CASPIA Hotels 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 Auditors Report

To the Members of CASPIA Hotels Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of CASPIA Hotels 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 income, 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(s)

We draw attention to Note 40 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.

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 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 has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its financial statements - Refer Note 32 to the financial statements.

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 their knowledge and belief, as disclosed in the Note 43(v) 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.

(ii) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 43(v) 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 the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above contain any material misstatement.

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

Membership No.: 091765

Date: 19 August 2022

ICAI UDIN:22091765APIZOF7997

Annexure A to the Independent Auditor's Report on the Financial Statements of CASPIA Hotels 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 in a phased manner over a period of 3 years. In accordance with this programme, certain 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 discrepancies were noticed on such verification.

(b) 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 disclosed in the financial statements are held in the name of the Company.

(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.

(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 43(i) 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 letter of such limits, there are no requirement on the Company to sumbit quarterly returns or statements with such bank.

(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, provided guarantee or security or 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 clauses 3(iii)(a) to 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 neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 of the Companies Act, 2013 ("the Act") are not applicable to the Company. The Company has complied with section 186(1) of the Companies Act, 2013. 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.

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

(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 provided by it. 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 Service Tax ('GST'), Value Added Tax, Provident Fund, Employees State Insurance, Income-Tax, Cess or other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of Goods and Service Tax ('GST'), Provident Fund, Employees State Insurance, Income-Tax, Professional Tax and Labour Welfare Fund.

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 Service Tax, Value Added Tax, Provident Fund, Employees State Insurance, Income-Tax, Cess or 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, except as mentioned below:

Name of the statute	Nature of the dues	Amount (Rs. in '000)	Period to which the amount relates	Due date	Date of payment	Remarks, if any
The Employees' Provident Fund and Miscellaneous Provisions Act, 1952	Provident Fund (Additional liability due to Supreme Court) Refer Note 32	337	March 2019	15 April 2019	Not yet paid	NA

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Income-Tax which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in '000)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Addition to the taxable income	9,171*	FY 2015-16	Commissioner of Income Tax (Appeals)	NA
Income Tax	Addition to	2,464**	FY 2016-17	Commission	NA

Name of the statute	Nature of the dues	Amount (Rs. in '000)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Act, 1961	the taxable income			er of Income Tax (Appeals)	
Income Tax Act, 1961	Addition to the taxable income	5,682	FY 2017-18	Commissioner of Income Tax (Appeals)	NA

* Amount paid under protest Rs. 4,500

** Amount paid under protest Rs. 493

(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 interest free loan amounting to Rs. 2,496,935 thousands from the holding 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 repayament 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) is not applicable.

(f) The Company does not hold any investment in any subsidiaries, associate or joint venture (as defined under Companies Act, 2013) during the year ended 31 March 2022. Accordingly, clause 3(ix)(f) 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.

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

(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) The Company is a wholly owned subsidiary and accordingly the requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (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. 238,684 thousands in the current financial year and Rs. 306,279 thousands 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 40 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, it 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

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

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.

(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
Membership No.: 091765
ICAI UDIN:22091765APIZOF7997

Place: New Delhi
Date: 19 August 2022

Annexure B to the Independent Auditor's Report on the financial statements of CASPIA Hotels 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 CASPIA Hotels 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 CASPIA Hotels 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

Membership No.: 091765

Date: 19 August 2022

ICAI UDIN:22091765APIZOF7997

CASPIA Hotels 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
ASSETS			
Non-current assets			
Property, plant and equipment	3	3,055,014	3,155,885
Intangible assets	4	8,241	10,248
Financial assets			
Others	5	10,888	12,678
Income tax assets (net)	6	25,235	21,831
Other non-current assets	8	40,905	40,846
Total non-current assets		**3,140,283**	**3,241,488**
Current assets			
Inventories	9	1,872	1,487
Financial assets			
Trade receivables	10	20,094	16,557
Cash and cash equivalents	11	406,083	381,490
Other bank balances	12	23,331	5,446
Others	13	13,593	6,630
Other current assets	14	57,389	46,735
Total current assets		**522,362**	**458,345**
TOTAL ASSETS		**3,662,645**	**3,699,833**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	180,000	180,000
Other equity	16	500,387	879,385
Total equity		**680,387**	**1,059,385**
Non-current liabilities			
Financial liabilities			
Borrowings	17	2,562,894	2,377,783
Trade payables	17a		
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		41,234	-
Provisions	18	2,074	2,287
Total non- current liabilities		**2,606,202**	**2,380,070**
Current liabilities			
Financial liabilities			
Borrowings	19	215,942	100,142
Trade payables	20		
- total outstanding dues of micro enterprises and small enterprises		1,368	543
- total outstanding dues of creditors other than micro enterprises and small		117,103	117,162
Others	21	14,682	20,147
Other current liabilities	22	25,744	21,163
Provisions	23	1,217	1,221
Total current liabilities		**376,056**	**260,378**
Total liabilities		**2,982,258**	**2,640,448**
TOTAL EQUITY AND LIABILITIES		**3,662,645**	**3,699,833**

The notes from Note 1 to Note 44 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
CASPIA Hotels Private Limited

Gyana Das
Director
DIN: 03563467

Place: Gurugram
Date: 19 August 2022

Rajat Mehra
Director
DIN: 06813081

Place: Gurugram
Date: 19 August 2022

Hima Goel
Company Secretary
Membership No.: A40688

Place: Gurugram
Date: 19 August 2022

CASPIA Hotels 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
Income			
Revenue from operations	24	458,336	232,269
Other income	25	1,301	3,311
Total income		459,637	235,580
Expenses			
Cost of materials consumed	26	50,703	32,889
Employee benefits expense	27	96,669	94,151
Other expenses	30	267,383	181,711
		414,755	308,751
Profit/(Loss) before finance cost, depreciation, amortisation and tax		**44,882**	**(73,171)**
Finance costs	28	283,566	233,108
Depreciation and amortisation expense	29	105,380	110,841
		388,946	343,949
Loss before tax		**(344,064)**	**(417,120)**
Tax expense	7	-	-
Loss for the year		**(344,064)**	**(417,120)**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Re-measurement gain/(loss) on defined benefit obligations	27	66	(42)
Other comprehensive income/(loss), net of tax		66	(42)
Total comprehensive loss for the year		**(343,998)**	**(417,162)**
Earnings per equity share	31		
Nominal value of share INR 10 [previous year INR 10]			
Basic		(19.11)	(23.17)
Diluted		(19.11)	(23.17)

The notes from Note 1 to Note 44 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
CASPIA Hotels Private Limited

Gyana Das
Director
DIN: 03563467

Place: Gurugram
Date: 19 August 2022

Rajat Mehra
Director
DIN: 06813081

Place: Gurugram
Date: 19 August 2022

Hima Goel
Company Secretary
Membership No.: A40688

Place: Gurugram
Date: 19 August 2022

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

a. Equity share capital

Particulars	Number of shares	Amount
As at 31 March 2020	18,000,000	180,000
Changes in equity share capital during the year	-	-
As at 31 March 2021	18,000,000	180,000
Changes in equity share capital during the year	-	-
As at 31 March 2022	18,000,000	180,000

b. Other equity (refer note 16)

