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Independent Auditors Report

To the Members of SAMHI JV Business Hotels Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of SAMHI JV Business 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 loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Emphasis of Matter

We draw attention to Note 42 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 35 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 46 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, other than as disclosed in the Note 47 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: 14 September 2022

ICAI UDIN: 22091765ASDQMB3762

Annexure A to the Independent Auditor's Report on the Financial Statements of SAMHI JV Business 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 once in period of three years. In accordance with this programme, all property, plant and equipment were physically verified during the year ended 31 March 2021. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable property disclosed in the financial statements are held in the name of the Company. However, original title deeds are under lien with debenture trustee for the non- convertible debentures issued by the Company during the current year. Therefore, we could not verify those title deeds and have not received independent confirmation from the debenture trustee.

(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 46 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 financial institution on the basis of security of current assets. As informed to us and as per the terms of sanction letters of such limits, there are no requirements on the Company to submit quarterly returns or statements with the financial institution.

(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, or provided guarantee or advances in the nature of loans to companies, firms, limited liability partnership or any other parties during the year. The Company has provided security and has granted loans to companies during the year, in respect of which the requisite information is as below. The Company has not provided any security or granted any loans, secured or unsecured, to limited liability partnership or any other parties during the year.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided security and loans to other entities as below:

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

Particulars	Security (Rs.in thousand)	Loans [Nominal amount] (Rs. in thousand)
Aggregate amount during the year		
Holding Company*	-	903,543
Others (fellow subsidiary)	2,850,000	-
Balance outstanding as at balance sheet date		
Holding Company*	-	1,988,861
Others (fellow subsidiary)	2,850,000	-

**As per the Companies Act, 2013*

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the security given during the year and the terms and conditions of the grant of loans provided during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated except for the interest free loan (as at 31 March 2022) of Rs. 1,055,701 thousand [nominal amount] given to SAMHI Hotels Limited (holding company), which is repayable after 31 December 2030 as per mutual consent of the Company and SAMHI Hotels Limited. As informed to us, no repayment of loans and payment of interest was due in the current year. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party 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 is no loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not provided any guarantee as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of security provided and loans granted by the Company, the provisions of Section 185 of the Act have been complied with. The Company has complied with Section 186(1) of the Act. According to the information and explanations given to us, the provisions of Section 186 (except for sub-section (1) of the Section 186) of the Companies Act, 2013 are not applicable to the Company since the Company is engaged in the business of providing infrastructural facilities.

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

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services rendered or goods sold by the Company. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise and Sales tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Value added tax, Cess and other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of Income tax and Provident 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, Provident Fund, Employees State Insurance, Income-Tax, Value added tax, Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable, except as mentioned below:

Name of the statute	Nature of the dues	Amount (Rs. in thousand)	Period to which the amount relates	Due date	Date of payment
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident fund (Additional liability due to Supreme Court Judgement)	292	March 2019	15 April 2019	Not yet paid
Central Goods and Services Tax Act, 2017 and State Goods and Services Tax Act, 2017	Interest liability on Goods and Services Tax	678	April 2021 - August 2021	20 September 2021	Not yet Paid

(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 Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Value Added tax, Cess and other statutory dues which have not been deposited on account of any dispute are as follows:

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

Name of the statute	Nature of the dues	Amount (Rs. in Thousand)	Period to which the amount relates (FY)	Forum where dispute is pending
Finance Act, 1994 (Service tax)	Excess availment of CENVAT credit and short payment of service tax	89,283 (including interest)	2014-15 to 2017-18	Commissioner of Goods and Services Tax (Appeals)

(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. During the current year, the Company has refinanced its term loans (including interest accrued) obtained from PHL Fininvest Private Limited through issuance of non convertible debentures to Sarvara Investment Fund 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 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 subsidiary, associate or joint venture (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 subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2022. Accordingly, clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) According to information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details regarding such transactions have been disclosed in the financial statements as required by applicable accounting standards. Being a wholly owned subsidiary company of public limited company, the requirements of Section 177 of the Act of having an Audit Committee are not applicable.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has incurred cash losses of Rs 491,804 thousand in the current financial year and Rs 440,461 thousand in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) We draw attention to Note 42 to the financial statements which explains that the Company has incurred losses in current year and previous year and has accumulated losses as at 31 March 2022. Further, the Company's current liabilities exceed its current assets as at 31 March 2022 by Rs. 5,773 thousand.

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

On the basis of the above and according to the information and explanations given to us, on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they

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

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) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. 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: 22091765ASDQMB3762

Place: New Delhi

Date: 14 September 2022

Annexure B to the Independent Auditor's Report on the financial statements of SAMHI JV Business 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 SAMHI JV Business 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

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

provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial 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
Membership No.: 091765
ICAI UDIN: 22091765ASDQMB3762

Place: New Delhi
Date: 14 September 2022

SAMHI JV Business 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	2,350,555	2,456,405
Intangible assets	4	1,070	1,465
Financial assets			
Loans	5	1,317,883	345,205
Other financial assets	6	14,839	17,595
Income tax assets (net)	7	7,293	6,076
Other non-current assets	9	453	-
Total non-current assets		**3,692,093**	**2,826,746**
Current assets			
Inventories	10	4,552	4,759
Financial assets			
Trade receivables	11	26,849	8,113
Cash and cash equivalents	12	124,264	11,011
Bank balances other than cash and cash equivalents above	13	2,924	-
Other financial assets	14	20,458	19,409
Other current assets	15	31,165	14,460
Total current assets		**210,212**	**57,752**
TOTAL ASSETS		**3,902,305**	**2,884,498**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	1,247,800	1,247,800
Other equity	17	(856,176)	(1,139,775)
Total equity		**391,624**	**108,025**
Non-current liabilities			
Financial liabilities			
Borrowings	19	3,264,313	2,511,727
Trade payables	20		
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		28,849	-
Other financial liabilities	18	677	1,268
Provisions	21	857	761
Total non- current liabilities		**3,294,696**	**2,513,756**
Current liabilities			
Financial liabilities			
Borrowings	22	-	36,729
Trade payables	23		
- total outstanding dues of micro enterprises and small enterprises		532	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		181,636	122,829
Other financial liabilities	24	12,580	23,452
Other current liabilities	25	20,437	79,355
Provisions	26	800	352
Total current liabilities		**215,985**	**262,717**
TOTAL EQUITY AND LIABILITIES		**3,902,305**	**2,884,498**

The notes from Note 1 to Note 48 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: 14 September 2022

For and on behalf of Board of Directors of
SAMHI JV Business Hotels Private Limited

Rajat Mehra
Director
DIN: 06813081

Place: Gurugram
Date: 14 September 2022

Tanya Chakravarty
Director
DIN: 08539291

Place: Gurugram
Date: 14 September 2022

Anjana Kumari
Company Secretary
Membership No.: A35561

Place: Gurugram
Date: 14 September 2022

SAMHI JV Business 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	27	283,980	85,257
Other income	28	101,738	42,326
Total income		**385,718**	**127,583**
Expenses			
Cost of materials consumed	29	32,041	13,295
Employee benefits expense	30	62,758	64,957
Other expenses	33	247,994	141,301
Total Expenses		**342,793**	**219,553**
Profit/(Loss) before finance cost, depreciation, amortisation and tax		**42,925**	**(91,970)**
Finance costs	31	520,329	348,491
Depreciation and amortisation expense	32	106,245	117,711
		626,574	**466,202**
Loss before tax		**(583,649)**	**(558,172)**
Tax expense	8		
Current tax		-	-
Tax expense for prior year		-	(21,834)
Deferred tax		-	183,043
		-	**161,209**
Loss after tax		**(583,649)**	**(719,381)**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Re-measurement gain/(loss) on defined benefit obligations	30	(188)	(4)
- Income tax relating to items mentioned above		-	-
Other comprehensive income/(loss), net of tax		**(188)**	**(4)**
Total comprehensive income/(loss) for the year		**(583,837)**	**(719,385)**
Earnings per equity share	34		
Nominal value of share INR 10 [previous year INR 10]			
Basic [INR]		(4.68)	(5.77)
Diluted [INR]		(4.68)	(5.77)

The notes from Note 1 to Note 48 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: 14 September 2022

For and on behalf of Board of Directors of
SAMHI JV Business Hotels Private Limited

Rajat Mehra	**Tanya Chakravarty**	**Anjana Kumari**
Director	*Director*	*Company Secretary*
DIN: 06813081	DIN: 08539291	Membership No.: A35561
Place: Gurugram	Place: Gurugram	Place: Gurugram
Date: 14 September 2022	Date: 14 September 2022	Date: 14 September 2022

