

## Independent Auditor's Report

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

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Duet India Hotels (Chennai OMR) Private Limited (the "Company") which comprise the balance sheet as at 31 March 2024, 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 material 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 2024, and its loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

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

#### 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.

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**Independent Auditor's Report (Continued)**  
**Duet India Hotels (Chennai OMR) Private Limited**

**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.

**Other Matter**

- a. The financial statements of the Company for the year ended 31 March 2023 were audited by the predecessor auditor who had expressed an unmodified opinion on 17 August 2023.

**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

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

**Duet India Hotels (Chennai OMR) Private Limited**

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 except for the following:
  - the back-up of books of accounts and other relevant books and papers in back-up of books of accounts and other relevant books and papers in electronic mode was not maintained on the servers physically located in India with respect to accounting software used for:
    - revenue accounting during 1 April 2023 to 15 July 2023,
    - procurement and general ledger during 1 April 2023 to 26 March 2024, and
    - general ledger accounting during 1 April 2023 to 23 August 2023.
  - In the absence of sufficient and appropriate reporting on compliance with the back up requirements in the independent auditor's report of service organisation in relation to payroll process operated by third party service provider, we are unable to comment on whether the back-up of books of accounts and other relevant books and papers in electronic mode relevant to the said process was maintained on the servers physically located in India for the period 1 December 2023 to 31 March 2024.

Matters stated in the paragraph (B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- 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 01 April 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f. the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph b above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- g. 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 2024 on its financial position in its financial statements - Refer Note 34 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 its knowledge and belief, as disclosed in the Note 43(vi) to the financial statements, no funds have been advanced or loaned or invested

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

**Duet India Hotels (Chennai OMR) Private Limited**

- (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall 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 its knowledge and belief, as disclosed in the Note 43(vii) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall 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) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The Company has neither declared nor paid any dividend during the year.
- f. Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting softwares for maintaining its books of accounts, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the period for all relevant transactions recorded in the respective softwares:
- In the absence of sufficient and appropriate reporting on compliance with the audit trail requirement in the independent auditor's report of service organisation from 1 December 2023 to 31 December 2023 and in the absence of independent auditor's report in relation to controls at the said service organization from 1 January 2024 to 31 March 2024 for an accounting software used for maintaining the books of account relating to payroll process, which is operated by third-party software service provider, we are unable to comment whether audit trail feature for the said software was enabled and operated throughout the year for all relevant transactions recorded in the software.
  - The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for one of the accounting software used for maintaining the books of account relating to revenue, procurement and General Ledger.
  - In case of one of the accounting software used for maintaining the books of account relating to revenue, the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes and the audit trail (edit log) facility was not available at the application level throughout the year.

Further, for the periods where audit trail (edit log) facility was enabled and operated for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with except that in case of one of the accounting software used for maintaining general ledger for the period 1 April 2023 to 6 February 2024, due to limitations in the system configuration, we are unable to comment whether there were any instances of the audit trail feature being tampered with.

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

**Duet India Hotels (Chennai OMR) Private Limited**

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, the Company has not paid any remuneration to its directors during the year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

*Chartered Accountants*

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



**Ankush Goel**

*Partner*

Place: Gurugram

Date: 29 May 2024

Membership No.: 505121

ICAI UDIN:24505121BKGXDK3959



**Annexure A to the Independent Auditor's Report on the Financial Statements of Duet India Hotels (Chennai OMR) Private Limited for the year ended 31 March 2024**

**(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 three years. In accordance with this programme, all property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (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 properties disclosed in the financial statements are held in the name of the Company. However, original title deeds are under lien with banks for the loan facilities availed by the Company. Therefore we could not verify those title deeds. However, we have received independent confirmation from security 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.
- (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 not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year.
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has not made investments, provided guarantees, or provided security to any other entity during the year. Accordingly, provisions of clauses 3(iii)(a) of the Order is not applicable to the Company.
- (b) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has not made investments, provided guarantees, or provided security to any other entity during the year. Accordingly, provisions of clauses 3(iii)(b) of the Order is not applicable to the Company.
- (c) According to the information and explanations given to us and on the basis of our examination

**Annexure A to the Independent Auditor's Report on the Financial Statements of Duet India Hotels (Chennai OMR) Private Limited for the year ended 31 March 2024 (Continued)**

of the records of the Company, in the following cases of loan given, in our opinion there is no stipulation of schedule of repayment of principal and payment of interest. These loans are repayable on demand and the same are overdue for repayment and hence, the repayment is not regular:

Name of the entity	Amount (in million)	Remarks
Sare Saamag Reality Private Limited	1.10	The loan are repayable on demand.
DIH Project Management Private Limited	3.36	The loan are repayable on demand.
Duet India Hotels Private Limited	7.40	The loan are repayable on demand.

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 except an amount of Rs. 11.86 millions (principal amount) and Rs Nil (interest) overdue for more than ninety days as at 31 March 2024. In our opinion, reasonable steps have not been taken by the Company for recovery of the principal and interest. 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 or advance in the nature of 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 neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.
- (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 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, Sales tax and Value added 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

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**Annexure A to the Independent Auditor's Report on the Financial Statements of Duet India Hotels (Chennai OMR) Private Limited for the year ended 31 March 2024 (Continued)**

account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Duty of Customs or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of deposit of Income-Tax and Employees State Insurance.

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, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (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) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that the Company has used funds raised on short-term basis aggregating to INR 81.78 millions for long-term purposes.
- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2024. Accordingly, clause 3(ix)(e) is not applicable.
- (f) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2024. Accordingly, clause 3(ix)(f) is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (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

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**Annexure A to the Independent Auditor's Report on the Financial Statements of Duet India Hotels (Chennai OMR) Private Limited for the year ended 31 March 2024 (Continued)**

Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) The Company is a wholly owned subsidiary of a listed Company and accordingly the requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion and based on the information and explanations provided to us, the Company does not have an Internal Audit system and is not required to have an internal audit system as per Section 138 of the Act.
- (b) In our opinion and based on the information and explanations provided to us, the Company does not have an internal audit system and is not required to have an internal audit system as per Section 138 of the Act. Accordingly, clause 3(xiv)(b) of the Order is not applicable.
- (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 15.97 millions in the current financial year and Rs 49.05 millions 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 2 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 2024. Further, the Company's current liabilities exceed its current assets as at 31 March 2024 by Rs. 84.39 millions. The Company has support letter from the Holding Company for providing financial support for atleast one year from the date of signing off the financial statements.