Particulars	Equity component of Compound financial instrument	Reserves and Surplus		Other comprehensive income	Total
		Capital Reserves	Retained earnings	Re-measurement gain/(loss) on defined benefit obligations	
Balance as at 31 March 2020	2,385,469	366,634	(1,602,022)	-	1,150,081
Profit/(loss) for the year	-	-	(417,120)	(42)	(417,162)
Total comprehensive income	-	-	(417,120)	(42)	(417,162)
Transferred to retained earnings	-	-	(42)	42	-
Add: Loan from Holding Company - Recognised directly in other equity	146,466	-	-	-	146,466
Balance as at 31 March 2021	2,531,935	366,634	(2,019,184)	-	879,385
Profit/(loss) for the year	-	-	(344,064)	66	(343,998)
Total comprehensive income	-	-	(344,064)	66	(343,998)
Transferred to retained earnings	-	-	66	(66)	-
Movement of loan from Holding Company - Recognised directly in other equity	(35,000)	-	-	-	(35,000)
Balance as at 31 March 2022	2,496,935	366,634	(2,363,182)	-	500,387

The notes from Note 1 to Note 44 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
CASPIA Hotels Private Limited

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Director
DIN: 03563467
Place: Gurugram
Date: 19 August 2022

Rajat Mehra
Director
DIN: 06813081
Place: Gurugram
Date: 19 August 2022

Hima Goel
Company Secretary
Membership No.: A40688
Place: Gurugram
Date: 19 August 2022

CASPIA Hotels 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
A.	**Cash flow from operating activities**		
	Loss before tax	(344,064)	(417,120)
	Adjustments:		
	Depreciation and amortisation	105,380	110,841
	Provision no longer required written back		(1,244)
	Finance costs	283,566	233,108
	Provision for bad and doubtful debts	539	-
	Loss on foreign exchange fluctuation (net)	2,921	-
	Interest income	(970)	(2,667)
	Government grant	76	839
	Operating profit before working capital changes	47,448	(75,643)
	(Increase) / decrease in inventories	(385)	3,328
	(Increase) / decrease in trade receivables	(4,076)	13,003
	(Increase) / decrease in other financial assets	(3,265)	9,885
	(Increase) / decrease in other assets	(10,713)	7,675
	Increase / (decrease) in trade payables	39,079	(100,001)
	Increase / (decrease) in other liabilities	4,581	(1,471)
	Increase / (decrease) in provisions	(151)	138
	Decrease in other financial liabilities	(122)	(185)
	Cash generated/ (used) by operations	**72,396**	**(143,271)**
	Income taxes (paid) / refunded - net	(3,404)	(2,048)
	Net cash provided/ (used) by operating activities	**68,992**	**(145,319)**
B.	**Cash flow from investing activities**		
	Purchase of property, plant and equipment and Intangible assets	(1,801)	-
	Bank deposits matured	394,715	609,149
	Bank deposits made	(414,100)	(499,710)
	Interest received	3,659	6,615
	Net cash (used in) / provided by investing activities	(17,527)	**116,054**
C.	**Cash flow from financing activities**		
	Non-current borrowings availed	404,200	403,169
	Non-current borrowings repaid	(104,840)	(28,333)
	Received equity component of interest free loans from Holding Company	-	146,466
	Repayment of equity component of interest free loans from Holding Company	(35,000)	-
	Current borrowings availed / (repaid) during the year - net	-	(26,473)
	Finance costs paid	(291,232)	(128,355)
	Net cash (used in) / provided by financing activities	**(26,872)**	**366,474**
	Net increase in cash and cash equivalents (A+B+C)	24,593	**337,209**
	Cash and cash equivalents at the beginning of the year	381,490	44,281
	Cash and cash equivalents at the end of the year	**406,083**	**381,490**

		As at 31 March 2022	As at 31 March 2021
	Notes to cash flow statement		
i.	**Components of Cash and cash equivalents**		
	Cash on hand	360	318
	Balances with banks on current account	300,975	295,313
	Deposit accounts (with original maturity of 3 months or less)	104,748	85,859
		406,083	**381,490**

ii. Movement in financial liabilities

	Non-current borrowings	Current borrowings	Total
As on 1 April 2021	**2,390,158**	**100,142**	**2,490,300**
Cash flows (net)	399,501	(100,142)	299,359
Finance cost expense	283,566	-	283,566
Finance cost paid	(291,232)	-	(291,232)
Interest income on loan funds	3,173	-	3,173
Current maturities of long term borrowings	(215,942)	215,942	-
As on 31 March 2022	**2,569,224**	**215,942**	**2,785,166**
As on 1 April 2020	**2,005,213**	**28,326**	**2,033,539**
Cash flows (net)	374,836	(26,473)	348,363
Finance cost expense	230,808	2,300	233,108
Finance cost paid	(126,055)	(2,300)	(128,355)
Interest income on loan funds	3,645	-	3,645
Current maturities of long term borrowings	(98,289)	98,289	-
As on 31 March 2021	2,390,158	**100,142**	2,490,300

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

The notes from Note 1 to Note 44 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
CASPIA Hotels Private Limited

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Director
DIN: 03563467

Place: Gurugram
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Rajat Mehra
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DIN: 06813081

Place: Gurugram
Date: 19 August 2022

Hima Goel
Company Secretary
Membership No.: A40688

Place: Gurugram
Date: 19 August 2022

CASPIA Hotels 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

Caspia Hotels Private Limited ('the Company') is a Company domiciled in India. The Company was incorporated in India on 22 July 2005 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 three hotels under it (Renaissance, Ahmedabad; Fairfield by Marriott, Coimbatore and Four Points by Sheraton, Vizag) which are 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 Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

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

Also refer note 40 for going concern basis of accounting used by the management.

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.

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) Useful lives, recoverable amounts and impairment of property, plant and equipment

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

ii) Employee benefit obligations

Employee benefit obligations (gratuity and compensated absences obligation) 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.

iii) 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 36 for further disclosures.

iv) Recognition of Deferred Tax assets/liabilities

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, deductible temporaly differences and MAT credit available, 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 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 valuations 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 36.

2. Summary of significant accounting policies

1) Property, plant and equipment

Recognition and measurement

Property, plant and equipment including capital work in progress 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 propelty, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

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.

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

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
Building	15-60	60
Computers and accessories	3-6	3-6
Plant and machinery	5-20	15
Furniture and fixtures	5-8	8
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 of the Companies Act 2013.

Freehold land is not depreciated.

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 represent computer software and are amortized using the straight-line method over the estimated useful life (at present three to ten 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 asset 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 and debt securities 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 income statement 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

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

Financial assets are not reclassified after 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 as 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:

- 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.

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.

v. *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.

vi. *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.

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 require impairment to be recognised. 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.

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 food beverages (including liquor) and tobacco 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 condition and is determined on a first in first out ("FIFO") 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 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 Cost

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

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

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.

(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.

Room revenue, sale of food and beverage 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, propelty 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 or expense

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 and expense, 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.

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.

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).