SAMHI JV Business 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 flows from operating activities		
Loss before tax	(583,649)	(558,172)
Adjustments to reconcile loss before tax to net cash flows:		
Depreciation and amortisation expense	106,245	117,711
Provision for bad and doubtful debts	143	86
Finance costs	520,329	348,491
Interest income	(77,701)	(39,684)
Loss on foreign exchange fluctuation (net)	2,180	133
Net gain on fair valuation of equity component of convertible PIK obligation	(14,400)	-
Gain on modification of financial liabilities	(9,368)	-
Government grant written off	1,465	29,759
Operating profit/loss before working capital changes	**(54,756)**	**(101,679)**
Decrease in inventories	707	2,149
(Increase) /decrease in trade receivables	(15,879)	6,996
(Increase)/decrease in other financial assets	(2,479)	18,530
(Increase)/decrease in other assets	(17,158)	4,174
Increase in trade payables	93,898	29,586
Increase/(decrease) in other liabilities	(58,918)	23,226
Increase/(decrease) in provisions	356	(2,472)
Increase in other financial liabilities	(1,069)	(218)
Cash generated from/(used in) operations	**(58,798)**	**(19,708)**
Income taxes (paid) / refunded - net	2,628	(1,993)
Net cash generated from/(used in) operating activities	**(56,170)**	**(21,701)**
B. Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(591)	629
Loan given to holding company	(903,543)	56,799
Repayment of loan from holding company	6,500	-
Bank deposits matured	172,499	7,784
Bank deposits made	(172,500)	(4,000)
Interest received	655	1,329
Net cash generated from/(used in) investing activities	**(896,980)**	**62,541**
C. Cash flows from financing activities		
Borrowings availed during the year (net of upfront interest)	4,315,500	40,000
Repayment of borrowings during the year	(2,543,731)	-
Advance received from holding company	850,000	-
Advance repaid to holding company	(848,500)	-
Finance costs paid	(706,866)	(126,408)
Net cash generated from/(used in) financing activities	**1,066,403**	**(86,408)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	113,253	(45,568)
Cash and cash equivalents at the beginning of the year	11,011	56,579
Cash and cash equivalents at the end of the year	**124,264**	**11,011**

Notes to Statement of Cash Flows

i. Components of Cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Cash on hand	627	480
Balances with banks :		
- on current accounts	123,637	10,531
	124,264	**11,011**

ii. Movement in borrowings

	Borrowings*	Total
As on 1 April 2021	2,558,259	2,558,259
Borrowings availed during the year (net of upfront interest)	4,315,500	4,315,500
Borrowings repaid during the year	(2,543,731)	(2,543,731)
Finance cost expense	520,329	520,329
Finance cost paid	(706,866)	(706,866)
Equity component of convertible-PIK obligation (Refer Note 17)	(877,700)	(877,700)
Other non cash adjustment	(1,478)	(1,478)
As on 31 March 2022	**3,264,313**	**3,264,313**

	Borrowings*	Total
As on 1 April 2020	2,296,176	2,296,176
Borrowings availed during the year	40,000	40,000
Finance cost expense	348,491	348,491
Finance costs paid	(126,408)	(126,408)
As on 31 March 2021	**2,558,259**	**2,558,259**

* Includes current maturities on non-current borrowings

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

The notes from Note 1 to Note 48 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: 14 September 2022

For and on behalf of Board of Directors of
SAMHI JV Business Hotels Private Limited

Rajat Mehra
Director
DIN: 06813081

Place: Gurugram
Date: 14 September 2022

Tanya Chakravarty
Director
DIN: 08539291

Place: Gurugram
Date: 14 September 2022

Anjana Kumari
Company Secretary
Membership No.: A35561

Place: Gurugram
Date: 14 September 2022

SAMHI JV Business 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 1 April 2020	124,780,000	1,247,800
Changes in equity share capital during the year	-	-
As at 31 March 2021	**124,780,000**	**1,247,800**
Changes in equity share capital during the year	-	-
As at 31 March 2022	**124,780,000**	**1,247,800**

b. Other equity (refer note 17)

Particulars	Reserves and surplus		Concessional interest component of loan to holding company	Equity component of convertible PIK obligation	Other comprehensive income	Total
	Retained earnings	Capital reserve			Remeasurement of defined benefit liability/ asset (net of tax)	
Balance as at 1 April 2020	161,847	-	(610,540)	-	-	(448,693)
Loss for the year	(719,381)	-	-	-	-	(719,381)
Other comprehensive income/(loss) (net of tax)	-	-	-	-	(4)	(4)
Total comprehensive income	(719,381)	-	-	-	(4)	(719,385)
Transferred to retained earnings	(4)	-	-	-	4	-
Gain on early repayment of loan by holding company	-	28,303	-	-	-	28,303
Balance as at 31 March 2021	(557,538)	28,303	(610,540)	-	-	(1,139,775)
Loss for the year	(583,649)	-	-	-	-	(583,649)
Other comprehensive income/(loss) (net of tax)	-	-	-	-	(188)	(188)
Total comprehensive income	(583,649)	-	-	-	(188)	(583,837)
Transferred to retained earnings	(188)	-	-	-	188	-
Equity component of convertible PIK obligation	-	-	-	863,300	-	863,300
Gain on early repayment of loan by holding company	-	4,136	-	-	-	4,136
Balance as at 31 March 2022	(1,141,375)	32,439	(610,540)	863,300	-	(856,176)

The notes from Note 1 to Note 48 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: 14 September 2022

For and on behalf of Board of Directors of
SAMHI JV Business Hotels Private Limited

Rajat Mehra
Director
DIN: 06813081

Place: Gurugram
Date: 14 September 2022

Tanya Chakravarty
Director
DIN: 08539291

Place: Gurugram
Date: 14 September 2022

Anjana Kumari
Company Secretary
Membership No.: A35561

Place: Gurugram
Date: 14 September 2022

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

1.1 Corporate information

SAMHI JV Business Hotels Private Limited ('the Company') is a Company domiciled in India. The Company was incorporated in India on 15 February 2011 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 two hotels under it (Courtyard and Fairfield by Marriott, Bangalore) 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 the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. Also, refer note 42 for going concern basis of accounting used by the management.

The financial statements were authorised for issue by the Company's Board of Directors on 14 September 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
Equity component of convertible PIK obligation	Fair Value

D. Significant accounting judgments, estimates and assumptions

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

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.

SAMHI JV Business Hotels Pvt. Ltd. ★

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 and intangible assets .

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

ii) Employee benefit obligations

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

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 38 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 temporary 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.

SAMHI JV Business Hotels Pvt. Ltd.

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 Company's 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 38.

2. Summary of significant accounting policies

1) Property, plant and equipment

Recognition and measurement

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

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

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

Subsequent costs and disposal

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

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

Depreciation

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

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

SAMHI JV Business Hotels Pvt. Ltd. *

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

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

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

Freehold land is not depreciated.

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

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

2) Intangible assets

Recognition and measurement

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

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

Amortisation

Intangible assets of the Company represents computer software and are amortized using the straight-line method over the estimated useful life (at present three years) or the tenure of the respective software license, whichever is lower. The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

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

SAMHI JV Business Hotels Pvt. Ltd. *

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 Statement of Profit and Loss over the life of the transaction until the transaction matures or is closed out.

ii. Classification and subsequent measurement

Financial assets

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

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

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

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

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

A debt investment is measured 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.

SAMHI JV Business Hotels Pvt. Ltd.

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

Financial assets: Business model assessment

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

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

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

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

- 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.
- terms that limit the Company's claim to cash flows from specified assets.

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.

SAMHI JV Business Hotels

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 provided interest free loan to 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 has been debited to other equity in the books of the Company. The loan component is subsequently measured at amortised costs and interest income is recognised using effective interest rate method.

vi. *Non-convertible debentures*

SAMHI JV Business Hotels Pvt. Ltd. *

The Company has issued non-convertible debentures (NCDs) which have been treated as financial liability in books and carried at amortised cost.

Further, the Company has identified the redemption right as equity component. As the risks associated with the underlying variable are not closely related to the host instrument, the equity component has been separately accounted for from the NCDs in other equity. The equity component has been fair valued through profit or loss at each balance sheet date.

vii. *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. 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

SAMHI JV Business Hotels Pvt. Ltd. ★

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

SAMHI JV Business Hotels Pvt. Ltd.

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 and amortisation, if no impairment loss had been recognised.

5) Inventories

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

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

7) Provisions

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

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance costs. 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 recognise a contingent liability but discloses its existence in the financial statements.