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

B S R & Co. LLP

**Annexure A to the Independent Auditor's Report on the Financial Statements of Duet India Hotels (Chennai OMR) Private Limited for the year ended 31 March 2024 (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) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

*Chartered Accountants*

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



**Ankush Goel**

*Partner*

Place: Gurugram

Date: 29 May 2024

Membership No.: 505121

ICAI UDIN:24505121BKGXDK3959

**Annexure B to the Independent Auditor's Report on the financial statements of Duet India Hotels (Chennai OMR) Private Limited for the year ended 31 March 2024**

**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)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Qualified Opinion**

We have audited the internal financial controls with reference to financial statements of Duet India Hotels (Chennai OMR) Private Limited ("the Company") as of 31 March 2024 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 2024, 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") except for the possible effects of the material weakness described in "Basis of Qualified Opinion" section of our report below, on the achievement of the objectives of the control criteria, the Company's internal financial controls with reference to the financial statements were operating effectively as on 31 March 2024.

We have considered the material weakness identified and reported below in determining in nature, timing and extent of audit tests applied in our audit of 31 March 2024 financial statements of the Company, and the material weakness do not affect our opinion on the financial statement of the Company.

**Basis for Qualified Opinion**

According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Company's internal controls with reference to financial statements as at 31 March 2024.

The Company's internal financial controls with reference to financial statements in respect of General Information Technology Control (GITCs) and automated Information Technology (IT) Application Controls over the Company's Opera Application Software were not operating effectively as at 31 March 2024. This could potentially result in understatement/ overstatement of revenue from operations.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the Company's financial statements will not be prevented or detected on a timely basis.

**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.

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**Annexure B to the Independent Auditor's Report on the financial statements of Duet India Hotels (Chennai OMR) Private Limited for the year ended 31 March 2024 (Continued)**

**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 qualified opinion on the Company's internal financial controls with reference to financial statements.

**Meaning of Internal Financial Controls with Reference to Financial Statements**

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial 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

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B S R & Co. LLP

**Annexure B to the Independent Auditor's Report on the financial statements of Duet India Hotels (Chennai OMR) Private Limited for the year ended 31 March 2024 (Continued)**

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



**Ankush Goel**

*Partner*

Place: Gurugram

Date: 29 May 2024

Membership No.: 505121

ICAI UDIN:24505121BKGXDK3959



**Duet India Hotels (Chennai OMR) Private Limited**  
**CIN:U55101HR2010FTC046877**  
**Balance Sheet as at 31 March 2024**  
*(All amounts are in INR millions, unless otherwise stated)*

	Note	As at 31 March 2024	As at 31 March 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	421.14	445.72
Intangible assets	4	-	0.43
<b>Financial assets</b>			
Loans	5	-	-
Other financial assets	6	22.58	10.35
Income tax assets (net)	7	3.03	2.68
Other non-current assets	9	-	2.41
<b>Total non-current assets</b>		<b>446.75</b>	<b>461.59</b>
<b>Current assets</b>			
Inventories	10	-	0.48
<b>Financial assets</b>			
Trade receivables	11	12.91	10.25
Loans	12	-	-
Cash and cash equivalents	13	10.40	15.97
Other financial assets	14	0.67	0.11
Other current assets	15	18.80	17.65
<b>Total current assets</b>		<b>42.78</b>	<b>44.46</b>
<b>TOTAL ASSETS</b>		<b>489.53</b>	<b>506.05</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	16	44.55	44.55
Instruments entirely equity in nature	17	580.64	580.64
Other equity	18	(748.82)	(717.39)
<b>Total equity</b>		<b>(123.63)</b>	<b>(92.20)</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	19	485.38	484.10
Provisions	20	0.61	1.44
<b>Total non-current liabilities</b>		<b>485.99</b>	<b>485.54</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	21	47.88	10.63
Trade payables	22	-	-
- total outstanding dues of micro enterprises and small enterprises		1.60	1.30
- total outstanding dues of creditors other than micro enterprises and small enterprises		31.58	39.10
Other financial liabilities	23	16.75	16.27
Other current liabilities	24	15.48	18.59
Provisions	25	13.88	26.82
<b>Total current liabilities</b>		<b>127.17</b>	<b>112.71</b>
<b>Total liabilities</b>		<b>613.16</b>	<b>598.25</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>489.53</b>	<b>506.05</b>

The notes from Note 1 to Note 46 form an integral part of these financial statements

As per our report of even date attached

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

  
**Ankush Goel**  
Partner  
Membership No. 505121

Place: Gurugram  
Date: 29 May 2024

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

  
**Rahul N Latta**  
Director  
DTN. 07886515

Place: Gurugram  
Date: 29 May 2024

  
**Simranjeet Singh**  
Director  
DTN. 08083337

Place: Gurugram  
Date: 29 May 2024

**Duet India Hotels (Chennai OMR) Private Limited**  
**CIN:U55101HR2010FTC046877**  
**Statement of Profit and Loss for the year ended 31 March 2024**  
*(All amounts are in INR millions, unless otherwise stated)*