Identification of segments:
In accordance with Ind AS 108, Operating Segment, 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

Basic earnings per share are calculated by dividing the profit or loss for the period attributable to equity shareholders by the weighted average number of shares outstanding during the period.
For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted 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 comprises of cash at banks and on hand, cheques on hand and shot-term, deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value

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

3 **Property, plant and equipment and Capital work-in-progress**

Reconciliation of carrying amount

	Freehold land	Buildings	Furnitures and fixtures	Plant and machinery	Vehicles	Computers and accessories	Office equipment	Total
Gross carrying amount								
Balance as at 1 April 2020	1,711,627	1,811,161	197,266	618,267	4,249	55,499	14,292	4,412,361
Additions during the year	-	-	-	-	-	-	-	-
Deletions during the year	-	-	-	-	-	-	-	-
Balance as at 31 March 2021	1,711,627	1,811,161	197,266	618,267	4,249	55,499	14,292	4,412,361
Additions during the year	-	1,325	-	1,177	-	-	-	2,502
Deletions during the year	-	-	-	-	-	-	-	-
Balance as at 31 March 2022	1,711,627	1,812,486	197,266	619,444	4,249	55,499	14,292	4,414,863
Accumulated depreciation and impairment losses								
Balance as at 1 April 2020	-	676,828	130,375	285,406	2,813	40,684	11,626	1,147,732
Depreciation charge for the year	-	51,069	16,413	33,712	433	6,321	796	108,744
Balance as at 31 March 2021	-	727,897	146,788	319,118	3,246	47,005	12,422	1,256,476
Depreciation charge for the year	-	51,070	16,410	31,741	433	2,937	782	103,373
Balance as at 31 March 2022	-	778,967	163,198	350,859	3,679	49,942	13,204	1,359,849
Net carrying amount								
Balance as at 31 March 2021	1,711,627	1,083,264	50,478	299,149	1,003	8,494	1,870	3,155,885
Balance as at 31 March 2022	1,711,627	1,033,519	34,068	268,585	570	5,557	1,088	3,055,014

a) Refer to Note 17 for information on property, plant and equipment pledged as security by the Company.
b) Accumulated depreciation includes impairment loss of INR 551,105.

4 **Intangible assets**

Reconciliation of carrying amount

	Computer software	Total
Gross carrying amount		
Balance as at 1 April 2020	23,449	23,449
Additions during the year	-	-
Deletions during the year	-	-
Balance as at 31 March 2021	23,449	23,449
Additions during the year	-	-
Deletions during the year	-	-
Balance as at 31 March 2022	23,449	23,449
Accumulated amortisation		
Balance as at 1 April 2020	11,104	11,104
Amortisation expense for the year	2,097	2,097
Balance as at 31 March 2021	13,201	13,201
Amortisation expense for the year	2,007	2,007
Balance as at 31 March 2022	15,208	15,208
Net carrying amount		
Balance as at 31 March 2021	10,248	10,248
Balance as at 31 March 2022	8,241	8,241

CASPIA Hotels 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	As at 31 March 2022	As at 31 March 2021
(Unsecured considered good)		
Bank deposits due to mature after 12 months from the reporting date*	1,472	1,581
Security deposits	9,416	11,097
	10,888	12,678

* including interest accrued on fixed deposits INR 272 (31 March 2021 - INR 309)

6 Income tax assets (net)	As at 31 March 2022	As at 31 March 2021
Tax deducted at source	25,235	21,831
	25,235	21,831

(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	-	-
	-	-
Recognised in Other comprehensive income		
Re-measurement on defined benefit obligations		
Before tax	66	(42)
After tax	66	(42)
Recognised directly in other equity		
Temporary differences arising from interest free loans received during the year		
Before tax	-	146,466
Tax impact	-	-
After tax	-	146,466

For the year ended For the year ended

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	
	%	Amount	%	Amount
Loss before tax		(344,064)		(417,120)
Tax using the Company's domestic tax rate	25.17	(86,601)	25.17	(104,989)
Effect of:				
Non recognition of deferred taxes on temporary differences	(25.10)	86,369	(25.09)	104,658
Non-deductible differences	(0.07)	232	(0.08)	331
Effective tax rate	0	(0)	0	(0)

C. Deferred tax assets / liabilities

	As at 31 March 2022	As at 31 March 2021
Deferred tax assets		
Unabsorbed business losses and depreciation	588,479	489,753
Loss allowance for doubtful debts	1,300	1,164
Unpaid interest on loan	28,484	28,484
Provision for employee benefits	2,055	2,060
	620,318	521,461
Deferred tax liabilities		
Property, plant and equipment, Capital work-in-progress and Intangible assets	157,404	144,464
	157,404	144,464
Net deferred tax asset / (liabilities)	462,914	376,997
Deferred tax asset/(liability) recongnised*	-	-

* 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.

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

D. Movement in temporary differences

31 March 2022

Particulars	Balance as at 1 April 2021	Movement during 2021-22	Recognised in equity during 2021-22	Recognised in OCI during 2021-22	Balance as at 31 March 2022
Deferred tax assets					
Unabsorbed business losses and depreciation	489,753	98,726	-	-	588,479
Unpaid Interest on loan	28,484	-	-	-	28,484
Provision for doutful debts	1,164	136	-	-	1,300
Provision for employee benefits	2,060	(5)	-	-	2,055
Deferred tax liabilities					
Property, plant and equipment and Intangible assets	(144,464)	(12,940)	-	-	(157,404)
Total	**376,997**	**85,917**	-	-	**462,914**

31 March 2021

Particulars	Balance as at 1 April 2020	Movement during 2020-21	Recognised in equity during 2020-21	Recognised in OCI during 2020-21	Balance as at 31 March 2021
Deferred tax assets					
Unabsorbed business losses and depreciation	391,410	98,343	-	-	489,753
Unpaid Interest on loan	4,585	23,899	-	-	28,484
Provision for doutful debts	1,477	(313)	-	-	1,164
Provision for employee benefits	1,822	238	-	-	2,060
Deferred tax liabilities					
Property, plant and equipment and Intangible assets	(127,215)	(17,249)	-	-	(144,464)
Total	**272,079**	**104,918**	-	-	**376,997**

E. Tax Losses carried forward

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

	31 March 2022 Amount	Expiry Date
Business loss	1,337	2022-23
Business loss	22,418	2023-24
Business loss	42,314	2024-25
Business loss	263,470	2025-26
Business loss	196,966	2026-27
Business loss	133,976	2027-28
Business loss	210,472	2028-29
Business loss	237,866	2029-30
Unabsorbed depreciation	1,229,114	Never expire

	31 March 2021 Amount	Expiry Date
Business loss	1,337	2022-23
Business loss	22,418	2023-24
Business loss	42,314	2024-25
Business loss	263,470	2025-26
Business loss	196,966	2026-27
Business loss	133,976	2027-28
Business loss	211,366	2028-29
Unabsorbed depreciation	1,072,323	Never expire

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

		As at 31 March	As at 31 March
8	**Other non-current assets** *(Unsecured,considered good)*		
	Prepaid expenses	412	353
	Capital advances	35,500	35,500
	Taxes paid under appeal (Refer note 32)	4,993	4,993
		40,905	40,846

		As at 31 March	As at 31 March
9	**Inventories** *(valued at the lower of cost and net realisable value)*		
	Food and beverages	1,872	1,487
		1,872	1,487

		As at 31 March	As at 31 March
10	**Trade receivables**		
	Unsecured, considered good	20,094	16,557
	Unsecured, considered doubtful	5,164	4,625
		25,258	21,182
	Less : Allowance for expected credit loss	(5,164)	(4,625)
		20,094	16,557

a) The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in note 36
b) For receivables secured against borrowings, refer to note 17

Trade receivable ageing schedule

As at 31 March 2022

Particulars	Outstanding for following periods from the date of transaction					
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables considered good	16,435	941	638	442	1,638	20,094
(ii) Undisputed Trade Receivables credit impaired	-	-	539	1,480	3,145	5,164

As at 31 March 2021

Particulars	Outstanding for following periods from the date of transaction					
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	13,301	554	969	1,579	154	16,557
(ii) Undisputed Trade Receivables – credit impaired	-	-	1,480	3,089	56	4,625

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

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CASPIA Hotels 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		
- in current accounts	300,975	295,313
- deposit with original maturity of less than 3 months	104,748	85,859
Cash on hand	360	318
	406,083	381,490

* including interest accrued on fixed deposits INR 461 (31 March 2021 - INR 340)

12 Current financial assets - Other bank balances	As at 31 March 2022	As at 31 March 2021
Bank deposits with original matuity of more than 3 months but less than 12 months#	23,331	5,446
	23,331	5,446

including interest accrued on fixed deposits INR 533 (31 March 2021 - INR 340)
includes deposits under lien amounting to INR 23,226 (31 March 2021 - INR 5,446)

13 Current financial assets - Others *(Unsecured,considered good)*	As at 31 March 2022	As at 31 March 2021
Security deposits	1,163	715
Unbilled revenue*	6,876	4,623
Government grant**	1,216	1,292
Other receivables	2,245	-
Bank deposits (due to mature within 12 months from the reporting date)#	2,093	-
	13,593	6,630

includes interest accrued on fixed deposits INR 328 (INR Nil)
includes deposits under lien amounting to INR 2,093 (31 Mar, 2021 - INR Nil)
* Net advance from customers of INR 5,425 (31 March 2021 - INR 4,325)
** During the year, the Company has written off government grant amounting to INR 76 (31 March 2021 – INR 839).