9) Cash and cash equivalents

Cash and cash equivalents comprises of cash at banks and on hand, cheques on hand and short-term, deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

10) Borrowing costs

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

11) 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

SAMHI JV Business Hotels Pvt. Ltd. *

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.

12) Revenue recognition

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

Revenue from hotel operations

Room revenue, sale of food and beverages and recreation services

Revenue is recognized at the transaction price that is allocated to the performance obligation. Revenue comprises room revenue, sale of food and beverages, property management services, recreation and

SAMHI JV Business Hotels Pvt. Ltd.

other services relating to hotel operations. Revenue is recognised upon rendering of the services and sale of food and beverages.

13) 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.

14) 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.

15) Income taxes

Income tax comprises current and deferred tax. It is recognised in Statement of 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.

16) Segment reporting

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

Identification of segments:

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

18) Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its equity shares.

Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted EPS is determined by adjusting profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding, for the effects of all dilutive potential equity shares, except where the results would be anti-dilutive.

19) Expenditure

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

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

3 Property, plant and equipment

Reconciliation of carrying amount

	Freehold land	Computers and accessories	Buildings	Plant and machinery	Furnitures and fixtures	Vehicles	Office equipment	Total
Gross carrying amount								
Balance as at 1 April 2020	1,029,000	51,849	1,288,656	477,798	251,661	15,843	30,645	3,145,452
Additions during the year	-	118	-	-	-	-	-	118
Balance as at 31 March 2021	1,029,000	51,967	1,288,656	477,798	251,661	15,843	30,645	3,145,570
Additions during the year	-	-	-	-	-	-	-	-
Balance as at 31 March 2022	1,029,000	51,967	1,288,656	477,798	251,661	15,843	30,645	3,145,570
Accumulated depreciation								
Balance as at 1 April 2020	-	49,016	210,263	135,102	144,484	8,023	24,961	571,849
Depreciation charge for the year	-	131	48,771	31,745	30,719	1,881	4,069	117,316
Balance as at 31 March 2021	-	49,147	259,034	166,847	175,203	9,904	29,030	689,165
Depreciation charge for the year	-	141	48,771	31,745	23,212	1,881	100	105,850
Balance as at 31 March 2022	-	49,288	307,805	198,592	198,415	11,785	29,130	795,015
Net carrying amount								
Balance as at 31 March 2021	1,029,000	2,820	1,029,622	310,951	76,458	5,939	1,615	2,456,405
Balance as at 31 March 2022	1,029,000	2,679	980,851	279,206	53,246	4,058	1,515	2,350,555

(i) For information on property, plant and equipment pledged as security by the Company, refer to note 19.
(ii) For details regarding the title deeds of immovable property of the Company, refer to Note 46.

4 Intangible assets

Reconciliation of carrying amount

	Computer software	Total
Gross carrying amount		
Balance as at 1 April 2020	19,767	19,767
Additions during the year	-	-
Balance as at 31 March 2021	19,767	19,767
Additions during the year	-	-
Balance as at 31 March 2022	19,767	19,767
Accumulated amortisation		
Balance as at 1 April 2020	17,907	17,907
Amortisation for the year	395	395
Balance as at 31 March 2021	18,302	18,302
Amortisation for the year	395	395
Balance as at 31 March 2022	18,697	18,697
Net carrying amount		
Balance as at 31 March 2021	1,465	1,465
Balance as at 31 March 2022	1,070	1,070

SAMHI JV Business Hotels Pvt. Ltd. *

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

5 Non-current financial assets - Loans
(Unsecured, considered good)

	As at 31 March 2022	As at 31 March 2021
To related parties		
Loan to holding company*#	1,317,883	345,205
	1,317,883	345,205

*Interest free loan
As on 31 March 2022, the Company has provided interest free loan to holding company amounting to INR 384,721 (31 March 2021 - INR 345,205) which is repayable at any date after 31 December 2030 as per mutual consent of the Company and the holding company. The loan is provided in Indian Rupees. These loans were advanced to holding company for meeting project expenses and business purpose requirements. Also, refer note 26(i) (v).

#Interest bearing loan
As on 31 March 2022, the Company has provided loan to holding company amounting to INR 933,162 (31 March 2021 - INR Nil) including accrued interest of INR 29,618 (31 March 2021 - INR Nil) which is repayable after 3 years from the date of first disbursement i.e. 21 January 2022. The loan is given at interest rate of 19.50% p.a. simple interest. The loan is provided in Indian Rupees. These loans were advanced to holding company for meeting project expenses and business purpose requirements.

Loans and advances to specified person

Name of Borrower	As at 31 March 2022	% to total loan & advances	As at 31 March 2021	% to total loan & advances
SAMHI Hotels Limited (Holding Company)	1,317,883	100%	345,205	100%

6 Non-current financial assets - Others
(Unsecured, considered good)

	As at 31 March 2022	As at 31 March 2021
Bank deposits with maturity more than 12 months from the reporting date*#	8,894	11,615
Security deposits	5,945	5,980
	14,839	17,595

* Including interest accrued on bank deposits amounting to INR 536 (31 March 2021 - INR 939)
\# Includes bank deposits under lien amounting to INR 8,164 (31 March 2021 - INR 10,482)

7 Income tax assets (net)

	As at 31 March 2022	As at 31 March 2021
Tax deducted at source	7,293	6,076
	7,293	6,076

8 Income tax

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

	As at 31 March 2022	As at 31 March 2021
Recognised in profit or loss		
Prior period tax expense	-	(21,834)
Deferred tax	-	183,043
	-	161,209
Capital reserve		
Before tax	41,959	37,823
Tax impact	(9,520)	(9,520)
After tax	32,439	28,303

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 2022 Amount	For the year ended 31 March 2021 %	For the year ended 31 March 2021 Amount
Loss before tax		(583,649)		(558,172)
Tax using the Company's domestic tax rate	25.17	(146,893)	25.17	(140,481)
Impact of tax rate change on opening deferred tax *	-	-	(0.28)	1,548
Non-convertible debentures	(37.85)	220,917	-	-
Non recognition of deferred taxes on permanent differences	(0.33)	1,911	(0.50)	2,808
Non recognition of deferred taxes on temporary differences	10.10	(58,929)	(24.23)	135,260
Others	2.91	(17,006)	(0.16)	865
Effective tax rate	-	-	-	-

* During the previous year, the Company had elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company had written off MAT credit entitlement amounting to INR 43,811. Further, the Company had written back provision for Income Tax (MAT) amounting to INR 26,389 and re-measured its deferred tax assets/ liabilities basis the rate prescribed in the said section.

C. Deferred tax assets/liabilities

	As at 31 March 2022	As at 31 March 2021
Deferred tax assets		
Unabsorbed business losses and depreciation	413,576	119,875
Loss allowance for doubtful debts	341	305
Loan to holding company	168,886	180,468
Disallowance u/s 43B of the Income-tax Act, 1961	37,885	125,627
Provision for employee benefits	3,551	3,678
	624,239	429,953
Deferred tax liabilities		
Property, plant and equipment and intangible assets	161,705	158,703
Non convertible debentures	248,227	-
Others	1,986	-
	411,918	158,703
Deferred tax assets (net)	212,321	271,250
Deferred tax assets/(liabilities) recognised*	-	-

* 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 recognized to the extent of deferred tax liabilities only.