	Note	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Income</b>			
Revenue from operations	26	151.10	145.12
Other income	27	10.07	6.62
<b>Total income</b>		<b>161.17</b>	<b>151.74</b>
<b>Expenses</b>			
Cost of materials consumed	28	7.43	7.16
Employee benefits expenses	29	37.00	34.94
Other expenses	32	83.94	89.70
<b>Total expenses</b>		<b>128.37</b>	<b>131.80</b>
<b>Earnings before finance costs, depreciation and amortisation and tax</b>		<b>32.80</b>	<b>19.94</b>
Finance costs	30	49.66	75.14
Depreciation and amortisation expense	31	26.40	29.44
		<b>76.06</b>	<b>104.58</b>
<b>Loss before tax</b>		<b>(43.26)</b>	<b>(84.64)</b>
<b>Tax expenses</b>			
Current tax	8	-	-
Deferred tax		-	0.05
		<b>-</b>	<b>0.05</b>
<b>Loss for the year</b>		<b>(43.26)</b>	<b>(84.59)</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss</i>			
- Re-measurement loss on defined benefit obligations	29	0.23	0.18
- Income tax relating to items mentioned above		-	(0.05)
<b>Other comprehensive income, net of tax</b>		<b>0.23</b>	<b>0.13</b>
<b>Total comprehensive loss for the year</b>		<b>(43.03)</b>	<b>(84.46)</b>
<b>Loss per equity share (Face value of INR 10 each)</b>			
Basic (INR)	33	(0.69)	(6.13)
Diluted (INR)		(0.69)	(6.13)

The notes from Note 1 to Note 46 form an integral part of these financial statements.

As per our report of even date attached

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



**Ankush Goel**  
Partner  
Membership No.: 509822

Place: Gurugram  
Date: 29 May 2024

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



**Rahul N Latta**  
Director  
DIN: 07886515

Place: Gurugram  
Date: 29 May 2024



**Simranjeet Singh**  
Director  
DIN: 08083337

Place: Gurugram  
Date: 29 May 2024

**Duet India Hotels (Chennai OMR) Private Limited**  
**CIN:U55101HR2010FTC046877**  
**Statement of Cash Flows for the year ended 31 March 2024**  
*(All amounts are in INR millions, unless otherwise stated)*

	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>A. Cash flows from operating activities</b>		
Loss before tax	(43.26)	(84.64)
Adjustments for:		
Depreciation and amortisation expense	26.40	29.44
Loss on foreign exchange fluctuation (net)	0.06	1.38
Provision/ liabilities no longer required written back	(4.60)	(4.69)
Interest income	(1.26)	(1.05)
Provision for bad and doubtful debts	0.83	0.23
Loss on disposal of property, plant and equipment	0.21	-
Finance costs	49.66	74.00
<b>Operating cash flows before movement in assets and liabilities</b>	<b>28.04</b>	<b>14.67</b>
Decrease in inventories	0.48	0.01
(Increase) in trade receivables	(3.49)	(3.53)
(Increase) in other financial assets	(0.87)	(0.18)
Decrease / (increase) in other assets	1.26	(6.48)
(Decrease) / increase in trade payables	(7.28)	8.91
Increase in other liabilities	(3.27)	0.91
(Decrease) / increase in provisions	(8.94)	0.51
Increase in other financial liabilities	0.29	2.33
<b>Cash generated from operations</b>	<b>6.22</b>	<b>17.15</b>
Income taxes paid (net)	(0.35)	(0.88)
<b>Net cash generated by operating activities (A)</b>	<b>5.87</b>	<b>16.27</b>
<b>B. Cash flows from investing activities</b>		
Purchase of property, plant and equipment and intangible assets	(1.41)	(3.23)
Interest received	0.15	1.36
Bank deposits matured	-	23.61
Bank deposits made	(10.81)	-
<b>Net cash (used in) / generated from investing activities (B)</b>	<b>(12.07)</b>	<b>21.74</b>
<b>C. Cash flows from financing activities</b>		
Capital contribution on behalf of the parent company - received	12.10	31.05
Capital contribution on behalf of the parent company - paid back	(0.50)	-
Repayment of long term borrowings	(0.65)	-
Payment of processing fees and other ancillary borrowing cost	-	(13.74)
Finance costs paid	(44.17)	(53.30)
Borrowings from intercompany	34.80	-
(Repayment)/ proceeds from short term borrowings from bank - net	(0.95)	9.98
<b>Net cash generated from / (used in) financing activities (C)</b>	<b>0.63</b>	<b>(26.91)</b>
<b>Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	<b>(5.57)</b>	<b>12.08</b>
Cash and cash equivalents at the beginning of the year	15.97	3.97
<b>Cash and cash equivalents at the end of the year</b>	<b>10.40</b>	<b>15.97</b>

**Notes to statement of cash flows**

**i. Components of cash and cash equivalents**

	As at 31 March 2024	As at 31 March 2023
Cash on hand	0.27	0.50
Balances with banks		
- in current accounts	10.13	15.47
<b>Cash and cash equivalents as per note 13</b>	<b>10.40</b>	<b>15.97</b>

**ii. Movement in financial borrowings**

	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Opening Balance</b>	<b>494.73</b>	<b>491.50</b>
<b>Changes from financing cash flows</b>		
Repayment of long term borrowings	(0.65)	-
Borrowings from intercompany	34.80	-
Payment of processing fees and other ancillary borrowing cost	-	(13.74)
(Repayment)/ proceeds from short term borrowings from bank	(0.95)	9.98
<b>Other non cash changes</b>	<b>5.33</b>	<b>6.99</b>
<b>Closing Balance</b>	<b>533.26</b>	<b>494.73</b>

iii. The Cash Flows from operating activities section in 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 46 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. 101248/W-109022



Anilash Goel  
 Partner  
 Membership No. : 509822

Place: Gurugram  
 Date: 29 May 2024

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

  
 Rajan S Latta  
 Director  
 DIN: 07886515

  
 Simranjeet Singh  
 Director  
 DIN: 48083337

Place: Gurugram  
 Date: 29 May 2024

Place: Gurugram  
 Date: 29 May 2024

**Duet India Hotels (Chennai OMR) Private Limited**  
**CIN:U55101HR2010FTC046877**  
**Statement of Changes in Equity for the year ended 31 March 2024**  
*(All amounts are in INR millions, unless otherwise stated)*

**a. Equity share capital**

Particulars	Number of shares	Amount
As at 01 April 2022	4,455,473	44.55
Changes in equity share capital during the year	-	-
As at 31 March 2023	4,455,473	44.55
Changes in equity share capital during the year	-	-
As at 31 March 2024	4,455,473	44.55