14 Other current assets *(Unsecured, considered good)*	As at 31 March 2022	As at 31 March 2021
Staff advance	24	-
Balance with statutory authorities	25,162	35,868
Other advances	24,614	3,180
Prepaid expenses	7,589	6,612
Other receivables	-	1,075
	57,389	46,735

CASPIA Hotels 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		
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	Balance with statutory authorities	25,162	35,868
	Other advances	24,614	3,180
	Prepaid expenses	7,589	6,612
	Other receivables	-	1,075
		57,389	46,735

CASPIA Hotels Private Limited
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	23,331	5,446

including interest accrued on fixed deposits INR 533 (31 March 2021 - INR 340)
includes deposits under lien amounting to INR 23,226 (31 March 2021 - INR 5,446)

13 Current financial assets - Others *(Unsecured,considered good)*	As at 31 March 2022	As at 31 March 2021
Security deposits	1,163	715
Unbilled revenue*	6,876	4,623
Government grant**	1,216	1,292
Other receivables	2,245	-
Bank deposits (due to mature within 12 months from the reporting date)#	2,093	-
	13,593	6,630

includes interest accrued on fixed deposits INR 328 (INR Nil)
includes deposits under lien amounting to INR 2,093 (31 Mar, 2021 - INR Nil)
* Net advance from customers of INR 5,425 (31 March 2021 - INR 4,325)
** During the year, the Company has written off government grant amounting to INR 76 (31 March 2021 – INR 839).

14 Other current assets *(Unsecured, considered good)*	As at 31 March 2022	As at 31 March 2021
Staff advance	24	-
Balance with statutory authorities	25,162	35,868
Other advances	24,614	3,180
Prepaid expenses	7,589	6,612
Other receivables	-	1,075
	57,389	46,735

CASPIA Hotels 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 **Equity share capital**

	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Authorised share capital				
Equity shares of INR 10 each	35,000,000	35,000	35,000,000	350,000
	35,000,000	35,000	35,000,000	350,000
Issued, subscribed and fully paid up				
Equity shares of INR 10 each	18,000,000	180,000	18,000,000	180,000
	18,000,000	180,000	18,000,000	180,000

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
At the beginning of the year	18,000,000	180,000	18,000,000	180,000
At the end of the year	18,000,000	180,000	18,000,000	180,000

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 declared from time to time.

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/ultimate holding company and/ or their subsidiaries/ associates

Name of shareholder	As At 31 March 2022		As At 31 March 2021	
Equity shares	Number of shares	Amount	Number of shares	Amount
SAMHI Hotels Limited (Holding Company)*	18,000,000	180,000	18,000,000	180,000

d) Details of shareholders holding more than 5% shares

Name of shareholder	Number of shares	% of holding	Number of shares	% of holding
Equity shares				
SAMHI Hotels Limited ('Holding Company')*	18,000,000	100%	18,000,000	100%

*Mr. Ashish Jakhanwala holds 1 equity share as a nominee shareholder.

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

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

f) 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	18,000,000	-	18,000,000	100%	No change

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	18,000,000	-	18,000,000	100%	No change

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

15 Equity share capital

	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Authorised share capital				
Equity shares of INR 10 each	35,000,000	35,000	35,000,000	350,000
	35,000,000	**35,000**	**35,000,000**	**350,000**
Issued, subscribed and fully paid up				
Equity shares of INR 10 each	18,000,000	180,000	18,000,000	180,000
	18,000,000	**180,000**	**18,000,000**	**180,000**

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
At the beginning of the year	18,000,000	180,000	18,000,000	180,000
At the end of the year	**18,000,000**	**180,000**	**18,000,000**	**180,000**

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 declared from time to time.

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/ultimate holding company and/ or their subsidiaries/ associates

Name of shareholder **Equity shares**	As At 31 March 2022		As At 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
SAMHI Hotels Limited (Holding Company)*	18,000,000	180,000	18,000,000	180,000

d) Details of shareholders holding more than 5% shares

Name of shareholder **Equity shares**	Number of shares	% of holding	Number of shares	% of holding
SAMHI Hotels Limited ('Holding Company')*	18,000,000	100%	18,000,000	100%

*Mr. Ashish Jakhanwala holds 1 equity share as a nominee shareholder.

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

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

f) 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	18,000,000	-	18,000,000	100%	No change

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	18,000,000	-	18,000,000	100%	No change

CASPIA Hotels 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 **Equity share capital**

	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Authorised share capital				
Equity shares of INR 10 each	35,000,000	35,000	35,000,000	350,000
	35,000,000	**35,000**	**35,000,000**	**350,000**
Issued, subscribed and fully paid up				
Equity shares of INR 10 each	18,000,000	180,000	18,000,000	180,000
	18,000,000	**180,000**	**18,000,000**	**180,000**

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
At the beginning of the year	18,000,000	180,000	18,000,000	180,000
At the end of the year	**18,000,000**	**180,000**	**18,000,000**	**180,000**

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 declared from time to time.

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/ultimate holding company and/ or their subsidiaries/ associates

Name of shareholder	As At 31 March 2022		As At 31 March 2021	
Equity shares	Number of shares	Amount	Number of shares	Amount
SAMHI Hotels Limited (Holding Company)*	18,000,000	180,000	18,000,000	180,000

d) Details of shareholders holding more than 5% shares

Name of shareholder	Number of shares	% of holding	Number of shares	% of holding
Equity shares				
SAMHI Hotels Limited ('Holding Company')*	18,000,000	100%	18,000,000	100%

*Mr. Ashish Jakhanwala holds 1 equity share as a nominee shareholder.