D. Movement in temporary differences

31 March 2022

Particulars	As at 1 April 2021	Recognised in profit or loss during financial year 2021-22	Recognised in OCI during financial year 2021-22	Recognised in other equity during financial year 2021-22	As at 31 March 2022
Property, plant and equipment and Intangible assets	(158,703)	(3,002)	-	-	(161,705)
Non-convertible debentures	-	(248,227)	-	-	(248,227)
Unabsorbed business loss and depreciation	119,875	293,701	-	-	413,576
Loss allowance for doubtful debts	305	36	-	-	341
Loan to holding company	180,468	(11,582)	-	-	168,886
Disallowance u/s 43B of the Income-tax Act, 1961	125,627	(87,742)	-	-	37,885
Provision for employee benefits	3,678	(127)	-	-	3,551
Others	-	(1,986)	-	-	(1,986)
Total	271,250	(58,929)	-	-	212,321

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

31 March 2021

Particulars	As at 1 April 2020	Recognised in profit or loss during financial year 2020-21	Recognised in OCI during financial year 2020-21	Recognised in other equity during financial year 2020-21	Balance as at 31 March 2021
Property, plant and equipment and intangible assets	(159,698)	995	-	-	(158,703)
Loan to holding company	206,300	(35,352)	-	9,520	180,468
Unabsorbed business loss and depreciation	44,509	75,366	-	-	119,875
Disallowance u/s 43B of the Income-tax Act, 1961	55,749	69,878	-	-	125,627
Loss allowance for doubtful debts	294	11	-	-	305
Provision for employee benefits	1,596	2,083	-	-	3,678
Total	192,561	69,169	-	9,520	271,250

E. Tax losses carried forward

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

	As at 31 March 2022 Amount	Expiry Date (Financial year)
Business loss	253,914	2028-29
Business loss	977,803	2029-30
Unabsorbed depreciation	412,215	Never expire

	As at 31 March 2021 Amount	Expiry Date (Financial year)
Business loss	253,914	2028-29
Unabsorbed depreciation	294,046	Never expire

9 **Other non-current assets**
(Unsecured, considered good)

	As at 31 March 2022	As at 31 March 2021
Prepaid expenses	453	
	453	-

SAMHI JV Business 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)

10 Inventories
(valued at the lower of cost or net realisable value)

	As at 31 March 2022	As at 31 March 2021
Food and beverages	4,552	4,759
	4,552	**4,759**

11 Current financial assets - Trade receivables

	As at 31 March 2022	As at 31 March 2021
Unsecured, considered good	26,849	8,113
Unsecured, credit impaired	1,355	1,212
	28,204	**9,325**
Less: Allowance for credit impaired	(1,355)	(1,212)
	26,849	**8,113**

a) For receivables secured against borrowings, refer to note 19.
b) The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in note 38.

Trade receivable ageing schedule

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					
	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	21,409	4,609	831	-	-	26,849
(ii) Undisputed Trade receivables – credit impaired	-	471	345	-	539	1,355
Total	21,409	5,080	1,176	-	539	28,204

As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment					
	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	4,888	1,072	2,153	-	-	8,113
(ii) Undisputed Trade receivables – credit impaired	-	673	-	539	-	1,212
Total	4,888	1,745	2,153	539	-	9,325

SAMHI JV

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

12 Current financial assets - Cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Cash on hand	627	480
Balances with banks		
- on current accounts	123,637	10,531
	124,264	**11,011**

13 Current financial assets - Bank balances other than cash and cash equivalents above

	As at 31 March 2022	As at 31 March 2021
Bank deposits with original maturity of more than 3 months but less than 12 months *#	2,924	-
	2,924	**-**

* Includes interest accrued on bank deposits amounting to INR 606 (31 March 2021 - INR Nil)
# Includes bank deposits under lien amounting to INR 2,318 (31 March 2021 - INR Nil)

14 Current financial assets - Others
(Unsecured, considered good)

	As at 31 March 2022	As at 31 March 2021
Unbilled revenue*	14,401	2,735
Other receivables	3,184	664
Government grant receivable #	-	13,878
Security deposits	2,873	2,132
	20,458	**19,409**

* Net of advance from customers of INR 3,977 (31 March 2021 - INR 550)

The Company is availing export incentive under Service Exports from India Scheme (SEIS). Under the scheme, the Company is entitled to receive SEIS licenses based on the annual earnings in foreign currency. These licenses can be utilized by the Company or sold in the market. During the current year, the Company has recognised income of INR Nil (31 March 2021 – INR 209). Further, during the current year, the Company has written off government grant amounting to INR 1,465 (31 March 2021 – INR 9,252).

15 Other current assets
(Unsecured, considered good)

	As at 31 March 2022	As at 31 March 2021
Staff advance	37	-
Advance to suppliers	596	1,140
Balance with statutory authorities	19,952	7,487
Other advances	5,031	-
Prepaid expenses #	5,549	5,833
	31,165	**14,460**

includes current portion of non-current prepaid expenses amounting to INR 131 (31 March 2021 - INR Nil).

SAMHI JV BUSINESS HOTELS PVT. LTD.

SAMHI JV Business 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)

16 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	130,000,000	1,300,000	130,000,000	1,300,000
	130,000,000	1,300,000	130,000,000	1,300,000
Issued, subscribed and fully paid up				
Equity shares of INR 10 each	124,780,000	1,247,800	124,780,000	1,247,800
	124,780,000	1,247,800	124,780,000	1,247,800

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
Issued, subscribed and fully paid up				
At the beginning of the year	124,780,000	1,247,800	124,780,000	1,247,800
Balance at the end of the year	124,780,000	1,247,800	124,780,000	1,247,800

b) Rights, preferences and restrictions attached to equity shares

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

c) Details of shareholders holding more than 5% equity shares in the Company and equity shares held by the Holding Company

Name of shareholder

	As at 31 March 2022		As at 31 March 2021	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares of INR 10 each				
SAMHI Hotels Limited, Holding Company *	124,780,000	100%	124,780,000	100%

*1 equity share is held by Mr. Gyana Das 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.

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

e) Details of promoters shareholding as at year end :

As at 31 March 2022

S.No	Promoter	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
1	SAMHI Hotels Limited (Holding Company)	124,780,000	-	124,780,000	100%	-

As at 31 March 2021

S.No	Promoter	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
1	SAMHI Hotels Limited (Holding Company)	124,780,000	-	124,780,000	100%	-

17 Other equity

	As at 31 March 2022	As at 31 March 2021
Capital reserve	32,439	28,303
Retained earnings	(1,141,375)	(557,538)
Concessional interest component of loan to holding company	(610,540)	(610,540)
Equity component of convertible PIK obligation	863,300	-
	(856,176)	(1,139,775)

a) Retained earnings

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	(557,538)	161,847
Loss for the year	(583,649)	(719,381)
Transferred from other comprehensive income	(188)	(4)
Balance at the end of the year	(1,141,375)	(557,538)

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

b) Concessional interest component of loan to holding company

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	(610,540)	(610,540)
Balance at the end of the year	(610,540)	(610,540)

This represents the concessional interest component of the interest free loans given to SAMHI Hotels Limited, the Holding Company.

c) Other comprehensive income

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	-	-
Remeasurements of defined benefit liability/asset (net of tax)	(188)	(4)
Transferred to retained earnings	188	4
Balance at the end of the year	-	-

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

d) Capital reserve

	As at 31 March 2022	As at 31 March 2021
Gain on early repayment of loan by holding company		
Balance at the beginning of the year	28,303	-
Additions made during the year	4,136	28,303
Balance at the end of the year	32,439	28,303
Capital reserve	41,959	37,823
Less: Tax impact	(9,520)	(9,520)
Equity component (net of tax)	32,439	28,303

SAMHI JV Business Hotels Pvt Ltd

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

e) Equity component of convertible PIK obligation	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	-	
Initial recognition of equity component of convertible PIK obligation	877,700	-
Net gain on fair valuation of equity component of convertible PIK obligation	(14,400)	-
Balance at the end of the year	863,300	-

This represents the fair value of Convertible PIK obligation of non-convertible debentures issued during the current year (Refer Note 19).
Convertible PIK obligation is portion of accrued interest on the non-convertible debentures that may be converted into equity shares of SAMHI Hotels Limited (Holding Company) in accordance with the SAMHI shares allotment agreement dated 19 January 2022 between the Company, holding company and debenture trustee.

Valuation technique used to determine fair value
Specific valuation technique used to value convertible PIK obligation include:
- the fair value for equity component of convertible PIK obligation is calculated using discounted cash flows method and monte carlo simulations.

