2022	For the year ended 31 March 2021
<i>Sale of products and services</i>		
- Room revenue	137,092	80,800
- Food and beverage revenue	62,295	30,470
- Recreation and other services	3,565	2,266
	<u>202,952</u>	<u>113,536</u>

**Contract balances**

The contract liabilities primarily relate to the advance consideration received from customers for which revenue is recognized when the performance obligation is over/ services delivered. Advance collection is recognised when payment is received before the related performance obligation is satisfied. This includes advances received from the customer towards rooms/restaurant/banquets. Revenue is recognised once the performance obligation is met i.e. on room stay/ sale of food and beverage / provision of banquet services. The contract assets primarily relate to excess of revenue over invoicing (i.e. unbilled revenue).

	As at 31 March 2022	As at 31 March 2021
<b>Contract liabilities</b>		
- Advance from customers	7,460	4,348
<b>Contract assets</b>		
- Unbilled revenue	3,204	5,615

Note: Considering the nature of business of the Company, the above contract liabilities are generally materialised as revenue and contract assets are converted into cash/trade receivables within the same operating cycle.

24 Other income	For the year ended 31 March 2022	For the year ended 31 March 2021
<i>Interest income from financial assets at amortised cost</i>		
- bank deposits	3,824	411
Provision no longer required written back	733	208
Interest on income tax refund	344	562
	<u>4,901</u>	<u>1,181</u>

25 Cost of materials consumed	For the year ended 31 March 2022	For the year ended 31 March 2021
<i>Consumption of food and beverages</i>		
Inventory at the beginning of the year	2,478	2,451
Add: Purchases	15,653	7,828
Inventory at the end of the year	(1,366)	(2,478)
	<u>16,765</u>	<u>7,801</u>

26 Employee benefits expense	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and bonus	39,242	33,781
Contribution to provident fund and other funds (refer 'a' below)	2,949	2,635
Compensated absences (refer 'b' below)	1,002	-
Gratuity expense (refer 'c' below)	231	193
Staff welfare expenses	6,054	3,961
	<u>49,478</u>	<u>40,570</u>

**a. Defined contribution plans**

The Company's employees provident fund scheme and employee state insurance scheme are defined contribution plans. A sum of INR 2,949 (31 March 2021 - INR 2,635) has been recognised as an expense in relation to the schemes and shown under Employee benefits expense in Statement of Profit and Loss. Also, refer note 31.

**b. Compensated absences**

The Principal assumptions used in determining the compensated absences benefit obligation are as given below:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
	%	%
Discounting rate	4.97	4.53
Future salary increase	5.50	5.50



**c. Defined Benefit Plan**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

The following tables summarize the components of net benefit expense recognized in the Statement of Profit and Loss, the funded status and amounts recognized in the balance sheet for the gratuity plans.

**1. Expense recognised in Statement of Profit and Loss**

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Current service cost	204	178
Interest cost	27	15
<b>Total expenses recognised in the Statement of Profit and Loss</b>	<b>231</b>	<b>193</b>

**2. Remeasurements recognized directly in other comprehensive income**

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Net actuarial (gain)/loss recognized in the year		
- changes in demographic assumptions	253	258
- changes in financial assumptions	16	(17)
- changes in experience adjustments	(870)	(353)
<b>Amount recognized in other comprehensive income</b>	<b>(601)</b>	<b>(112)</b>

**3. Change in present value of benefit obligation**

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Present value of obligation as at the beginning of the year	596	291
Current service cost	204	178
Interest cost	27	15
Actuarial (gain)/loss	601	112
Benefits paid	(681)	-
Present value of obligation as at the end of the year	<b>747</b>	<b>596</b>

**4. Amounts to be recognized in Balance sheet**

Particulars	As at 31 March 2022	As at 31 March 2021
Present value of the defined benefit obligation at the end of the year	747	596
Fair value of plan assets at the end of the year	-	-
Funded status	(747)	(596)
<b>Net liability recognized in the Balance Sheet</b>	<b>(747)</b>	<b>(596)</b>