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

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

f) 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	18,000,000	-	18,000,000	100%	No change

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	18,000,000	-	18,000,000	100%	No change

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

16 Other equity

	As at 31 March 2022	As at 31 March 2021
Capital reserve	366,634	366,634
Retained earnings	(2,363,182)	(2,019,184)
Equity component of interest free loan from holding company (net of tax)	2,496,935	2,531,935
	500,387	**879,385**

	As at 31 March 2022	As at 31 March 2021
a) Capital Reserve		
Balance at the beginning of the year	366,634	366,634
Balance at the end of the year	**366,634**	**366,634**

This represents capital reserve on business combination being the difference between purchase consideration and fair value of net assets/liabilities acquired.

b) Retained Earnings		
Balance at the beginning of the year	(2,019,184)	(1,602,022)
Loss for the year	(344,064)	(417,120)
Transferred from other comprehensive income	66	(42)
	(2,363,182)	**(2,019,184)**

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

c) Other comprehensive income		
Balance at the beginning of the year	-	-
Remeasurement of defined benefit liability / asset (net of tax)	66	(42)
Transferred to retained earnings	(66)	42
	-	-

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	2,531,935	2,385,469
Add: Loan from Holding Company - Recognised directly in other equity	-	146,466
Less: Repayment of loan from Holding Company - Recognised directly in other equity	(35,000)	-
	2,496,935	**2,531,935**

This represents the equity component of the interest free loans received from SAMHI Hotels Limited, the Holding Company. Terms of unsecured loan from Holding company had been modified w.e.f 30 September 2018 which are as below:

- Loan to be considered as perpetual debt
- NIL rate of Interest
- Repayable at the option of the borrower

As per the amended terms, entire liability portion including interest outstanding as on 30 September 2018 has been transferred to other equity during the previous year based on the principals of IND AS. The corresponding deferred tax impact on such loans has also been adjusted through other equity.

Movement of Interest free loans from Holding Company	As at 31 March 2022	As at 31 March 2021
Total proceeds	2,351,765	2,386,765
Less: Equity component	(2,632,423)	(2,667,423)
	(280,658)	**(280,658)**
Add: Loss on repayment of loan to holding company before maturity	236,136	236,136
Less: Gain on modification of financial liability	(214,119)	(214,119)
Add: Interest expense accretion	258,641	258,641
Closing balance of liability component	-	-
Equity component	2,632,423	2,667,423
Less: Tax impact	(135,488)	(135,488)
Equity component (net of tax)	**2,496,935**	**2,531,935**

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

17 Non-current financial liabilities - Borrowings	As at 31 March 2022	As at 31 March 2021
Term loans from bank (secured) (Refer 'a' below) ^	2,785,166	2,488,447
Less: Interest accrued and due on borrowings (refer note 21)	(6,330)	(12,375)
Less: Current maturities of long-term borrowings (refer note 19)	(215,942)	(98,289)
	2,562,894	**2,377,783**

a) Terms of loan from banks:

I. HDFC Bank (Sanction Amount: INR 610,000):
Term loan from HDFC Bank is secured by an exclusive charge over :
(i) Movable fixed assets of the hotel. (Four Points By Sheraton, Visakhapatnam)
(ii) Current assets of the hotel
(iii) Immovable assets of the hotel .
(iv) First exclusive pari passu charges over Escrow account.
The loan carries interest rate of equivalent to 1 year MCLR + 135 bps which is 8.55% p.a. at the year end (31 March 2021 - 9.65% p.a.)
The loan is repayable in 56 quarterly installments.

II. HDFC Bank secured working capital Term Loan (Sanction Amount: INR 245,600):
The loan carries interest rate of equivalent to 1 year MCLR + 25 bps which is 7.50% p.a. at the year end (31 March 2021 - 7.50%). Principal moratorium of 12 months. Thereafter, principal to berepaid in 48 monthly instalments.
The working capital term loan is secured by extension of second-ranking charge over existing securities provided for the term loan. Additional working term loan ECLGS 3.0 Rate of interest - 7.50% p.a. The term loan amount is repayable in 48 equal quarterly instalments after 2 year of moratorium from date of first disbursement i.e. 28th September 2021. It shall be payable at monthly intervals.

III. Standard Chartered Bank (Sanction Amount: INR 900,000):
Term loan from Standard Chartered Bank is secured by:
(i) First exclusive mortgage / charge on Hotel in Ahmedabad.
(ii) First exclusive charge / hypothecation on the movable fixed assets of the Hotel
(iii) First exclusive charge on present and future receivables of the Hotel
(iv) Cash shortfall undertaking by the Holding Company
The loan is repayable in 45 quarterly installments.

IV. Standard Chartered Bank secured working capital Term Loan (Sanction Amount: INR 340,000):
The loan carries interest rate of equivalent to 9.25% p.a. at the year end (31 March 2021 - 9.25%) Principal moratorium of 12 months. Thereafter, principal to be repaid in 48 monthly instalments.
Working capital Term Loan is secured by:

(i) Second charge on Hotel in Ahmedabad.

(ii) Second charge on the movable fixed assets of the Hotel
(iii) Second charge on present and future receivables of the Hotel
Additional working term loan ECLGS 3.0 Rate of interest - 9.25% p.a. The term loan amount is repayable in 48 equal quarterly instalments after 2 year of moratorium from date of first disbursement i.e. 28th March 2022. It shall be payable at monthly intervals.

V. State Bank of India (SBI) (Sanction Amount: INR 545,300):
Term Loan from State Bank of India is secured by:
(i). First charge by the way of equitable mortgage on entire fixed assets of the project Hotel land Area & Hotel Building. (Fairfields Hotel, Coimbatore)
(ii). First charge by the way of hypothecation on the entire moveable fixed assets of the
hotel.
(iii). First charge on all the monies lying in the designated account, all project revenues and insurance proceeds of the hotel.
(iv). First charge over all the rights, titles, benefits, claims and demands of borrower under project contracts.
(v). Pledge of shares to the extent of 30% of the total paid up equity share capital of the company held by the Holding Company.
(vi). First charge over the DSRA maintained with the Rupee Lender
The loan carries interest rate of equivalent to 1 year MCLR + 225 bps which is 15.05% p.a. at the year end (31 March 2021 - 10.85% p.a.)
The loan is repayable in 48 quarterly installments.

VI. State Bank of India working capital Term Loan (Sanction Amount: INR
The loan carries interest rate of equivalent to 1% above External Benchmark Linked Rate (EBLR) which is 7.95% p.a. at the year end (31 March 2021 - 7.65%)
Principal moratorium of 12 months. Thereafter, principal to berepaid in 48 monthly instalments.
The working capital term loan is secured by extension of second ranking charge over existing securities provided for the Term loan.

Additional working term loan ECLGS 3.0 Rate of interest - 7.95% p.a. The term loan amount is repayable in 48 equal quarterly instalments after 2 year of moratorium from date of first disbursement i.e. 3rd November 2021. It shall be payable at monthly intervals.

b) The Company had 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. Further, interest has been capitalised in the loan value on certain borrowings and it will be payable in proportion to ratio of the original principal repayments basis correspondence from the respective financial institution.

c) The Company did not have any continuing defaults as on the balance sheet date in the repayment of loan and interest.

d) Information about the Company's exposure to interest rate, foreign currency and liquidity risks is included in note 36.

e) The Company didn't have any continuing defaults as on the balance sheet date in the repayment of loans and interest.

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

17a Non-current financial liabilities - Trade payables

	As at 31 March 2022	As at 31 March 2021
Trade payables		
- total outstanding dues of micro enterprises and small enterprises	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	41,234	-
	41,234	-

a) The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 36.

Trade payables Ageing Schedule
As at 31 March 2022

Particulars	Outstanding for following periods from the date of transaction					
	Accrued Expenses	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	-	32,509	8,725	-	-	41,234

As at 31 March 2021

Particulars	Outstanding for following periods from the date of transaction					
	Accrued Expenses	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-

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

18 Non current Provisions	As at 31 March	As at 31 March 2021
Provision for employee benefits		
Gratuity (Refer note 27)	1,235	1,431
Compensated absences (Refer note 27)	839	856
	2,074	2,287

19 Current financial liabilities - Borrowings	As at 31 March	As at 31 March 2021
Loan repayable on demand		
Cash credit and overdraft facilities from banks (secured)	-	1,853
Current maturities of long-term borrowings (refer note 17)	215,942	98,289
	215,942	100,142

Terms of Cash credit and overdraft facilities from banks

The Company has availed bank overdraft facility from HDFC Bank Ltd. at an interest rate of 8.65% p.a (31 March 2021 - 9.65%) (1 year MCLR plus 135bps), computed on monthly basis on the actual amount utilised, and is repayable on demand.