Details of significant unobservable inputs for measurement of fair values

Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value
Equity component of convertible PIK obligation (Other equity)	
Enterprise value of SAMHI Hotels Limited (holding company) ("EV")	The estimated fair value would increase (decrease) if the EV was higher (lower)
Risk free rate (31 March 2022 - 4.61% ; 31 March 2021 - NA)	The estimated fair value would decrease (increase) if the risk free rate was higher (lower)
Volatility rate (31 March 2022 - 92.20% ; 31 March 2021 - NA)	The estimated fair value would increase (decrease) if the volatility rate was higher (lower)

Sensitivity analysis

For the fair value of equity component of convertible PIK obligation, reasonably possible changes at the reporting date due to one of the significant unobservable inputs, holding other inputs constant, would have following effects:

	Profit or (loss) / net of tax	
31 March 2022	Increase	Decrease
Business value (5% movement)	(40,100)	40,000
Risk free rate (1% movement)	900	(900)
Volatility rate (1% movement)	(700)	700

Movement of Interest free loans to Holding Company	As at 31 March 2022	As at 31 March 2021
Total proceeds	1,055,701	1,062,201
Add: Capital reserve (*Gain on early repayment of loan by holding company*)	41,959	37,823
Less: Deemed distribution component	(825,051)	(825,051)
	272,609	274,973
Add: Interest Income accretion	112,112	70,232
Closing balance of loan component	384,721	345,205
Equity component	825,051	825,051
Less: Tax impact	(214,511)	(214,511)
Equity component (net of tax)	610,540	610,540

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

18 Non current financial liabilities - Others

	As at 31 March 2022	As at 31 March 2021
Payable for capital assets	677	1,268
	677	1,268

19 Non-current financial liabilities - Borrowings

	As at 31 March 2022	As at 31 March 2021
Term loans from financial institution (secured)* (refer 'b' below)	-	2,558,259
Non-convertible debentures** (refer 'a' below)	3,264,313	-
Less: Current maturities of long-term borrowings (refer note 22)	-	(36,729)
Less: Interest accrued but due on borrowings (refer note 24)	-	(9,803)
	3,264,313	2,511,727

*Includes interest accrued but not due amounting to INR Nil (31 March 2021 - INR 371,247)
**Includes interest accrued but not due amounting to INR 150,517 (31 March 2021 - INR Nil)

a) Non-convertible debentures (NCD's)

a. On 19 January 2022, Debenture Trust Deed ('DTD') was executed between SAMHI JV Business Hotels Private Limited ('the Company'), SAMHI Hotels Limited ('holding company') and Vistra ITCL (India) Limited ('Debenture Trustee'). Basis aforesaid Debenture Trust Deed, during the current year, the Company has issued 4,100 unlisted, secured, redeemable, non-convertible debentures of a face value of INR 10,00,000 each, aggregating to INR 4,100,000 on a private placement basis to Sarvara Investment Fund I on the terms and conditions set out in DTD.

b. These non-convertible debentures are secured by following:

a) a first ranking mortgage on all immovable assets of the Company, both present and future, including the Company's properties at Bengaluru.
b) a first ranking charge on all the movable assets (current, non-current and movable fixed assets) of the Company, both present and future, including but not limited to:
i) movable properties including plant and machinery, machine spares, tools and accessories, furniture, fixtures, vehicle and other non-current assets;
ii) the permitted investments which includes government securities, fixed deposits in any scheduled commercial bank in India, which is not a lender to the Group, liquid mutual fund debt schemes.
iii) intangible assets,
iv) all current assets of the Company, including but not limited to the receivables of the Company including cash in hand, investments classified as "held for trading", raw materials, consumable stores and spares, book debts, operating cash flow and stock in trade, and
v) all investments and bank accounts of the Company and monies lying therein.

c) a first ranking exclusive charge over all rights and receivables of the Holding Company which includes all amounts receivable by the Holding Company (whether as operational payments or otherwise) from the Company.
d) a first ranking exclusive pledge over the shares and securities constituting 100% shareholding held by the Holding Company.
e) the Corporate Guarantees provided by Barque Hotels Private Limited and Paulmech Hospitality Private Limited in favour of debenture trustee;
f) all encumbrances created or to be created to secure the Barque Hotels Private Limited Debentures (Barque Debentures), ranking pari passu with the debentures and the Barque Debentures, other than the Promoter Guarantee issued by SAMHI Hotels Limited (Promoter) for securing the Barque Debentures.

c. As per Debenture Trust Deed, return on non-convertible debentures is sum of Cash PIK and Convertible PIK.
(i) At all times during the tenure of non-convertible debentures, the debenture holder is entitled to a minimum IRR of not less than 21.34% per annum (i.e. 19.5% per annum compounded monthly).
(ii) Cash PIK is an amount that would give the debenture holder a return equal to 14.5% per annum compounded monthly during the term of debentures. Cash PIK obligation on non-convertible debentures is to be serviced at 1% p.a. payable monthly for the first 6 months, at 3.5% p.a. payable monthly from the commencement of 7th month until the expiry of 12 months and at 14.5% p.a. payable monthly for balance term of 3 years (to the extent applicable) and remaining obligation on redemption of debentures.
(iii) Convertible PIK is portion of accrued interest on the non-convertible debentures that may be converted into equity shares of SAMHI Hotels Limited (Holding Company) in accordance with the SAMHI shares allotment agreement dated 19 January 2022 between the Company, holding company and debenture trustee.
(iv) During the current year, the Company paid debenture holder upfront interest of 3% of the nominal value of each non-convertible debentures issued as an additional interest.
(v) After lock-in-period for the non-convertible debentures of 12 months from the date of first disbursement i.e. 21 January 2022, these debentures are redeemable within 4 years at the option of the Company or at the end of 4 years from date of first disbursement. Further, the non-convertible debentures will be mandatorily redeemed within 30 days of occurrence of an IPO event.

SAMHI JV Business Hotels Pvt Ltd

b) Term loan from financial institution

Sanction amounts

Loan from PHL Fininvest Private Limited - Term loan INR Nil (31 March 2021 - INR 2,100,000)
Loan from PHL Fininvest Private Limited - Working capital term loan INR Nil (31 March 2021 - INR 420,000)

Terms of security

Loans from PHL Fininvest Private Limited was secured by way of:

(i) First ranking pari passu charge, over property of Courtyard & Fairfield by Marriott, Bangalore ("Bangalore Project") [under entity SAMHI JV Business Hotels Private Limited].
(ii) First ranking pari passu charge, over property of Sheraton, Hyderabad ("Hyderabad Project") [under entity SAMHI Hotels (Ahmedabad) Private Limited].
(iii) First ranking pari passu charge, over Bangalore Project Receivables, Current Account and Project Escrow Account.
(iv) First ranking pari passu charge, over Hyderabad Project receivables, Current Account and Project Escrow Account.
(v) First ranking pari passu charge by way of 100% Share Pledge of SAMHI JV Business Hotels Private Limited.
(vi) First ranking pari passu charge by way of hypothecation of the Promoter Escrow Account.
(vii) Non-disposal undertaking from promoter for 100% shares of SAMHI Hotels (Ahmedabad) Private Limited.
(viii) Second charge on all assets of SAMHI JV Business Hotels Private Limited.

Rate of interest and terms of payment

The interest rate (accrual) for term loan from PHL Fininvest Private Limited is Piramal Prime Lending Rate (PPLR) less facility spread i.e. 14.05% p.a. as at loan closure date i.e. 21 January 2022 (31 March 2021 - 14.05%). No interest payment is required for six months from the first disbursement date of loan. Thereafter, interest to be paid at a concessional rate of 8% from the 7th month to the 36th month. Interest to be paid at PPLR less facility spread from 37th Month till end of the tenure of the loan. The term loan is repayable in 48 structured quarterly instalments commencing from September 2021. Accrued interest will be paid by the end of the 60th month from the first disbursement date of loan.

The interest rate (accrual) for RCF, structured into term loan in the current year, from PHL Fininvest Private Limited is Piramal Prime Lending Rate (PPLR) less RCF spread i.e. 14.05% p.a. as at loan closure date i.e. 21 January 2022 (31 March 2021 - 14.08% to 14.05% p.a.). No interest payment is required for six months from the first disbursement date of loan. Thereafter, interest to be paid at a concessional rate of 8% from the 7th month to the 36th month. Interest to be paid at PPLR less RCF spread from 37th Month till end of the tenure of the loan. The RCF is repayable in 20 structured quarterly instalments commencing from September 2028. Accrued interest will be paid by the end of the 60th Month from the first disbursement date of loan.

The rate of interest on the working capital term loan is 13% p.a. as at loan closure date i.e. 20 January 2022 (31 March 2021 - 13% p.a.).The term loan amount is repayable in 48 equal quarterly instalments after 1 year of moratorium from date of first disbursement i.e. 4 March 2021. However, there is no moratorium for interest. It shall be payable at monthly intervals.

All loans from PHL Fininvest Private Limited has been repaid during the current year.

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

d) Information about the Company's exposure to interest rate, foreign currency and liquidity risks is included in note 38.

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

20 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	28,849	-
	28,849	-

a) Refer note 40 for disclosures under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED).
b) The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 38.

Trade payables ageing schedule

As at 31 March 2022

Particulars	Accrued expenses	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Others	-	18,425	10,202	222	-	28,849
Total	-	18,425	10,202	222	-	28,849

As at 31 March 2021

Particulars	Accrued expenses	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Others	-	-	-	-	-	-
Total	-	-	-	-	-	-

21 Non current provisions

	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits		
Gratuity (Refer note 30)	492	655
Compensated absences (Refer note 30)	365	106
	857	761

22 Current financial liabilities - Borrowings

	As at 31 March 2022	As at 31 March 2021
Current maturities of long-term borrowings (Refer note 19)	-	36,729
	-	36,729

23 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	532	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	181,636	122,829
	182,168	122,829

a) Refer note 40 for disclosures under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED).
b) Refer note 37 for dues to related parties.
c) The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 38.