**b. Instruments entirely equity in nature**

Particulars	Number of Debentures	Amount
<b>Fully Compulsorily Convertible Debentures (FCCD)</b>		
As at 01 April 2022	58,064,466	580.64
Changes during the year	-	-
As at 31 March 2023	58,064,466	580.64
Changes during the year	-	-
As at 31 March 2024	58,064,466	580.64

**c. Other equity (refer note 18)**

Particulars	Capital contribution on behalf of the parent company	Reserves and surplus			Total
		Securities premium	Retained earnings	Remeasurement of defined benefit plans	
Balance as at 01 April 2022	54.23	308.38	(1,027.01)	-	(664.40)
Loss for the year	-	-	(84.59)	-	(84.59)
Other comprehensive loss (net of tax)	-	-	-	0.13	0.13
<b>Total comprehensive loss</b>	-	-	(84.59)	0.13	(84.46)
Addition during the year	31.05	-	-	-	31.05
Repayment during the year	-	-	-	-	-
Other reserves	-	-	0.42	-	0.42
Transferred to retained earnings	-	-	0.13	(0.13)	-
Balance as at 31 March 2023	85.28	308.38	(1,111.05)	-	(717.39)
Loss for the year	-	-	(43.26)	-	(43.26)
Other comprehensive loss (net of tax)	-	-	-	0.23	0.23
<b>Total comprehensive loss</b>	-	-	(43.26)	0.23	(43.03)
Transferred to retained earnings	-	-	0.23	(0.23)	-
Addition during the year	13.10	-	-	-	12.10
Repayment during the year	(0.50)	-	-	-	(0.50)
Balance as at 31 March 2024	96.98	308.38	(1,154.08)	-	(748.82)

The notes from Note 1 to Note 46 form an integral part of these financial statements

As per our report of even date attached

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



Ankush Goel  
Partner  
Membership No : 509822

Place Gurugram  
Date: 29 May 2024

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



Rahul X Latta  
Director  
DIN: 07886515

Place: Gurugram  
Date: 29 May 2024



Simranjeet Singh  
Director  
DIN: 08083337

Place Gurugram  
Date: 29 May 2024

**Duet India Hotels (Chennai OMR) Private Limited**

**CIN: U55101HR2010FTC046877**

**Notes to the financial statements for the year ended 31 March 2024**

*(All amounts in Rupees millions, unless otherwise stated)*

**1a(i) Corporate information**

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

The Shareholders of the Company ("ACIC Mauritius 1" and "ACIC Mauritius 2") on 30 March 2023 had entered into a Share Subscription and Purchase Agreement with SAMHI Hotels Limited ("SAMHI" or "Acquirer") for conditional sale of their shareholding in the Company to SAMHI Hotels Limited ("SAMHI" or "Acquirer"). During the current year, the transfer of shareholding has been executed on 10 August 2023, resulting in SAMHI being the holding company of the Company w.e.f. 10 August 2023.

**1a(ii) 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 as amended from time to time notified under Section 133 of the Companies Act, 2013, ('Act') and other relevant provisions of the Act.

The financial statements are approved for issue by the Company's Board of Directors on 29 May 2024.

Details of the Company's accounting policies, including changes thereto, are included in Note 2(a) and Note 2(b).

**B. Functional and presentation currency**

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

**C. Basis of Measurement**

The financial statements have been prepared under the historical cost basis.

**D. Critical estimates and judgments**

In preparing these financial statements, management has made judgments and estimates that affect the application of Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.





**Duet India Hotels (Chennai OMR) Private Limited**

**CIN: U55101HR2010FTC046877**

**Notes to the financial statements for the year ended 31 March 2024**

*(All amounts in Rupees millions, unless otherwise stated)*

**Assumptions and estimation uncertainties**

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

- Financial instruments - Note 37
- Measurement of ECL allowance for trade receivables and other assets – Note 37
- Assessment of useful life and residual value of property, plant and equipment and intangible assets – Note 3 and 4
- Estimation of obligations relating to employee benefits (including actuarial assumptions) – Note 29
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources – Note 34
- Recognition of deferred tax assets: availability of future taxable profits against which deductible temporary differences and tax losses carried forward can be utilized - Note 8

**E. Current/ Non-current classification**

Based on the time involved between the acquisition of assets for processing and their realization in cash or cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

**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. This includes a finance team of Holding Company that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values and reports directly to the chief financial officer.

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).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. 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 categorised 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 recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.



## **2a. Material accounting policies**

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

#### **Recognition and measurement**

The cost of an item of property, plant and equipment shall be recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Items of property, plant and equipment (including capital-work-in-progress) are measured at cost, which includes capitalized borrowing cost less accumulated depreciation and any accumulated impairment losses. Freehold land is carried at historical cost less any accumulated impairment losses.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item 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.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

#### **Transition to IndAS**

The Company had elected to use the fair value of all the item of property, plant and equipment on the date of transition i.e. 1 April 2021, and designate the same as deemed cost.

#### **Subsequent expenditure**

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

#### **Depreciation**

Depreciation is calculated on cost of item of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognized in the statement of profit and loss. Freehold land is not depreciated.



**Duet India Hotels (Chennai OMR) Private Limited**

CIN: U55101HR2010FTC046877

Notes to the financial statements for the year ended 31 March 2024

*(All amounts in Rupees millions, unless otherwise stated)*

The estimated useful lives of property, plant and equipment for current and comparative period are as follows:

Asset	Management's estimate of Useful Life	Useful life as per Schedule II to the Companies Act, 2013
Building	10-60 years	60 years
Computers and accessories	3-6 years	3-6 years
Plant and machinery	5-20 years	15 years
Furniture and fixtures	3-15 years	10 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

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).

**2) Intangible assets****Recognition and measurement**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is recognized at fair value at the date of acquisition. An intangible asset is recognized only if it is probable that future economic benefits attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. Following initial recognition, other intangible asset, including those acquired by the Company in a business combination and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment loss.

**Subsequent expenditure**

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates and the cost of the asset can be measured reliably. All other expenditure, including expenditure on internally generated goodwill, is recognised in profit or loss as incurred.

**Amortisation**

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognized in depreciation and amortization in Statement of profit and loss.