Non-current	645	513
Current	102	82

**5. The Principal assumptions used in determining the gratuity benefit obligation are as given below**

Particulars	As at 31 March 2022	As at 31 March 2021
Discounting rate (p.a)	%	%
Future salary increase (p.a)	4.97	4.53
	5.50	5.50

The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities. The salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

**Demographic assumptions**

	As at 31 March 2022	As at 31 March 2021
Retirement Age (years)	58	58
Mortality Table	IALM (2012-2014) ultimate table	IALM (2012-2014) ultimate table
Withdrawal Rate	%	%
Ages		
Up to 30 Years	65	65
From 31 to 44 years	65	65
Above 44 years	65	65

6. The Company best estimate of expense for the next year is INR 242 (31 March 2021: INR 210)



**Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	31 March 2022		31 March 2021	
	Increase *	Decrease **	Increase *	Decrease **
Discount rate (0.5% movement)	(9)	9	(8)	8
Future salary growth (0.5% movement)	9	(9)	8	(8)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

\* Positive amount represents increase in provision

\*\*Negative amount represents decrease in provision

**7. Maturity profile of defined benefit obligation**

**Year**

April 2022- March 2023  
 April 2023- March 2024  
 April 2024- March 2025  
 April 2025- March 2026  
 April 2026- March 2027  
 April 2027- March 2028  
 April 2028 onwards

As at  
 31 March 2022

102  
 421  
 146  
 51  
 18  
 7  
 2  
747

**Year**

April 2021- March 2022  
 April 2022- March 2023  
 April 2023- March 2024  
 April 2024- March 2025  
 April 2025- March 2026  
 April 2026- March 2027  
 April 2027 onwards

As at  
 31 March 2021

82  
 177  
 111  
 40  
 14  
 5  
 167  
596



**SAMHI Hotels (Gurgaon) Private Limited**

**Notes to the financial statements for the year ended 31 March 2022**

(All amounts are in Indian Rupees ('000), unless otherwise stated)

	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>27 Finance costs</b>		
Interest expense on financial liabilities carried at amortised cost		
- Term loans *	139,960	120,866
Other borrowing costs	6,720	13,962
	<u>146,680</u>	<u>134,828</u>
*Net of interest income on bank deposits of INR Nil (31 March 2021 - INR 1,982) made out of loan funds.		
<b>28 Depreciation and amortisation expense</b>		
Depreciation on property, plant and equipment	50,433	50,842
Amortisation of intangible assets	976	1,012
	<u>51,409</u>	<u>51,854</u>
<b>29 Other expenses</b>		
Repair and maintenance		
- Building	4,698	2,678
- Machinery	4,274	3,806
- Others	4,689	2,262
Advertisement and business promotion	6,777	3,296
Commission	10,300	5,509
Communication	1,644	976
Consumption of stores and supplies	22,722	11,388
Contractual labour	9,740	5,153
General administration expenses	2,742	605
Insurance	1,796	1,491
Legal and professional charges	15,202	14,412
Loss on foreign exchange fluctuation (net)	520	-
Management and incentive fees	7,296	2,711
Miscellaneous expenses	173	803
Payment to auditors *	844	898
Power, fuel and water	20,097	14,645
Government grant written off	164	1,347
Provision for bad and doubtful debts	-	699
Rates and taxes	6,918	4,872
Travelling expenses	1,386	1,097
	<u>121,982</u>	<u>78,648</u>
<b>*Payment to auditors</b>		
Statutory audit	800	800
Reimbursement of expenses	24	78
Other services	20	20
	<u>844</u>	<u>898</u>
<b>30 Earnings per share (EPS)</b>		
Net loss attributable to equity shareholders	(178,461)	(198,984)
Weighted average number of equity shares for calculation of basic EPS	708,760	708,760
Weighted average number of equity shares for calculation of diluted EPS	708,760	708,760
Nominal value of equity share (INR)	10	10
Basic earning per share (INR)	(251.79)	(280.75)
Diluted earning per share (INR)	(251.79)	(280.75)
<b>31 Contingent liabilities and commitments</b>		
<b>Contingent liabilities</b>		
In February 2019, Supreme Court of India in its judgement clarified the applicability of allowances that should be considered to measure obligations under 'The Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The Company has been legally advised that there are interpretative challenges on the application of judgement retrospectively and as such does not consider there is any probable obligations for past periods.		