Trade payables ageing schedule

As at 31 March 2022

Particulars	Accrued expenses	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	532	-	-	-	532
(ii) Others	23,590	112,250	233	41,334	4,229	181,636
Total	23,590	112,782	233	41,334	4,229	182,168

As at 31 March 2021

Particulars	Accrued expenses	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Others	12,530	67,728	42,278	293	-	122,829
Total	12,530	67,728	42,278	293	-	122,829

24 Current financial liabilities - Others

	As at 31 March 2022	As at 31 March 2021
Interest accrued but not due on borrowings (Refer note 19)	-	9,803
Employee related payables	12,320	13,649
Security deposits received	260	-
	12,580	23,452

SAMHI JV Business Hotels Pvt. Ltd.

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

25 Other current liabilities

	As at 31 March 2022	As at 31 March 2021
Advance from customers	10,012	2,234
Statutory dues payable	10,425	77,121
	20,437	79,355

26 Current provisions

	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits		
Gratuity (refer note 30)	254	287
Compensated absences (refer note 30)	546	65
	800	352

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

27 Revenue from operations

	For the year ended 31 March 2022	For the year ended 31 March 2021
Sale of products and services		
- Room revenue	200,189	47,018
- Food and beverage revenue	79,959	36,613
- Recreation and other services	3,832	1,626
	283,980	85,257

Contract balances

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

	As at 31 March 2022	As at 31 March 2021
Contract liabilities		
- Advance from customers	10,012	2,234
Contract assets		
- Unbilled revenue	14,401	2,735

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.

28 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	858	1,040
- on loan to holding company	76,455	38,644
Net gain on fair valuation of equity component of convertible PIK obligation	14,400	-
Gain on modification of financial liabilities	9,368	
Government grant	-	209
Provision no longer required written back	-	2,433
Interest on income tax refund	388	-
Miscellaneous income	269	-
	101,738	42,326

29 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	4,759	6,908
Add : Purchases	31,834	11,146
Inventory at the end of the year	(4,552)	(4,759)
	32,041	13,295

30 Employee benefits expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and bonus	50,999	53,890
Contribution to provident fund and other funds (refer 'a' below)	3,643	3,103
Compensated absences (refer 'b' below)	783	-
Gratuity expense (refer 'c' below)	201	271
Staff welfare expenses	7,132	7,693
	62,758	64,957

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 3,643 (31 March 2021 - INR 3,103) Also refer note 35.

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.)	4.87	4.51
Future salary increase (p.a.)	5.50	5.50

c. Defined Benefit Plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is not funded.
The following tables summaries the components of net benefit expense recognized in profit or loss and amounts recognized 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	162	225
Interest cost	39	46
Total included in 'Employee benefits expense'	201	271

b) Remeasurements recognised directly in other comprehensive income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Net actuarial (gain)/loss recognized in the year from:		
- changes in demographic assumptions	-	-
- changes in financial assumptions	(5)	10
- changes in experience adjustments	193	(6)
Amount recognised in other comprehensive income	188	4

SAMHI JV Business Hotels Pvt. Ltd.

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

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	942	900
Current service cost	162	225
Interest cost	39	46
Remeasurements of defined benefit liability/asset (net of tax)	188	4
Benefits paid	(585)	(233)
Present value of obligation as at the end of the year	746	942

d) Amounts to be recognised 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	746	942
Funded status	-	-
Net liability recognised in the Balance Sheet	746	942
Non-current	492	655
Current	254	287

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 %
Economic assumptions		
Discounting rate (p.a.)	4.87	4.53
Future salary increase (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.

Demographic assumptions	As at 31 March 2022	As at 31 March 2021
Retirement age (years)	58	58
Withdrawal Rate		
Ages	%	%
Up to 30 years	61	61
From 31 to 44 years	61	61
Above 44 years	61	61
Mortality rate	100% Indian assured lives mortality (2012 - 14)	100% Indian assured lives mortality (2012 - 14)

f) The Company best estimate of expense for the next year is INR 201 (31 March 2021: INR 236)

g) 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:

	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Increase *	Decrease *	Increase *	Decrease *
Discount rate (0.5% movement)	(7)	7	(10)	10
Future salary growth (0.5% movement)	7	(7)	10	(10)

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 and negative amount represents decrease in provision.

h) Maturity profile of defined benefit obligation

Year	As at 31 March 2022
April 2022 - March 2023	254
April 2023 - March 2024	301
April 2024 - March 2025	117
April 2025 - March 2026	45
April 2026 - March 2027	18
April 2027 - March 2028	7
April 2028 onwards	4
	746

Year	As at 31 March 2021
April 2021 - March 2022	287
April 2022 - March 2023	305
April 2023 - March 2024	150
April 2024 - March 2025	60
April 2025 - March 2026	23
April 2027 onwards	117
	942

SAMHI JV Business Hotels Pvt Ltd

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

31 Finance costs

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest expense on financial liabilities carried at amortised cost on		
- Non-convertible debentures	173,149	-
- Term loan from financial institution	308,861	341,455
- Others	1,478	-
Interest expense on delay in deposit of statutory dues	7,478	3,141
Other finance costs	29,363	3,895
	520,329	**348,491**

32 Depreciation and amortisation expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation on property, plant and equipment	105,850	117,316
Amortisation of intangible assets	395	395
	106,245	**117,711**

33 Other expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Repair and maintenance		
- Building	5,410	2,066
- Machinery	11,156	12,125
- Others	2,949	309
Advertisement and business promotion	7,461	6,642
Commission	9,845	5,055
Communication	2,978	2,482
Consumption of stores and supplies	18,851	6,782
Contractual labour	6,807	2,355
CSR expenses (refer note 43)	-	1,903
General administration expenses	2,376	1,482
Insurance	2,210	3,431
Legal and professional charges	93,813	27,429
Loss on foreign exchange fluctuation (net)	2,180	133
Management and incentive fees	9,121	6,699
Miscellaneous expenses	6,973	3,713
Government grant written off	1,465	9,252
Payment to auditors*	1,842	1,539
Power, fuel and water	31,768	18,641
Provision for bad and doubtful debts	143	84
Rates and taxes	23,353	26,109
Training expenses	787	855
Travelling expenses	6,506	2,215
	247,994	**141,301**

***Payment to auditors**

Statutory audit	1,800	1,400
Reimbursement of expenses	42	119
Other services	-	20
	1,842	**1,539**

34 Earnings per share (EPS)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Net loss attributable to equity shareholders	(583,649)	(719,381)
Weighted average number of equity shares outstanding during the period for calculation of basic EPS	124,780,000	124,780,000
Weighted average number of equity shares outstanding during the period for calculation of diluted EPS*	124,780,000	124,780,000
Nominal value of equity share (INR)	10	10
Basic earnings per share (INR)	(4.68)	(5.77)
Diluted earnings per share (INR)	(4.68)	(5.77)

* The outstanding potential equity shares have an anti-dilutive effect on EPS. Hence, the same have not been considered for calculation of Diluted earnings per share.

SAMHI JV Business Hotels Pvt. Ltd. *

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

Contingent liabilities
a. In February 2019, Supreme Court of India in its judgement clarified the applicability of allowances that should be considered to measure obligations under The Employees' Provident Funds And Miscellaneous Provision Act, 1952. The Company has been legally advised that there are interpretative challenges on the application of judgement retrospectively and as such does not consider there is any probable obligations for past periods. During the year ended 31 March 2019, the Company had made a provision for provident fund contribution for the year 2018-19 in the books of accounts amounting to INR 4,452. During the previous year, based on legal advice, the Company has reversed the provision made for the period April 2018 to February 2019 amounting to INR 4,160.

b. During the previous year, the Company had received a notice under Section 148 of the Income-tax Act, 1961 for assessment year 2016-17 on grounds of escaped assessment. During the current year, the Company has received favourable order in respect of this notice.

c. The Company has received a notice under Chapter V of the Finance Act, 1994 ("Finance Act") for the period PY 2014-15 to 2017-18 (upto June 2017) on grounds of excess availment of CENVAT credit and short payment of service tax involving an amount of INR 89,283 along with interest under Section 75 of the Finance Act, 1994 along with equal penalty under Rule 15 of the Cenvat Credit Rules, 2004 and Section 78 of the Finance Act, 1994. The Company has filed a written submission denying all allegations made in the notice before the Commissioner of Goods & Services Tax (Appeals) 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.