The security for this facility is same as term loan from HDFC Bank mentioned in Note 17.

20 Current financial liabilities - Trade payables	As at 31 March	As at 31 March 2021
Trade payables		
- total outstanding dues of micro enterprises and small enterprises	1,368	543
- total outstanding dues of creditors other than micro enterprises and small enterprises	117,103	117,162
	118,471	117,705

a) Refer Note 38 for Disclosures under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)
b) Refer Note 35 for dues to related parties
c) The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 36

Trade payables Ageing Schedule

As at 31 March 2022

Particulars	Outstanding for following periods from the date of transaction					
	Accrued Expenses	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	1,241	50	77	-	1,368
(ii) Others	27,033	37,123	17,563	22,641	12,743	117,103

As at 31 March 2021

Particulars	Outstanding for following periods from the date of transaction					
	Accrued Expenses	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	466	77	-	-	543
(ii) Others	22,463	59,306	22,641	1,155	11,597	117,162

21 Current financial liabilities - Others	As at 31 March	As at 31 March 2021
Interest accrued but not due on borrowings (refer note 17)	6,330	12,375
Employee related payables	5,301	4,615
Payable for capital assets	3,001	2,300
Payable to related parties (refer note 35)	-	857
Security Deposit received	50	-
	14,682	20,147

22 Other current liabilities	As at 31 March	As at 31 March 2021
Advance from customers	17,698	8,496
Statutory dues payable	8,046	12,667
	25,744	21,163

23 Current provisions	As at 31 March	As at 31 March 2021
Provision for employee benefits		
Gratuity (refer note 27)	685	717
Compensated absences (refer note 27)	532	504
	1,217	1,221

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

24 Revenue from operations

	For the year ended 31 March 2022	For the year ended 31 March 2021
Sale of services		
- Room revenue	285,494	138,264
- Food and beverage revenue	161,538	89,413
- Recreation and other services	11,304	4,592
	458,336	232,269

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).

	For the year ended 31 March 2022	For the year ended 31 March 2021
Contract liabilities		
- Advance from customers	17,698	8,496
Contract assets		
- Unbilled revenue	6,876	4,623

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.

25 Other income

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income from financial assets at amortised cost		
- bank deposits	970	2,067
Provision/liabilities no longer required written back	-	1,244
Miscellaneous income	331	-
	1,301	3,311

26 Cost of materials consumed

	For the year ended 31 March 2022	For the year ended 31 March 2021
Consumption of food and beverages		
Inventory at the beginning of the year	1,487	4,815
Add : Purchases	51,088	29,561
Inventory at the end of the year	(1,872)	(1,487)
	50,703	32,889

27 Employee benefits expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and bonus	79,032	81,722
Contribution to provident fund and other funds (refer 'a' below)	5,364	4,936
Compensated absences (refer 'b' below)	646	145
Gratuity expense (refer 'c' below)	416	509
Staff welfare expenses	11,211	6,839
	96,669	94,151

a. Defined Contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, Labour Welfare Fund and Employees' State Insurance, which are defined contribution plans. The company has no obligations other than to make the specified contributions. The contributions are charged to profit or loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund, Labour Welfare Fund and Employees' State Insurance for the year aggregated to INR 5,364 (31 March 2021 - INR 4,936) Also refer note 32.

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 (p.a.)	4.97	4.53
Future salary increase (p.a.)	5.50	5.50

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

c. Defined Benefit Plan

Gratuity
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 scheme is not funded.
The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and amounts recognised in the balance sheet for the said plan:

a) Expense recognised in Profit or Loss

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Current service cost	319	419
Interest cost	97	90
Total expenses recognised in the Statement of profit and loss	416	509

b) Remeasurements recognized directly in other comprehensive income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
- changes in demographic assumptions	(26)	-
- changes in financial assumptions	(19)	(25)
- changes in experience adjustments	(21)	(17)
Amount recognized in other comprehensive Income	(66)	(42)

c) 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	2,148	1,783
Current service cost	319	419
Interest cost	97	90
Actuarial (gain)/loss on obligations	(66)	42
Benefits paid	(578)	(186)
Present value of obligation as at the end of the year	1,920	2,148

d) Amounts 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	1,920	2,148
Fair value of plan assets at the end of the year	-	-
Funded status	(1,920)	(2,148)
Net liability recognized in the Balance Sheet	(1,920)	(2,148)
Non-current	1,235	1,431
Current	685	717

e) 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.)	4.97	4.53
Salary growth rate (p.a.)	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.

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

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	49/63/68	49/63/68
From 31 to 44 years	49/63/68	49/63/68
Above 44 years	49/63/68	49/63/68

(f) The Company best estimate of expense for the next year is INR 410 (31 March 2021: INR 484)

iii. 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)	(19)	20	(22)	22
Future salary growth (0.5% movement)	20	(19)	22	(22)

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

g) Maturity profile of defined benefit obligation

Year	As at 31 March 2022	As at 31 March 2021
April 2021 - March 2022	-	716
April 2022 - March 2023	685	803
April 2023 - March 2024	473	285
April 2024 - March 2025	279	98
April 2025 - March 2026	165	31
April 2026 - March 2027	92	10
April 2027 - March 2028	52	-
April 2027 onwards	-	203
April 2028 onwards	174	-
	1,920	2,146

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

28 Finance costs

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest expense		
- Vehicle loan	-	3
- Term loans *	278,235	231,406
Bank charges	133	-
Other finance cost	5,198	1,699
	283,566	**233,108**

*Net of interest income on fixed deposits of INR 3,173 (31 March 2021 - INR 3,645)

29 Depreciation and amortisation expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation on property, plant and equipment	103,373	108,744
Amortisation of intangible assets	2,007	2,097
	105,380	**110,841**

30 Other expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Repair and maintenance		
- Building	6,277	3,507
- Machinery	17,072	14,023
- Others	8,995	7,108
Advertisement and business promotion	16,353	10,407
Cable and satellite television	-	546
Commission	14,242	4,745
Communication expenses	3,415	2,953
Consumption of stores and supplies	28,206	12,377
Contractual labour	16,195	1,737
General administration expenses	3,309	1,027
Bank charges	-	176
Hotel running expenses	5,416	1,847
Insurance	2,865	3,194
Legal and professional charges	45,250	40,867
Loss on foreign exchange fluctuation (net)	2,921	-
Management and incentive fees	12,707	5,044
Miscellaneous expenses	191	3,948
Government grant written off	76	839
Payment to auditors*	1,473	1,426
Power, fuel and water	61,194	48,354
Provision for bad and doubtful debts	539	-
Rates and taxes	12,241	13,199
Rent expenses	60	60
Training expenses	2,735	-
Travelling and conveyance expenses	5,651	4,327
	267,383	**181,711**

***Payment to auditors**		
As auditors		
Statutory audit	1,320	1,200
Reimbursement of expenses	132	118
Other services	21	20
	1,473	**1,338**

31 Earnings per share (EPS)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Net loss attributable to equity shareholders	(344,064)	(417,120)
Weighted average number of equity shares for calculation of basic EPS	18,000,000	18,000,000
Weighted average number of equity shares for calculation of diluted EPS	18,000,000	18,000,000
Nominal value of equity share (INR)	10	10
Basic earning per share (INR)	(19.11)	(23.17)
Diluted earning per share (INR)	(19.11)	(23.17)

32 Contingent liabilities and commitments
(to the extent not provided for)

Contingent liabilities

(i) The Company had received an assessment order for financial year 2015-16 whereby an addition of INR 21,364 had been made to the total income of the Company. The Company had deposited INR 4,500 against total demand of INR 9,171 and had filed an appeal before the Commissioner of Income-tax (Appeals) against the said addition which is pending for disposal. Based on the merits of the arguments put forward, the Company is of the view that the outcome will be in its favor and no provision is required to be created in the books.