The estimated useful lives are as follows:

Category of assets	Management's estimate of Useful Life
Computer software	3-10 years

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.



**Duet India Hotels (Chennai OMR) Private Limited**

**CIN: U55101HR2010FTC046877**

**Notes to the financial statements for the year ended 31 March 2024**

*(All amounts in Rupees millions, unless otherwise stated)*

**3) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

*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.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

The Company's financial liabilities are initially measured at fair value less any attributable transaction costs. Subsequent to initial measurement, these are measured at amortised cost using the effective interest ('EIR') method.

Borrowings are initially recognised at fair value, net of transaction costs incurred and are subsequently measured at amortised cost. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is considered as a prepayment and amortised over the period of the facility to which it relates.

The Company's financial liabilities include trade and other payables, Loans and borrowings including bank overdrafts

Financial liabilities designated upon initial recognition at fair value through statement of profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in statement of profit and loss. The Company has not designated any financial liability as at fair value through statement of profit and loss.

• **Financial liabilities at amortised cost (Loans and Borrowings)**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in statement of profit and loss.





**Duet India Hotels (Chennai OMR) Private Limited**

**CIN: U55101HR2010FTC046877**

**Notes to the financial statements for the year ended 31 March 2024**

*(All amounts in Rupees millions, unless otherwise stated)*

*Classification and Subsequent measurement*

*Financial assets*

On initial recognition, a financial assets is classified as measured at:

- Amortised cost
- FVOCI – debt investment;
- FVOCI – equity investment;
- FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial asset, in which case all affected financial assets are reclassified on the first day of the first reporting period following the changes in the business model.

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.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

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

*Financial assets: Business model assessment*

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.





Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

*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 (e.g. non-recourse features).

*Financial assets: Subsequent measurement and gains and losses*

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

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

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



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*Derecognition*

*Financial assets*

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

The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In such 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.

*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.

*Modification of financial assets and liabilities*

*Financial assets:*

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



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*Fully Compulsorily convertible debentures*

The Company has issued fully compulsorily convertible debentures (FCCDs). As per the terms of debenture agreement, each debenture will be converted into equity shares based on an agreed conversion formula (fixed to fixed conversion). FCCDs are separated into liability (as applicable) and equity components based on the terms of the contract. On issuance of the FCCDs, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished or converted. The remainder of the proceeds is allocated to equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification.

**4) Impairment**

**A. Impairment of financial assets**

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 and debt securities at Fair value through profit and loss (FVTPL) are credit-impaired. 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;
- 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 reorganization; 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

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

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

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

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



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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.

*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 analyzed.

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

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

*Write-off*

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

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

The carrying amounts of assets are reviewed at each reporting date if there is any indication of impairment based on internal/external factors. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest Company of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an individual asset or Cash Generating Unit (CGU) is the greater of its value in use and its fair value less costs to disposal. Value in use is based on the estimated future cash flows, 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 CGU.





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An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**5) Inventories**

Inventories which comprises stock of food and beverages (including liquor), operating supplies and stock-in-trade are carried at the lower of cost and net realizable value. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventory to their present location and condition. In determining the cost, first in first out ("FIFO") method is used. 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) Provisions (other than employee benefits)**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Expected future operating losses are not provided for.

When the Company expects some or all of the expenditure required to settle a provision will be reimbursed by another party, the reimbursement is recognized when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Provisions are reviewed at each Balance Sheet date.

**7) Contingent liabilities**

Contingent liability is a possible obligation arising from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the financial statements.





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**Contingent Asset**

Contingent asset is not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

**8) Borrowing costs**

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

**9) Employee benefits**

**Short-term employee benefits**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, 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.

**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 under the scheme for service received before the balance sheet date, the deficit payable under 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.



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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.

**Other long-term employee benefits – 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. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in the profit or loss.

**10) 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.

Contract asset represents the Company's right to consideration in exchange for services that the Company has transferred to a customer when that right is conditioned on something other than the passage of time.

When there is unconditional right to receive cash, and only passage of time is required to do invoicing, the same is presented as Unbilled revenue.

A contract liability is recognized if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services and the Company is under an obligation to provide only the goods or services under the contract. Contract liabilities are recognized as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

The specific recognition criteria described below must also be met before revenue is recognized:



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

Revenue comprises room revenue, sale of food and beverages, recreation and other services relating to hotel operations. Revenue is recognised upon rendering of the services and sale of food and beverages which is recognised once the rooms are occupied, food and beverages are sold and other services have been provided as per the contract with the customer.

**11) Recognition of interest income or expense**

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.

**12) Foreign currency**

**Foreign currency Transactions**

Transactions in foreign currencies are translated into the respective functional currencies of Company companies at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency exchange differences are generally recognised in profit or loss.

**13) Income taxes**

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items 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 payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.



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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 not recognised for

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that:
  - is not a business combination; and
  - at the time of the transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans in the Company. 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; such reductions are reversed when the probability of future taxable profits improves.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income tax levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

**14) Operating segments**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM)

**Identification of segments**

In accordance with Ind AS 108 "Operating 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.





## **15) Earnings per share**

### *Basic Earning Per Share*

Basic earnings per share is calculated by dividing the profit (or loss) attributable to the owners of the Company by the weighted average number of shares outstanding during the year.

### *Diluted Earning Per Share*

Diluted earnings per share is computed by dividing the profit (considered in determination of basic earnings per share) after considering the effect of interest and other financing costs or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basis earnings per share adjusted for the weighted average number of equity shares considered for deriving basic earnings per share adjusted for the weighted average number of equity shares that would have been issued upon conversion of all dilutive potential equity shares.

## **17) Cash and cash equivalents**

Cash and cash equivalents include cash in hand, balance with banks, demand deposits with banks and other short-term highly liquid investments with an original maturity of three months or less.

## **18) Measurement of earnings before finance costs, depreciation and amortisation and tax (EBITDA)**

The Company has elected to present earnings before finance costs, depreciation and amortisation and tax (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the face of profit/ (loss) from continuing operations. In the measurement, the Company does not include finance costs, depreciation and amortisation expense, exceptional items and tax expense.