32 Operating Segments

The Holding Company's Chief Executive Officer has been identified as the Chief Operating Decision Maker ('CODM'), since he is responsible for all major decisions w.r.t. the preparation and execution of business plan, preparation of budget, planning, alliance, merger, acquisition and expansion of any new facility. CODM has examined the Company's performance from product and geographic perspective and has identified a single business segment i.e. "Developing and running of hotels", hence no specific disclosures have been made.

a) Information about products and services

The Company primarily deals in one business namely "Developing and running of hotels", therefore product wise revenue disclosure is not applicable.

b) Information about geographical areas

The Company provides services to customers in India. Further, there are no non-current assets located outside India.

c) Information about major customers (from external customers)

The Company does not derive revenue from one customer which would amount to 10 per cent or more of the Company's revenue.

33 Related party disclosures

a) Related party and nature of related party relationship where control exists:

Description of relationship	Name of the Party
Holding Company	SAMHI Hotels Limited (formerly known as SAMHI Hotels Private Limited)
Fellow Subsidiary	Ascent Hotels Private Limited

b) Related party transactions during the current year/previous year:

Particulars	Holding Company		Fellow Subsidiary	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
<b>Other expenses</b>				
Legal and professional charges	11,026	11,416	-	-
<b>Other equity</b>				
Equity component of interest free loans from Holding Company	-	92,100	-	-
<b>Reimbursement of expenses</b>				
Ascent Hotels Private Limited	-	-	619	-

c) Related party balances outstanding at year end:

Particulars	Holding Company		Fellow Subsidiary	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
<b>Trade payables</b>				
SAMHI Hotels Limited	-	1,857	-	-
Ascent Hotels Private Limited	-	-	619	-
<b>Other current assets</b>				
Advance to suppliers	8	-	-	-
<b>Other equity</b>				
Equity component of interest free loans from Holding Company	345,108	345,108	-	-

1) In addition to transactions above, the Holding Company has provided an undertaking on behalf of the Company in respect of term loan obtained from bank.

2) The Company has given bank guarantee amounting to INR 90,000 against credit facility availed by fellow subsidiaries (Ascent Hotels Private Limited and SAMHI Hotels Ahmedabad Private Limited).

The transactions with related parties are made on terms equivalent to those that prevail on arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash.





34 Financial Instruments – Fair values and risk management

A) Financial instruments by category and fair value

The below table summarizes the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Particulars	31 March 2022			
	Level of hierarchy	Fair Value Through Profit and Loss (FVTPL)	Fair Value Through Other Comprehensive Income (FVTOCI)	Amortised Cost
<b>Financial assets</b>				
<b>Non-current</b>				
Others		-	-	60,763
<b>Current</b>				
Trade receivables		-	-	8,136
Cash and cash equivalents		-	-	196,998
Others		-	-	5,157
<b>Total financial assets</b>		-	-	<b>271,056</b>
<b>Financial liabilities</b>				
<b>Non-current</b>				
Borrowings	2	-	-	1,318,343
<b>Current</b>				
Borrowings	2	-	-	246,793
Trade payables		-	-	81,808
Others		-	-	3,522
<b>Total financial liabilities</b>		-	-	<b>1,650,466</b>