(ii) The Company had received an assessment order for financial year 2016-17 whereby an addition of INR 9,515 had been made to the total income of the Company. The Company had deposited INR 493 against total demand of INR 2,464 and had filed an appeal before the Commissioner of Income-tax (Appeals) against the said addition which is pending for disposal. Based on the merits of the arguments put forward, the Company is of the view that the outcome will be in its favor and no provision is required to be created in the books.

(iii) In current year, the company has received an assessment order for financial year 2017-18 whereby an addition of INR 18,389 has been made to the total income of the company. The company has filed an appeal before the Commissioner of Income Tax (Appeals) against the said addition which is pending for disposal. Based on the merits of the arguments put forward, the company is of the view that the outcome will be in its favor and no provision is required to be created in books.

(iv) In current year, the company has received notice under section 148 of Income Tax Act, 1961 for assessment year 2016-17 on grounds of escaped assessment. Based on the merits of the arguments put forward, the company is of the view that the outcome will be in its favor and no provision is required to be created in books.

(v) In February 2019, Supreme Court of India in its judgment clarified the applicability of allowances that should be considered to measure obligations under Employees Provident Fund Act, 1952. The Company has been legally advised that there are interpretative challenges on the application of judgment retrospectively and as such does not consider there is any probable obligations for past periods.

33 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
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 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 entity's revenue.

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

34 **Lease disclosures**

The Company has taken office premises under cancellable operating lease agreement. The total lease rental recognised as an expense during the year under the lease agreement amounts to INR 60 (31 March 2021 - INR 60)

35 **Related party disclosures**

(a) Name of related parties

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

Nature of relationship	Name of related party
Holding Company	SAMHI Hotels Limited (formerly known as SAMHI Hotels Private Limited)

Other related parties with whom transactions have taken place:

Nature of relationship	Name of related party
Fellow Subsidiary	SAMHI Hotels (Ahmedabad) Private Limited
Fellow Subsidiary	Argon Hotels Private limited
Fellow Subsidiary	SAMHI JV Business Hotels Private Limited

(b) Transactions during the year:

Particulars	Holding Company		Fellow subsidiary	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Non-current financial liabilities - Borrowings				
Movement of loan from Holding Company Received (Directly recognised in Other Equity)	(35,000)	146,466	-	-
Reimbursement of expenses				
SAMHI Hotels (Ahmedabad) Private Limited	-	-	1,912	2,442
Argon Hotels Private limited	-	-	632	-
SAMHI Hotels Limited	12	-	-	-
SAMHI JV Business Hotels Private Limited	-	-	4,232	-
Cost allocation				
SAMHI Hotels Limited	23,977	24,131	-	-

In addition to transactions above,
- the Holding Company has provided undertaking on behalf of the Company in respect of term loan obtained from banks.
- there is a pledge over shares held and owned by the holding company, upto percentage of the paid up share capital as permissible under law, subject to maximum of 30% in respect of borrowings from banks.

(c) Outstanding balances at the year end

Particulars	Holding Company		Fellow subsidiary	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Equity component of Interest free loans (net of tax)				
SAMHI Hotels Limited	2,496,935	2,531,935	-	-
Trade payables				
SAMHI Hotels Limited	-	233	-	-
Other current liabilities				
SAMHI JV Business Hotels Private Limited	-	-	-	525
SAMHI Hotels Limited	-	332	-	-
Reimbursement of expenses				
SAMHI Hotels (Ahmedabad) Private Limited	-	-	1,119	4,336
Argon Hotels Private limited	-	-	433	-
SAMHI Hotels Limited	12	-	-	-
SAMHI JV Business Hotels Private Limited	-	-	714	-
Other current assets				
SAMHI Hotels Limited	20,490	-	-	-
SAMHI Hotels (Ahmedabad) Private Limited	-	-	-	737

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

For the year ended 31 March 2022 and 31 March 2021, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken at each reporting period.

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

36 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.

	31 March 2022			
	Level of Hierarchy	Fair Value Through Profit and Loss (FVTPL)	Fair Value Through Other Comprehensive Income (FVTOCI)	Amortised Cost
Financial assets				
Non- Current				
Others		-	-	10,888
Current				
Trade receivables			-	20,094
Cash and cash equivalents		-	-	406,083
Other bank balances		-	-	23,331
Others		-	-	13,593
Total financial assets		-	-	473,989
Financial liabilities				
Non- Current				
Borrowings	3	-	-	2,562,894
Trade payables		-	-	41,234
Current				
Borrowings	3	-	-	215,942
Trade payables		-	-	118,471
Others		-	-	14,682
Total financial liabilities		-	-	2,953,223

	31 March 2021			
Particulars	Level of Hierarchy	Fair Value Through Profit and Loss (FVTPL)	Fair Value Through Other Comprehensive Income (FVTOCI)	Amortised Cost
Financial assets				
Non-current				
Others		-	-	12,678
Current				
Trade receivables		-	-	16,557
Cash and cash equivalents		-	-	381,490
Other bank balances		-	-	5,446
Others		-	-	6,630
Total financial assets		-	-	422,801
Financial liabilities				
Non-current				
Borrowings	3	-	-	2,377,783
Current				
Borrowings	3	-	-	100,142
Trade payables		-	-	117,705
Others		-	-	20,147
Total financial liabilities		-	-	2,615,777

Financial assets and liabilities measured at fair value - recurring fair value measurements

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

Interest rates on non-current borrowings (term loans from banks) 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 other non-current financial assets are equivalent to their carrying amount, as the interest rate on them is equivalent to market rate.

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

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 in the 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 valuations of financial instruments under Level 2 and 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 period.

Valuation technique used to determine fair value

Specific valuation technique used to value financial instruments include:

- the use of quoted market prices (NAV) for valuation of current investment.

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 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/financial institutions, only high rated banks/institutions are accepted.

The Company has given security deposits to Government departments and vendors. 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 year, 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	4,625	5,869
Changes in loss allowance	539	(1,244)
Closing balance	5,164	4,625

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.

The Company's liquidity risk management includes maintaining sufficient cash and marketable securities and cash flow from operating activities. The Company seeks to increase income from its existing property by maintaining high quality standards resulting into higher occupancy and tariffs, while reducing the related costs and by controlling operating expenses.

Consequently, the Company believes its income, along with proceeds from financing activities will continue to provide the necessary funds to cover its short term and long term liquidity needs.

(a) Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and exclude estimated interest payments.