## **20) Share Capital**

### **Equity shares**

Incremental costs directly attributable to the issue of equity shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with Ind AS 12.

## **21) Government grants and subsidies**

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

### *Export Promotion Capital Goods scheme*

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



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**2b. Changes in material accounting policies**

**Material accounting policy information**

The Company adopted Disclosure of Accounting Policies (Amendment to Ind AS 1) from 1 April 2023. Although the amendments did not result in any changes in the accounting policy themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.





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### 3 Property, plant and equipment

#### Reconciliation of carrying amount

	Freehold land	Buildings	Furnitures and fixtures	Plant and machinery	Computers and accessories	Total
<b>Gross carrying amount</b>						
Balance as at 01 April 2022	146.20	237.95	47.32	64.80	2.96	499.23
Additions during the year	-	0.48	0.18	0.20	1.78	2.64
Deletions during the year	-	-	-	-	-	-
Balance as at 31 March 2023	146.20	238.43	47.50	65.00	4.74	501.87
Additions during the year	-	-	0.65	0.85	0.08	1.58
Deletions during the year	-	-	-	0.22	0.38	0.60
Balance as at 31 March 2024	146.20	238.43	48.15	65.63	4.44	502.85
<b>Accumulated depreciation</b>						
Balance as at 01 April 2022	-	7.81	7.73	10.17	2.17	27.88
Depreciation charge for the year	-	7.81	7.74	10.20	2.52	28.27
Reversal on disposal of assets	-	-	-	-	-	-
Balance as at 31 March 2023	-	15.62	15.47	20.37	4.69	56.15
Depreciation charge for the year	-	7.84	7.80	10.29	0.04	25.97
Reversal on disposal of assets	-	-	-	0.12	0.29	0.41
Balance as at 31 March 2024	-	23.46	23.27	30.54	4.44	81.71
<b>Net carrying amount</b>						
Balance as at 31 March 2023	146.20	222.81	32.03	44.63	0.05	445.72
Balance as at 31 March 2024	146.20	214.97	24.88	35.09	-	421.14

Refer note 19 for information on property, plant and equipment pledged as security by the Company.

On transition to Ind AS, the Company has elected to use fair value of all items of property, plant and equipment as at 01 April 2021 and designate the same as deemed cost.

### 4 Intangible assets

#### Reconciliation of carrying amount

	Computer software	Total
<b>Gross carrying amount</b>		
Balance as at 01 April 2022	2.77	2.77
Additions during the year	-	-
Deletions during the year	-	-
Balance as at 31 March 2023	2.77	2.77
Additions during the year	-	-
Deletions during the year	-	-
Balance as at 31 March 2024	2.77	2.77
<b>Accumulated amortisation</b>		
Balance as at 01 April 2022	1.17	1.17
Amortisation expense for the year	1.17	1.17
Reversal on disposal of assets	-	-
Balance as at 31 March 2023	2.34	2.34
Amortisation expense for the year	0.43	0.43
Reversal on disposal of assets	-	-
Balance as at 31 March 2024	2.77	2.77
<b>Net carrying amount</b>		
Balance as at 31 March 2023	0.43	0.43
Balance as at 31 March 2024	-	-

On transition to Ind AS, the Company has elected to use carrying value of all items of intangible assets as at 01 April 2021 and designate the same as deemed cost.



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**5 Non-current financial assets - Loans**  
*(Unsecured)*

**To parties other than related parties**  
 Intercompany loans (repayable on demand)  
 Less: provision for doubtful loans

	As at 31 March 2024	As at 31 March 2023
	10.76	10.80
	<u>(10.76)</u>	<u>(10.80)</u>
	<u>-</u>	<u>-</u>

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

Bank deposits (due to mature after 12 months from the reporting period)\* #  
 Security deposits

	As at 31 March 2024	As at 31 March 2023
	19.81	7.84
	2.77	2.51
	<u>22.58</u>	<u>10.35</u>

Bank deposits (due to mature after 12 months from the reporting date) includes	As at 31 March 2024	As at 31 March 2023
# Bank deposits under lien	18.54	7.84
* Interest accrued	1.27	-

**7 Income tax assets (net)**

Tax deducted at source

	As at 31 March 2024	As at 31 March 2023
	3.03	2.68
	<u>3.03</u>	<u>2.68</u>



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9 Income tax

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

(i) Amount recognised in statement of profit or loss

Current tax  
 Deferred tax

For the year ended  
 31 March 2024

For the year ended  
 31 March 2023

-  
 -  
 0.05  
 0.05

For the year ended  
 31 March 2024

For the year ended  
 31 March 2023

(ii) Income tax recognised in other comprehensive income

Deferred tax charge / (credit):

Income tax effect of re-measurement gains on defined benefit plans  
 Income tax credited to other comprehensive income

-  
 -  
 (0.05)  
 (0.05)

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

	For the year ended 31 March 2024		For the year ended 31 March 2023	
	%	Amount	%	Amount
Loss before tax		(43.26)		(84.64)
Tax using the Company's domestic tax rate	25.17	(10.89)	25.17	(21.30)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income				
Deferred tax asset not created on business losses and unabsorbed depreciation	271.91	(117.63)	(25.17)	21.30
Others	(297.20)	129.00		
Effective tax rate	-	-	-	-

(iv) Deferred tax assets / liabilities

	As at 31 March 2024	As at 31 March 2023
<b>Deferred tax assets</b>		
Carry forward business loss and Unabsorbed depreciation	138.93	281.65
Property, plant and equipment and Intangible assets	37.32	13.35
Provision for employee benefits	0.78	0.39
Allowances for doubtful loans and advances	0.67	0.46
Difference in carrying amount of borrowing between books of account and as per Income Tax Act 1961	0.55	0.03
<b>Total deferred tax assets (A)</b>	<b>178.25</b>	<b>295.88</b>
<b>Deferred tax liabilities</b>	-	-
<b>Deferred tax assets (net) not recognised*</b>	<b>178.25</b>	<b>295.88</b>
<b>Deferred tax asset / (liability)</b>	-	-