Particulars	31 March 2021			
	Level of hierarchy	Fair Value Through Profit and Loss (FVTPL)	Fair Value Through Other Comprehensive Income (FVTOCI)	Amortised Cost
<b>Financial assets</b>				
<b>Non-current</b>				
Others		-	-	52,937
<b>Current</b>				
Trade receivables		-	-	4,988
Cash and cash equivalents		-	-	173,289
Others		-	-	7,712
<b>Total financial assets</b>		-	-	<b>238,926</b>
<b>Financial liabilities</b>				
<b>Non-current</b>				
Borrowings	2	-	-	1,239,928
<b>Current</b>				
Borrowings	2	-	-	185,863
Trade payables		-	-	63,400
Others		-	-	1,282
<b>Total financial liabilities</b>		-	-	<b>1,490,474</b>

Financial assets and liabilities measured at amortised cost - Fair value measurements

The fair value of trade receivables, cash and cash equivalents, other bank balances, other current financial assets, current borrowings, trade payables and other current financial liabilities approximate their carrying amounts, due to their short-term nature.

Interest rates on non-current borrowings (from bank) are equivalent to the market rate. Such borrowings are contracted at floating rates and rates are reset at short intervals. Accordingly, the carrying value of such borrowings approximates fair value.

Fair value of bank deposits included in non-current other financial assets is equivalent to their carrying amount, as the interest rate on them is equivalent to market rate.

B) Measurement of fair values

The different levels of fair value have been defined below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded on stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There have been no transfers in either direction for the years ended 31 March 2022 and 31 March 2021.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting year.



C) Financial risk management

Risk management framework

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk.

The Holding Company's Chief Financial Officer under the directions of the Board of Directors of the Company implements financial risk management policies across the Company. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, to monitor risks and adherence to limits in order to minimize the financial impact of such risks. The risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The carrying amount of financial assets represent the maximum credit risk exposure. The Company has credit policies in place and the exposures to these credit risks are monitored on an ongoing basis.

To cater to the credit risk for balances with banks only high rated banks are accepted.

The Company has given security deposits to Government departments. Further, the Company has recognised government grant recoverable in respect of export incentives. The Company does not expect any default from these parties and accordingly the risk of default is negligible or nil.

In respect of credit exposures from trade receivables/unbilled revenue, the Company has policies in place to ensure that sales on credit without collateral are made principally to travel agents and corporate companies with an appropriate credit history. Sales to other customers are made in cash or by credit cards.

The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or legal entity, their geographical location, industry and existence of previous financial difficulties, if any.

During the period, the Company has made no write-offs of trade receivables.

Reconciliation of loss allowance provision

	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening balance	8,957	8,258
Changes in loss allowance	(733)	699
Closing balance	8,224	8,957

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

ii. Liquidity risk

The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions.

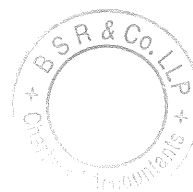
Ultimate responsibility for liquidity risk management rests with the holding company's Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium term and long-term funding and liquidity management requirements.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted:

31 March 2022	Contractual cash flows					
	Carrying amount	Total	0-1 year	1-2 years	2-5 years	More than 5 years
<b>Non - derivative financial liabilities</b>						
Non-current borrowings	1,318,343	1,325,285	-	198,258	642,536	484,491
Current borrowings	246,793	246,793	246,793	-	-	-
Trade payables	81,808	81,808	81,808	-	-	-
Other current financial liabilities	3,522	3,522	3,522	-	-	-
	<b>1,650,466</b>	<b>1,657,408</b>	<b>332,123</b>	<b>198,258</b>	<b>642,536</b>	<b>484,491</b>
31 March 2021	Contractual cash flows					
	Carrying amount	Total	0-1 year	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>						
Non-current borrowings*	1,239,928	1,248,422	-	158,955	474,627	614,840
Current borrowings	185,863	185,863	185,863	-	-	-
Trade payables	63,400	63,400	63,400	-	-	-
Other current financial liabilities	1,282	1,282	1,282	-	-	-
	<b>1,490,473</b>	<b>1,498,967</b>	<b>250,545</b>	<b>158,955</b>	<b>474,627</b>	<b>614,840</b>