31 March 2022	Carrying amount	Contractual cash flows				
		Total	0-1 year	1-2 years	2-5 years	More than 5 years
Non - derivative financial liabilties						
Non-current borrowings	2,562,894	2,572,294	-	267,095	1,028,231	1,276,968
Non current Trade Payables	41,234	41,234	-	38,062	3,172	-
Current borrowings	215,942	215,942	215,942	-	-	-
Current Trade payables	118,471	118,467	118,467	-	-	-
Other current financial liabilities	14,682	14,682	14,682	-	-	-
	2,953,223	2,962,619	349,091	305,157	1,031,403	1,276,968

31 March 2021	Carrying amount	Contractual cash flows				
		Total	0-1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Non-current borrowings	2,377,783	2,385,200	-	215,922	751,014	1,418,264
Current borrowings	100,142	100,142	100,142	-	-	-
Trade payables	117,705	117,705	117,705	-	-	-
Other current financial liabilities	20,148	20,148	20,148	-	-	-
	2,615,778	2,623,195	237,995	215,922	751,014	1,418,264

(b) Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

	As at 31 March 2022	As at 31 March 2021
Floating rate		
Cash credit and overdraft facilities from bank	20,000	18,147
Term loan from financial institution	-	300
	20,000	18,447

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.

Currency risk

The Company's exposure to foreign currency risk is on account of payables on account of 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 USD in thousand	31 March 2021 USD in thousand
Financial liabilities		
Trade payables	1,098	601
	1,098	601

	31 March 2022 INR in thousand	31 March 2021 INR in thousand
Financial liabilities		
Trade payables	83,208	44,193
	83,208	44,193

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.

	(Profit) / loss		Equity, net of tax (increase) / decrease	
Effect in INR	Strengthening	Weakening	Strengthening	Weakening
31 March 2022				
1% movement				
USD	832	(832)	832	(832)
	832	(832)	832	(832)

	(Profit) / loss		Equity, net of tax (increase) / decrease	
Effect in INR	Strengthening	Weakening	Strengthening	Weakening
31 March 2021				
1% movement				
USD	442	(442)	442	(442)
	442	(442)	442	(442)

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

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 inmarket interest rates relates primarily to the Company's borrowings obligations with floating interest rates.

The Company evaluates the interest rates in the market on a regular basis to explore the option of refinancing of the borrowings. Moreover, the company's current borrowings are linked to floatingterest rates, thereby resulting in the 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:	Carrying amount	
	31 March 2022	**31 March 2021**
Fixed-rate instruments		
Financial assets - bank deposits	129,551	92,885
	129,551	**92,885**
Variable-rate instruments		
Financial liabilities - Term loans from banks	2,785,166	2,488,447
Cash credit and overdraft facilities from banks	-	1,853
	2,785,166	**2,490,300**
Total	**2,914,717**	**2,583,185**

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 bp increase	**100 bp decrease**	**100 bp increase**	**100 bp decrease**
31 March 2022				
Financial liabilities	27,232	(27,232)	27,232	(27,232)
	27,232	**(27,232)**	**27,232**	**(27,232)**
31 March 2021				
Financial liabilities	20,834	(20,834)	20,834	(20,834)
	20,834	**(20,834)**	**20,834**	**(20,834)**

37 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 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.
As a part of its capital management policy the Company ensures compliance with all covenants and other capital requirements related to regulatory or contractual obligations of material consequence to the Company.

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

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

	As at 31 March 2022	As at 31 March 2021
Dues to micro and small suppliers		
The amounts remaining unpaid to micro and small suppliers as at the end of the year:		
Principal	1,348	543
Interest	11	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year.		-
The amount of interest paid under the act beyond the appointed day during the year	-	-
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.	9	-
The amount of interest accrued and remaining unpaid at the end of each accounting year, and	20	-
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	-	-

The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2022 and 31 March 2021 has been made in the financial statements based on information received and available with the Company

39 During the year, SAMHI Hotels Limited (the Holding Company) has allocated expenses amounting INR 23,977 (31 March 2021 - INR 24,131) as Company's share of project expenses and other cost incurred.

40 Impact of COVID-19 pandemic (including going concern)

The Company is facing liquidity challenges which have been accentuated by uncertainty due to COVID-19. The Company has incurred a net loss of INR 343,998 during the year ended 31 March 2022. As on 31 March 2022, the Company has been largely funded by loans from banks and there are repayments of INR 215,942 (including interest accrued thereon) due within 12 months of the balance sheet date. The company has cash and bank balance of INR 405,727 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 4,167 and 71%. 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.

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

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

Recent pronouncements 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 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 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 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.

42 **Ratio Analysis and its elements**

Ratio	in times/%	Numerator	Denominator	31 March 2022	31 March 2021
(a) Current Ratio	in times	Current Assets	Current Liabilities	1.39	1.76
(b) Debt-Equity Ratio	in times	Total Borrowings	Total equity	4.08	2.34
(c) Debt Service Coverage Ratio	in times	Profit before finance cost, depreciation, amortisation and tax	Interest Payments + Principal Repayments	0.10	(0.40)
(d) Return on Equity Ratio	in %	Loss for the year	Average Total equity	(0.40)	(0.35)
(e) Inventory turnover ratio	in times	Cost of goods sold	Average Inventory	NA	NA
(f) Trade Receivables turnover ratio	in times	Revenue from operations	Average Trade Receivables	25.01	10.35
(g) Trade payables turnover ratio	in times	Cost of materials consumed + Other expenses	Average Trade Payables	2.29	1.28
(h) Net capital turnover ratio	in times	Revenue from operations	Average Current assets - Average Current liabilities	2.66	17.41
(i) Net profit ratio	in %	Loss for the year	Revenue from operations	-75.07%	-179.58%
(j) Return on Capital employed	in %	Loss before finance costs and taxes	Tangible Net Worth + Total Borrowings	-1.75%	-5.20%
(k) Return on investment	in %	Interest (Finance Income)	Investment	NA	NA

Explanations to variance in Ratios:

Debt-Equity Ratio	Increase due to reduction in other equity as result of losses
Debt Service Coverage Ratio	Ratio has improved due to increase in profit before finance cost, depreciation, amortisation and tax
Trade Receivables turnover ratio	Increase is due to increase in revenue from operations
Trade payables turnover ratio	Increased due to increase in business activity during the year
Net capital turnover ratio	Decreased due to comparatively higher increase in average working capital as compared to increase in revenue from operations
Net profit ratio	Improved due to improvement in business activity during the year
Return on Capital employed	Improved return is due to decrease in loss before interest and taxes during the current year on account of increase in business activity during the year

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

(a) Inventory turnover ratio: since the Company holds inventory of beverages including liquor whose value is insignificant compared to the total assets

(b) Return on investments: since the Company invests surplus temporary funds in short term bank deposits and the income generated is insignificant to total turnover

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

43 Other statutory information

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

(ii) The Company do not have any transactions with companies struck off under section 248 of Companies Act 2013

(iii) The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

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

(v) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(vi) The Company has not entered into 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

(vii) The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment

(viii) The Company has used the borrowings from banks for the specific purpose for which it was taken.

44 Change in classification

(i) 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 maturity of borrowings from "Others" to "Borrowings" in current financial liabilities. Comparative amounts in the notes to the financial statements were reclassified for consistency.

Particulars	As per earlier reported	Revised classification	Difference
Assets			
Non current assets			
Financial assets			
Loans	11,097	-	11,097
Others	1,581	12,678	(11,097)
Current liabilities			
Financial liabilities			
Borrowings	1,853	100,142	(98,289)
Others	118,436	20,147	98,289

(ii) The previous year's figures have been re-grouped/reclassified, where necessary to conform to current year's classification.

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
CASPIA Hotels Private Limited

Gyana Das
Director
DIN: 03563467

Place: Gurugram
Date: 19 August 2022

Rajat Mehra
Director
DIN: 06813081

Place: Gurugram
Date: 19 August 2022

Hima Goel
Company Secretary
Membership No.: A40688

Place: Gurugram
Date: 19 August 2022