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

(v) Movement in temporary differences  
 31 March 2024

Particulars	Balance as at 01 April 2023 (A)	Deferred tax differences generated but not recognised during 2023-24 (B)	Balance as at 31 March 2024 (C=A+B)
<b>Deferred tax assets</b>			
Carry forward business loss and Unabsorbed depreciation	281.65	(142.72)	138.93
Provision for employee benefits	0.39	0.39	0.78
Loss allowance for trade receivables	0.46	0.21	0.67
Difference in carrying amount of borrowing between books of account and as per Income Tax Act 1961	0.03	0.52	0.55
Property, plant and equipment and Intangible assets	13.35	23.97	37.32
	<b>295.88</b>	<b>(117.63)</b>	<b>178.25</b>
<b>Deferred tax liabilities</b>	-	-	-
<b>Net deferred tax asset</b>	<b>295.88</b>	<b>(117.63)</b>	<b>178.25</b>



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31 March 2023

Particulars	Balance as at 01 April 2022 (A)	Deferred tax differences generated but not recognised during 2022-23 (B)	Balance as at 31 March 2023 (C=A+B)
<b>Deferred tax assets</b>			
Carry forward business loss and Unabsorbed depreciation	241.60	40.05	281.65
Provision for employee benefits	0.30	0.09	0.39
Loss allowance for trade receivables	0.40	0.06	0.46
Property, plant and equipment and Intangible assets	17.40	(4.05)	13.35
	<b>259.70</b>	<b>40.23</b>	<b>299.93</b>
<b>Deferred tax liabilities</b>			
Difference in carrying amount of borrowing between books of account and as per Income Tax Act 1961	(0.16)	0.16	-
	<b>(0.16)</b>	<b>0.16</b>	<b>-</b>
<b>Net deferred tax asset</b>	<b>259.54</b>	<b>40.39</b>	<b>299.93</b>

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

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

	As at 31 March 2024	
	Amount	Expiry Period (FY)
Business loss	15.72	2031-32
Unabsorbed depreciation	536.29	Never expire

  

	As at 31 March 2023	
	Amount	Expiry Period (FY)
Business loss	62.64	2024-25
Business loss	64.62	2025-26
Business loss	100.85	2026-27
Business loss	98.22	2027-28
Business loss	75.87	2028-29
Business loss	106.74	2029-30
Business loss	113.58	2030-31
Unabsorbed depreciation	496.57	Never expire



	As at 31 March 2024	As at 31 March 2023
<b>9 Other non-current assets</b> (Unsecured, considered good)		
Prepaid expenses	-	0.06
Capital advances	-	2.35
	<u>-</u>	<u>2.41</u>
<b>10 Inventories</b> (valued at lower of cost and net realisable value)		
Food and beverages	-	0.22
Stores and operating supplies	-	0.26
	<u>-</u>	<u>0.48</u>
<b>11 Current financial assets - Trade receivables</b> (Unsecured)		
Trade receivables		
- Considered good	14.21	8.93
- Credit impaired	0.17	0.73
Unbilled revenue*		
- Considered good	0.10	1.32
	<u>14.48</u>	<u>10.98</u>
Less: Loss allowance	(1.57)	(0.73)
	<u>12.91</u>	<u>10.25</u>

\* Net of advances from customers of INR 0.75 (31 March 2023 - INR 0.71)

(a) The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in Note 37.

(b) There are no disputed trade receivables as at 31 March 2024 and 31 March 2023.

(c) For receivables pledged against borrowings, refer to Note 19.

(d) Refer to Note 36 for receivables from related parties.

Trade receivables ageing schedule

As at 31 March 2024

Particulars	Outstanding for following periods from date of transaction						Total
	Unbilled Revenue	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	0.10	10.04	1.76	2.34	0.02	0.05	14.31
(ii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	0.17	0.17
<b>Total</b>	<b>0.10</b>	<b>10.04</b>	<b>1.76</b>	<b>2.34</b>	<b>0.02</b>	<b>0.22</b>	<b>14.48</b>

As at 31 March 2023

Particulars	Outstanding for following periods from date of transaction						Total
	Unbilled Revenue	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1.32	6.03	2.40	0.42	0.05	0.03	10.25
(ii) Undisputed Trade receivables - credit impaired	-	0.24	-	0.49	-	-	0.73
<b>Total</b>	<b>1.32</b>	<b>6.27</b>	<b>2.40</b>	<b>0.91</b>	<b>0.05</b>	<b>0.03</b>	<b>10.98</b>

The Company tracks trade receivables based on transaction date, thus ageing of trade receivables has been disclosed following transaction date.

	As at 31 March 2024	As at 31 March 2023
<b>12 Current financial assets - Loans</b> (Unsecured)		
To parties other than related parties		
Intercompany loans to others parties (repayable on demand)	1.10	1.10
Less: provision for doubtful loans	(1.10)	(1.10)
	<u>-</u>	<u>-</u>
<b>13 Current financial assets - Cash and cash equivalents</b>		
Balances with banks		
- in current accounts	10.13	15.47
Cash in hand	0.27	0.50
	<u>10.40</u>	<u>15.97</u>
<b>14 Current financial assets - Others</b> (Unsecured, considered good)		
Security deposits	0.19	-
Loan to employee	-	0.06
Interest accrued but not due on bank deposits	-	0.05
Other receivables	0.18	-
	<u>0.67</u>	<u>0.11</u>
<b>15 Other current assets</b> (Unsecured, considered good)		
Balance with statutory authorities	17.07	11.45
Prepaid expenses	0.82	3.21
Other receivables	-	2.43
Advance to suppliers	0.91	0.56
	<u>18.80</u>	<u>17.65</u>



16 Equity share capital

Authorised share capital  
 Equity shares of INR 10 each

Issued, subscribed and fully paid up  
 Equity shares of INR 10 each

As at 31 March 2024		As at 31 March 2023	
Number of shares	Amount	Number of shares	Amount
1,990,000	49.90	4,990,000	49.90
4,990,000	49.90	4,990,000	49.90
4,455,473	44.55	4,455,473	44.55
4,455,473	44.55	4,455,473	44.55