\* The details disclosed are after considering the impact moratorium with reference to RBI circular DOR.No.BP.BC.47/21.04.048/2019-20 dated 27 March 2020 and DOR.No.BP.BC.71/21.04.048/2019-20 dated 23 May 2020 for the period 1 March 2020 to 31 August 2020.



iii. Market risk

The Company is exposed to market risk primarily relating to the risk of changes in market prices, such as foreign exchange rates and interest rates, that will affect the Company's expense or the value of its holdings of financial instruments.

iv. Currency risk

The Company's exposure to foreign currency risk is on account of payables for expenditure in currencies other than the functional currency of the Company.

Exposure to currency risk

The Company's exposure to foreign currency risk at the end of the reporting period are as follows:

31 March 2022	Currency	Amount in foreign currency (in thousands)	Amount in INR
<b>Financial liabilities</b>			
Trade payables	USD	243	18,437
<b>31 March 2021</b>			
<b>Financial liabilities</b>			
Trade payables	USD	130	9,565

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against foreign currency at year end would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in INR	(Profit) / loss		Equity, net of tax (increase) / decrease	
	Strengthening	Weakening	Strengthening	Weakening
<b>31 March 2022</b>				
USD ( 1% movement)	184	(184)	184	(184)
	184	(184)	184	(184)
<b>31 March 2021</b>				
USD ( 1% movement)	96	(96)	96	(96)
	96	(96)	96	(96)

v. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with floating interest rates.

The Company evaluates the interest rates in the market on a regular basis to explore the option of refinancing of borrowings. Moreover, the Company's current borrowings are linked to floating interest rates, thereby resulting in adjustments of its borrowing costs in line with the market interest.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments is as follows:

	Nominal amount	
	31 March 2022	31 March 2021
<b>Fixed-rate instruments</b>		
Financial assets - bank deposits	59,653	51,825
	59,653	51,825
<b>Variable-rate instruments</b>		
Financial liabilities - Term loans from bank	1,477,298	1,336,067
Financial liabilities - Cash credit and overdraft facilities from bank	87,838	89,724
	1,565,136	1,425,791

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, remain constant.

	(Profit) / loss		Equity, net of tax (increase) / decrease	
	100 bps increase	100 bps decrease	100 bps increase	100 bps decrease
<b>31 March 2022</b>				
Financial liabilities	14,408	(14,408)	14,408	(14,408)
	14,408	(14,408)	14,408	(14,408)
<b>31 March 2021</b>				
Financial liabilities	12,664	(12,664)	12,664	(12,664)
	12,664	(12,664)	12,664	(12,664)

35 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Board of Directors of the Company seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position.

The Company monitors capital using loan to value (LTV) method to ensure that the loan to value does not increase beyond 65% on any given reporting date at a group level.



36 During the year, SAMHI Hotels Limited (the Holding Company) has allocated expenses amounting INR 11,026 (31 March 2021 - INR 11,416) as Company's share of project expenses and other cost incurred.

**37 Note on Going concern and impact of COVID-19**

The Company is facing liquidity challenges which have been accentuated by uncertainty due to COVID-19. The Company has positive net worth of Rs. 276,469 as at 31 March 2022, incurred a net loss of INR 178,461 during the year ended 31 March 2022 and, as of that date, the Company's current liabilities exceeded its current assets by INR 116,786. As on 31 March 2022, the Company has been largely funded by loans from banks and there are repayments of INR 158,955 due within 12 months of the balance sheet date. The Company has cash and bank balance of INR 184,984 with it as on 31 March 2022 which will assist for meeting its short term liabilities for next 12 months. The business of the Company was impacted during the year on account of COVID-19. During few months of the year, the Company witnessed softer revenues due to the subsequent waves of COVID-19 and consequent lockdowns in several states across the country.