36 Operating Segments

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

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

b) Information about geographical areas
The Company provides services to customers in India. Further, there are no assets located outside India.

c) Information about major customers (from external customers)
The Company does not derive revenue from one customer which would amount to 10 per cent or more of the Company's revenue.

SAMHI JV Business Hotels Pvt Ltd *

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

37 Related party disclosures

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

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

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

Description of relationship	Name of related party
Holding Company	SAMHI Hotels Limited (formerly known as SAMHI Hotels Private Limited)
Fellow Subsidiaries	CASPIA Hotels Private Limited
	Argon Hotels Private Limited
	SAMHI Hotels (Ahmedabad) Private Limited
	Barque Hotels Private Limited
	Paulmech Hospitality Private Limited

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

Particulars	Holding Company		Fellow Subsidiaries	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Legal and professional charges				
SAMHI Hotels Limited	77,466	17,051	-	-
Interest income from financial assets at amortised cost				
SAMHI Hotels Limited	76,455	38,644	-	-
Loan to holding company at amortised cost				
SAMHI Hotels Limited	903,543	-	-	-
Repayments of loan by Holding Company				
SAMHI Hotels Limited	6,500	56,799	-	-
Advance received				
SAMHI Hotels Limited	850,000	-	-	-
Advance repaid				
SAMHI Hotels Limited	848,500	-	-	-
Gain on early repayment of loan by holding company				
SAMHI Hotels Limited	4,136	37,823	-	-
Reimbursement of expenses				
SAMHI Hotels Limited	2,992	914	-	-
CASPIA Hotels Private Limited	-	-	4,232	459
SAMHI Hotels (Ahmedabad) Private Limited	-	-	4,593	324
Argon Hotels Private Limited	-	-	4,656	1,158
Initial recognition of equity component of convertible PIK obligation				
SAMHI Hotels Limited	877,700	-	-	-
Net gain on fair valuation of equity component of convertible PIK obligation				
SAMHI Hotels Limited	14,400	-	-	-

SAMHI JV Business Hotels Pvt Ltd

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

d) Related party balances as at year end

Particulars	Holding Company		Fellow Subsidiaries	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Trade payables				
SAMHI Hotels Limited	97,016	19,950	-	-
CASPIA Hotels Private Limited	-	-	-	53
Argon Hotels Private Limited	-	-	-	35
SAMHI Hotels (Ahmedabad) Private Limited	-	-	-	308
Loan to holding company at amortised cost				
SAMHI Hotels Limited	1,317,883	345,205	-	-
Capital reserve				
SAMHI Hotels Limited	32,439	28,303	-	-
Concessional interest component of loan to holding company				
SAMHI Hotels Limited	610,540	610,540	-	-
Current financial assets - Others				
CASPIA Hotels Private Limited	-	-	-	525
Equity component of convertible PIK obligation				
SAMHI Hotels Limited	863,300	-	-	-
Trade receivables				
SAMHI Hotels Limited	605	727	-	-
SAMHI Hotels (Ahmedabad) Private Limited	-	-	468	390
CASPIA Hotels Private Limited	-	-	714	424
Argon Hotels Private Limited	-	-	3,684	1,551

During the year, the fellow subsidiaries have provided security on behalf of the Company in respect of Non-Convertible Debenture issued.(refer note 19(a)).
During the previous year, the fellow subsidiaries had provided security for loan from PHL Finvest Private Limited till 21 January 2022. (refer note 19(b)).

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business. Outstanding balances at the year-end are unsecured and are 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.

SAMHI JV Business Hotels Pvt Ltd

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

38 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) recognized and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Particulars	As at 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				
Loans	3	-	-	1,317,883
Others		-	-	14,839
Current				
Trade receivables		-	-	26,849
Cash and cash equivalents		-	-	124,264
Bank balances other than cash and cash equivalents above		-	-	2,924
Others		-	-	20,458
Total financial assets		-	-	1,507,217
Financial liabilities				
Non-current				
Borrowings	2	-	-	3,264,313
Trade payables	3	-	-	28,849
Others		-	-	677
Current				
Trade payables		-	-	182,168
Others		-	-	12,580
Total financial liabilities		-	-	3,488,587

Particulars	As at 31 March 2021			
	Level of hierarchy	Fair Value Through Profit and Loss (FVTPL)	Fair Value Through Other Comprehensive Income (FVTOCI)	Amortised Cost
Financial assets				
Non-current				
Loans	3	-	-	345,205
Others		-	-	17,595
Current				
Trade receivables		-	-	8,113
Cash and cash equivalents		-	-	11,011
Others		-	-	19,409
Total financial assets		-	-	401,333
Financial liabilities				
Non-current				
Borrowings	2	-	-	2,511,727
Others		-	-	1,268
Current				
Borrowings	2	-	-	36,729
Trade payables		-	-	122,829
Others		-	-	23,452
Total financial liabilities		-	-	2,696,005

Financial assets and liabilities measured at amortised cost - Fair value measurements	**As at 31 March 2022**	**As at 31 March 2021**
Non-current financial assets		
Non-current loans (Level 3) *	378,923	331,317

* Represents fair value of loan to holding company.

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

During the previous year, interest rates on non-current borrowings were equivalent to the market rate. Such borrowings were contracted at floating rates and rates were reset at short intervals. Accordingly, the carrying value of such borrowings approximates fair value.

The carrying value of non-current trade payables approximates the fair values as on the reporting date, as these are carried at amortised cost and are based on the net present value of the anticipated future cash flows using applicable discount rate

Fair value of bank deposits included in other non-current financial assets and loan to holding company (interest bearing loan) are equivalent to their carrying amount, as the interest rate on them is equivalent to market rate.

B) Measurement of fair values

The different levels of fair value have been defined below:

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

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

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

There have been no transfers in either direction for the years ended 31 March 2022 and 31 March 2021.
The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

SAMHI JV Business Hotels Pvt Ltd

Valuation technique used to determine fair value
Specific valuation technique used to value financial instruments include:
- the fair value for loan to holding company (interest free loan) is calculated based on cash flows discounted using current lending rate.

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, only high rated banks are accepted.

The Company has given security deposits to Government departments and vendors for securing services from them and rental deposits for employee accommodations. The Company has loan receivable balance outstanding as at year end from its holding company. Further, the Company has recognised government grant recoverable in respect of export incentives. The Company does not expect any default from these parties and accordingly the risk of default is negligible or nil. During the year, the Company has written off government grant amounting to INR 1,465 (31 March 2021 – INR 9,252). Refer note 14.

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 debit or credit cards or other payment platforms.

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	1,212	1,128
Changes in loss allowance	143	84
Closing balance	1,355	1,212

ii. Liquidity risk

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

Ultimate responsibility for liquidity risk management rests with the holding company's Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short term, medium term and long-term funding and liquidity management requirements. Refer note 42 which covers liquidity risk management of the Company.

(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.

		Contractual cash flows				
As at 31 March 2022	Carrying amount	Total	0-1 year	1-2 years	2-5 years	More than 5 years
Non-current borrowings	3,264,313	4,250,517	-	-	4,250,517	-
Non-current Trade payables	28,849	34,625	-	34,625	-	-
Other non-current financial liabilities	677	677	-	677	-	-
Current Trade payables	182,168	184,272	184,272	-	-	-
Other current financial liabilities	12,580	12,580	12,580	-	-	-
	3,488,587	4,482,671	196,852	35,302	4,250,517	-

		Contractual cash flows				
As at 31 March 2021	Carrying amount	Total	0-1 year	1-2 years	2-5 years	More than 5 years
Non current borrowings	2,511,727	2,528,338	-	55,193	724,660	1,748,485
Other non-current financial liabilities	1,268	1,268	-	1,268	-	-
Current borrowings	36,729	36,729	36,729	-	-	-
Current Trade payables	122,829	122,829	122,829	-	-	-
Other current financial liabilities	23,452	23,452	23,452	-	-	-
	2,696,005	2,712,616	183,010	56,461	724,660	1,748,485

(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
Working capital term loan	-	380,000
	-	380,000

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

iv. Currency risk

The Company's exposure to foreign currency risk is on account of payables 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:

	As at 31 March 2022 USD in thousand	As at 31 March 2021 USD in thousand
Financial liabilities		
Trade payables	807	644
	807	644

	As at 31 March 2022 INR in thousand	As at 31 March 2021 INR in thousand
Financial liabilities		
Trade payables	61,159	47,324
	61,159	47,324

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

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				
USD (1% movement)	612	(612)	612	(612)
	612	(612)	612	(612)