With increased vaccinations and consequent reduction in number of cases and easing of all restrictions, the Company has witnessed a recovery. Starting from Q3 FY 2022, the Company has demonstrated improved business performance in terms of Average Room Revenue (ARR) and Occupancy levels. ARR and Occupancy levels in Q1 FY 2023 have reached INR 5,508 and 75%. The Company has continued financial and operational support provided to the Company by SAMHI Hotels Limited (the holding company), has projected to generate profits from its operations and is expecting necessary approvals basis application to lenders under Emergency Credit Line Guarantee Scheme ("ECLGS").

The Company has assessed the possible impact of COVID-19 in preparation of the financial statements, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets and impact on revenues and costs. The Company has considered internal and external sources of information and has performed sensitivity analysis on the assumptions used and based on current estimates, expects to recover the carrying amount of these assets. The impact of COVID-19 may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

In view of the above, the management and the Board of Directors believe that the Company will be able to meet all its contractual obligations and liabilities as and when they fall due in near future and accordingly, these financial statements have been prepared on a going concern basis.

**38 Disclosures under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)**

	As at 31 March 2022	As at 31 March 2021
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**Dues to micro and small suppliers**

The amounts remaining unpaid to micro and small suppliers as at the end of the year:

Principal	2,579	-
Interest	124	-

The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year.

-	-
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The amount of interest paid under the act beyond the appointed day during the year

-	-
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The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.

-	-
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The amount of interest accrued and remaining unpaid at the end of each accounting year.

124	-
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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 the Act.

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**39 New standards and interpretations, not yet adopted**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

**Ind AS 103 – Reference to Conceptual Framework**

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

**Ind AS 16 – Proceeds before intended use**

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the Company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

**Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract**

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

**Ind AS 109 – Annual Improvements to Ind AS (2021)**

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

**Ind AS 106 – Annual Improvements to Ind AS (2021)**

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.



40 Ratios as required by Schedule III to the Companies Act, 2013:

Ratio	In times/%	Numerator	Denominator	31 March 2022	31 March 2021	Reasons for variance
Current Ratio	In times	Total Current Assets	Total Current Liabilities	0.7	0.8	Since the variance is less than 25% there is no requirement to disclose the reason.
Debt-Equity Ratio	In times	Total Borrowings	Total Equity	5.7	3.1	Debt equity ratio has increased due to increase in debt and reduction in other equity due to losses in the current year.
Debt Service Coverage Ratio	In times	Profit/(loss) before finance cost, depreciation, amortisation and tax	Finance costs paid + Principal repayments of long term borrowings	0.1	(0.1)	Debt Service coverage ratio has improved due to an increase in profit before finance costs, depreciation, amortisation, and tax.
Return on Equity Ratio	In %	Loss after tax	Average Total Equity	-49%	-39%	Return on equity ratio has decreased due to reduction in other equity on account of losses in the current year.
Inventory turnover ratio *	In times	NA	NA	NA	NA	NA
Trade Receivables turnover ratio	In times	Revenue from operations	Average Trade Receivables	30.9	10.4	Trade receivables turnover ratio increased due to an increase in revenue from operations.
Trade payables turnover ratio	In times	Cost of materials consumed + Other expenses	Average Trade Payables	1.9	1.0	Trade payables turnover ratio increased due to increase in business activity during the year.
Net capital turnover ratio	In times	Revenue from operations	Average working capital	(2.3)	(0.9)	Decrease is due to increase in revenue from operations due to improvement in business.
Net profit ratio	In %	Loss after tax	Revenue from operations	-88%	-175%	Net profit ratio improved due to improvement in business activity during the year.
Return on Capital employed	In %	Loss before interest and taxes	Capital Employed : Tangible Net Worth + Total Borrowing	-2%	-3%	Return on capital employed improved due to a decrease in loss before interest and taxes during the current year on account of an increase in business activity.
Return on investment #	In %	NA	NA	NA	NA	NA

The Company has not presented the following ratios due to the reasons given below:

\* **Inventory turnover ratio:** Since the Company holds the inventory of beverages including liquor and the proportion of such inventory is insignificant to total assets.

# **Return on investments:** Since the Company invests surplus temporary funds in short-term bank deposits and the income generated from it is insignificant to total revenue.

41 Other statutory information

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company does not have any transactions with companies struck off.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Company has 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).
- The Company has not been declared a wilful defaulter by any bank or other lender (as defined under the Companies Act, 2013), in accordance with the guidelines on wilful defaulters.

42 Change in classification

Pursuant to amendment in Schedule III to the Companies Act, 2013, effective from 1 April 2021, the Company has modified the classification of security deposits from "Loans" to "Others" in financial assets and Current maturities of long-term borrowings from "Others" to "Borrowings" in Current financial liabilities. Comparative amounts in the notes to the financial statements were reclassified for consistency.

	As per earlier reported	Revised classification
<b>Assets</b>		
<b>Non current assets</b>		
<b>Financial assets</b>		
Loans	1,112	-
Others	-	1,112
<b>Liabilities</b>		
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	-	96,139
Others	96,139	-

During the year ended 31 March 2022, the Company has revised the presentation of certain notes to the financial statements for better presentation. Comparative amounts in the notes to the financial statements were reclassified for consistency.

	As per earlier reported	Revised classification
<b>Other Expenses</b>		
Consumption of stores and supplies	-	4,416
Hotel running expenses	4,416	-



43 List of immovable properties not held in the name of the Company

As at 31 March 2022

Relevant line item in the Balance Sheet	Description of property	Gross carrying value	Whether title deed holder is a promoter/director or relative of promoter/director or employee of promoter/director	Held in the name of	Property held since which date	Reason for not being held in the name of the company
Property, plant and equipment - Freehold Land	Khasra No. 22/1/2/1/1, 2/1/1, 3, 4/1 in the revenue estate of village Mollahera, Distt Gurugram	801,800	No	Milestone Landbase Estates Private Limited	04 August 2009	The sale deed is in the name of Milestone Landbase Estates Private Limited, erstwhile name of the Company which was changed to SAMHI Hotels (Gurgaon) Private Limited. Fresh certificate of incorporation consequent to change of name dated April 16, 2012 was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana.

As at 31 March 2021

Relevant line item in the Balance Sheet	Description of property	Gross carrying value	Whether title deed holder is a promoter/director or relative of promoter/director or employee of promoter/director	Held in the name of	Property held since which date	Reason for not being held in the name of the company
Property, plant and equipment - Freehold Land	Khasra No. 22/1/2/1/1, 2/1/1, 3, 4/1 in the revenue estate of village Mollahera, Distt Gurugram	801,800	No	Milestone Landbase Estates Private Limited	04 August 2009	The sale deed is in the name of Milestone Landbase Estates Private Limited, erstwhile name of the Company which was changed to SAMHI Hotels (Gurgaon) Private Limited. Fresh certificate of incorporation consequent to change of name dated April 16, 2012 was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana.

The notes from Note 1 to Note 43 form an integral part of these financial statements.

As per our report of even date attached

For BSR & Co. LLP  
 Chartered Accountants  
 ICAI Firm Registration No.: 101248W/W-100022

Vikram Advani  
 Partner  
 Membership No.: 091765

Place: New Delhi  
 Date: 19 August 2022

For and on behalf of Board of Directors of  
 SAMHI Hotels (Gurgaon) Private Limited

Rajat Mehra  
 Director  
 DIN: 06813081

Place: Gurugram  
 Date: 19 August 2022

Gyana Das  
 Director  
 DIN: 03563467

Place: Gurugram  
 Date: 19 August 2022

Quality Checks :	Completed
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<b>Done by :</b>	
Name and Designation.....	Deepanshu Kakkar (CAM) and Abhilov Rastogi (Manager)
Signature and Date.....	Deepanshu Kakkar (CAM) and Abhilov Rastogi (Manager)
Engagement Partner.....	Vikram Advani
Project Code.....	1608568