	(Profit)/loss		Equity, net of tax (increase)/decrease	
Effect in INR	**Strengthening**	**Weakening**	**Strengthening**	**Weakening**
31 March 2021				
USD (1% movement)	473	(473)	354	(354)
	473	(473)	354	(354)

v. Interest rate risk

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

The Company evaluates the interest rates in the market on a regular basis to explore the option of refinancing of the borrowings of the Company. Moreover, the Company's current borrowings are linked to floating interest 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:

	Nominal amount	
	31 March 2022	**31 March 2021**
Fixed-rate instruments		
Non-current financial assets - Loan (Refer Note 5)	903,543	-
Financial assets - bank deposits	11,818	11,615
Financial liabilities - Borrowing non-convertible debenture (Refer Note 19)	4,100,000	-
Variable-rate instruments		
Financial liabilities - Borrowing financial institution secured (Refer Note 19)	-	2,311,727

Fair value sensitivity analysis for fixed-rate instruments

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

Sensitivity analysis for variable-rate instruments

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

	(Profit)/loss		Equity, net of tax (increase)/decrease	
	100 bps increase	**100 bps decrease**	**100 bps increase**	**100 bps decrease**
As at 31 March 2022				
Financial liabilities	-	-	-	-
	-	-	-	-
As at 31 March 2021				
Financial liabilities	24,362	(24,362)	18,231	(18,231)
	24,362	(24,362)	18,231	(18,231)

39 **Capital Management**

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.
The Board of Directors of the Company seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position.
The Company monitors capital using loan to value (LTV) method to ensure that the loan to value does not increase beyond 65% on any given reporting date at 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. Also refer note 42.

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

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

	As at 31 March 2022	As at 31 March 2021
Dues to micro, small and medium suppliers		
The amounts remaining unpaid to micro and small suppliers as at the end of the year:		
Principal amount	519	-
Interest thereon	13	-
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting 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.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	13	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-	-

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.

41 During the current year, SAMHI Hotels Limited (the holding company) has allocated expenses amounting to INR 77,466 (31 March 2021 - INR 17,051) as Company's share of project expenses and other cost incurred.

42 Note on going concern and Impact of COVID-19

The Company is facing liquidity challenges which have been accentuated by uncertainty due to COVID-19. The Company has positive net worth of INR 391,624 as at 31 March 2022, incurred a net loss of INR 583,649 during the year ended 31 March 2022 and, as of that date, the Company's current liabilities exceeded its current assets by INR 5,773. As on 31 March 2022, the Company has issued Non-Convertible Debentures and there are no repayments due within 12 months of the balance sheet date. The Company has cash and bank balance of INR 124,264 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 8,139 and 84% respectively. The Company has continued financial and operational support provided to the Company by SAMHI Hotels Limited (the holding company) and has projected to generate profits from its operations.

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.

43 Corporate social responsibility

As per Section 135 of the Companies Act, 2013, a Company meeting the applicability threshold, is required to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities.

During the year ended 31 March 2022 the Company did not have any obligation for spending money on CSR activities.

Details of CSR expenditure are as follows:

	For the year ended 31 March 2022	For the year ended 31 March 2021
(a) Gross amount required to be spent by the Company during the year.	-	1,903
(b) Amount spent during the year on:		
i) Construction / acquisition of any asset	-	-
ii) On purposes other than (i) above	-	1,903
Total amount spent in cash	**-**	**1,903**

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

44 New standards and interpretations, not yet adopted

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

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

Ratio	In times/%	Numerator	Denominator	31 March 2022	31 March 2021	Reasons for variance
Current Ratio	In times	Total Current Assets	Total Current Liabilities	1.0	0.2	Current ratio has significantly improved as cash and cash equivalents has increased in the current year compared to last year as a result of issuance of non convertible debentures.
Debt-Equity Ratio	In times	Total Borrowings	Total Equity	8.3	23.6	Debt equity ratio has decreased due to increase in debt and improvement in other equity due to losses in the current year.
Debt Service Coverage Ratio	In times	Profit/(loss) before finance cost, depreciation, amortisation and tax	Debt service : Finance costs paid + Principal Repayments of long term borrowings	0.1	(0.7)	Debt Service coverage ratio has improved due to an improvement in profit before finance costs, depreciation, amortisation, and tax.
Return on Equity Ratio	In %	Loss after tax	Average Total Equity	-234%	-215%	Return on equity ratio has decreased due to improvement in other equity on account of reduction in losses in the current year.
Inventory turnover ratio *	In times	NA	NA	NA	NA	NA
Trade Receivables turnover ratio	In times	Revenue from operations	Average Trade Receivables	16.2	6.8	Trade receivables turnover ratio increased due to an increase in revenue from operations.
Trade payables turnover ratio	In times	Cost of materials consumed + Other expenses	Average Trade Payables	1.7	1.3	Since the variance is less than 25% there is no requirement to disclose the reason.
Net capital turnover ratio	In times	Revenue from operations	Average working capital	(2.7)	(0.4)	Decrease is due to increase in revenue from operations due to improvement in business.
Net profit ratio	In %	Loss after tax	Revenue from operations	-206%	-844%	Net profit ratio improved due to improvement in business activity during the year.
Return on Capital employed	In %	Loss before interest and taxes	Capital Employed : Tangible Net Worth – Total Borrowing	-2%	-8%	Return on capital employed improved due to a decrease in loss before interest and taxes during the current year on account of an increase in business activity
Return on investments #	In %	NA	NA	NA	NA	NA

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

* **Inventory turnover ratio:** Since the Company holds inventory for consumption in the service of food and beverages and the proportion of such inventory is insignificant to total assets.
\# **Return on Investments:** Since the Company invests surplus temporary funds in short-term bank deposits and the income generated from it is insignificant to total revenue.

SAMHI JV Business Hotels Pvt Ltd

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

46 **Other statutory information**

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company does not have any transactions with companies struck off.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  (a)directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  (b)provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- The Company has not been declared a wilful defaulter by any bank or other lender (as defined under the Companies Act, 2013), in accordance with the guidelines on wilful defaulters.
- The title deeds of immovable property disclosed in the financial statements are held in the name of the Company. However, original title deeds are under lien with debenture trustee for the non-convertible debentures issued by the Company during the current year.

47 Through issue of non-convertible debentures (refer Note 19), the Company has received an amount of Rs 4,100,000 on 21 January 2022 from Sarvara Investment Fund I ("Non-convertible debenture holder"). On 21 January 2022, as per the terms of Debenture Trust Deed dated 19 January 2022, out of the aforesaid amount, Rs. 903,543 has been utilised towards providing loan to SAMHI Hotels Limited ("holding company") for repayment of its existing borrowings from Piramal Capital & Housing Finance Limited.

With respect of aforesaid transaction, the relevant provisions of the Companies Act, 2013 has been complied with and further, the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

Details of non-convertible debenture holder and holding company are as below:

S No.	Party name	Nature of relationship	Details
1	Sarvara Investment Fund I	Non-convertible debenture holder	PAN - AAYTS2983A Address - Sarvara Investment Fund I Crescenzo, Ground Floor, G-Block Plot No. 38 & 39, Behind MCA Ground Bandra Kurla Complex, Bandra (East) Mumbai-400 051
2	SAMHI Hotels Limited	Holding company	CIN - U55101DL2010PLC211816 Address - Caspia Hotels Delhi, District Centre Crossing, Opp. Galaxy Toyota Outer Ring Road, Haiderpur, Shalimar Bagh, New Delhi-110088

48 **Change in classification**

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

	As per earlier reported	Revised classification
Assets		
Non current assets		
Financial assets		
Loans	351,185	345,205
Others	11,615	17,595
Liabilities		
Current liabilities		
Financial liabilities		
Borrowings	-	36,729
Others	60,181	23,452

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

		As per earlier reported	Revised classification
(i)	**Other Expenses**		
	Communication	5,806	2,482
	Miscellaneous expenses	389	3,713
(ii)	**Other Expenses**		
	Rates and taxes	29,250	26,109
	Finance costs		
	Interest expense on delay in deposit of statutory dues	-	3,141

The notes from Note 1 to Note 48 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: 14 September 2022

For and on behalf of Board of Directors of
SAMHI JV Business Hotels Private Limited

Rajat Mehra
Director
DIN: 06813081

Place: Gurugram
Date: 14 September 2022

Kavya Chakravarty
Director
DIN: 08539291

Place: Gurugram
Date: 14 September 2022

Anjana Kumari
Company Secretary
Membership No.: A35561

Place: Gurugram
Date: 14 September 2022