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

Equity shares  
 At the beginning of the year  
 Add : Issued during the year  
 Balance at the end of the year

For the year ended 31 March 2024		For the year ended 31 March 2023	
Number of shares	Amount	Number of shares	Amount
4,455,473	44.55	4,455,473	44.55
-	-	-	-
4,455,473	44.55	4,455,473	44.55

b) Rights, preferences and restrictions attached to equity shares

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

c) Shares held by Holding companies/Entity having significant influence

Name of shareholder

Equity shares of INR 10 each fully paid up held by  
 SAMHI Hotels Limited, the holding company w.e.f 10 August 2023  
 ACIC Mauritius 1, the holding company till 10 August 2023  
 ACIC Mauritius 2, entity having significant influence till 10 August 2023

As at 31 March 2024		As at 31 March 2023	
Number of shares	Amount	Number of shares	Amount
4,455,473	44.55	-	-
-	-	3,386,159	33.86
-	-	1,069,314	10.69

d) Details of shareholders holding more than 5% shares

Name of shareholder

Equity shares of INR 10 each fully paid up held by  
 SAMHI Hotels Limited, the holding company w.e.f 10 August 2023  
 ACIC Mauritius 1, the holding company till 10 August 2023  
 ACIC Mauritius 2, entity having significant influence till 10 August 2023

As at 31 March 2024		As at 31 March 2023	
Number of shares	% of holding	Number of shares	% of holding
4,455,473	100%	-	0%
-	0%	3,386,159	76%
-	0%	1,069,314	24%

e) Details of shares held by promoters

As at 31 March 2024

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total Shares	% change during the year
SAMHI Hotels Limited, the holding company w.e.f 10 August 2023	-	4,455,473	4,455,473	100%	100%
ACIC Mauritius 1, the holding company till 10 August 2023	3,386,159	(3,386,159)	-	0%	-100%
ACIC Mauritius 2, entity having significant influence till 10 August 2023	1,069,314	(1,069,314)	-	0%	-100%

As at 31 March 2023

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total Shares	% change during the year
ACIC Mauritius 1, the holding company till 10 August 2023	3,386,159	-	3,386,159	76%	0%
ACIC Mauritius 2, entity having significant influence till 10 August 2023	1,069,314	-	1,069,314	24%	0%

17 Instruments entirely equity in nature

a) Equity Component of Fully Compulsory Convertible Debentures (FCCDs) of INR 10 each.

Fully Compulsory Convertible Debentures (FCCDs) of INR 10 each

As at 31 March 2024		As at 31 March 2023	
Number of shares	Amount	Number of shares	Amount
58,064,466	580.64	58,064,466	580.64

Fully Compulsory Convertible Debentures (FCCDs)  
 Balance as at the beginning of the year  
 Add : Issued during the year  
 Balance at the end of year

As at 31 March 2024		As at 31 March 2023	
Number of shares	Amount	Number of shares	Amount
58,064,466	580.64	58,064,466	580.64
-	-	-	-
58,064,466	580.64	58,064,466	580.64

b) Fully Compulsory Convertible Debentures (FCCDs) held by holding company

Name of shareholder

SAMHI Hotels Limited, the holding company w.e.f 10 August 2023  
 ACIC Mauritius 1, the holding company till 10 August 2023

As at 31 March 2024		As at 31 March 2023	
Number of shares	Amount	Number of shares	Amount
58,064,466	580.64	-	-
-	-	58,064,466	580.64

c) Details of shareholders holding more than 5% Fully Compulsory Convertible Debentures (FCCDs) of the Company

SAMHI Hotels Limited, the holding company w.e.f 10 August 2023  
 ACIC Mauritius 1, the holding company till 10 August 2023

As at 31 March 2024		As at 31 March 2023	
Number of shares	% of holding	Number of shares	% of holding
58,064,466	100%	-	-
-	0.00%	58,064,466	100.00%





d) Details of Fully Compulsory Convertible Debentures (FCCDs) held by promoters as at 31 March 2024

Promoter Name	No. of FCCDs 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
SAMHI Hotels Limited, the holding company w.e.f 10 August 2023	-	58,064,466	58,064,466	100%	100%
ACIC Mauritius 1, the holding company till 10 August 2023	58,064,466	(58,064,466)	-	0%	-100%

Details of Fully Compulsory Convertible Debentures (FCCDs) held by promoters as at 31 March 2023

Promoter Name	No. of FCCDs 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
ACIC Mauritius 1, the holding company till 10 August 2023	58,064,466	-	58,064,466	100%	0%

Fully Compulsory Convertible Debentures (FCCD)

	As at 31 March 2024	As at 31 March 2023
5,437,204 (31 March 2023 - 5,437,204) of INR 10 each (unsecured) (note 1)	54.37	54.37
8,640,737 (31 March 2023 - 8,640,737) of INR 10 each (unsecured) (note 2)	86.41	86.41
16,791,840 (31 March 2023 - 16,791,840) of INR 10 each (unsecured) (note 3)	167.92	167.92
5,147,736 (31 March 2023 - 5,147,736) of INR 10 each (unsecured) (note 3)	51.48	51.48
1,202,410 (31 March 2023 - 1,202,410) of INR 10 each (unsecured) (note 3)	12.02	12.02
1,904,274 (31 March 2023 - 1,904,274) of INR 10 each (unsecured) (note 3)	19.04	19.04
888,125 (31 March 2023 - 888,125) of INR 10 each (unsecured) (note 3)	8.88	8.88
15,680,400 (31 March 2023 - 15,680,400) of INR 10 each (unsecured) (note 4)	156.80	156.80
876,740 (31 March 2023 - 876,740) of INR 10 each (unsecured) (note 4)	8.77	8.77
1,495,000 (31 March 2023 - 1,495,000) of INR 10 each (unsecured) (note 5)	14.95	14.95
	<b>580.64</b>	<b>580.64</b>

- FCCDs of INR 10 each having a coupon rate of SBI base rate plus 300 basis points per annum were allotted on 6 April 2017 to Asiya Asset Management Cayman Ltd. 6.3 FCCDs shall get converted into 1 equity share of INR 10 each before 10 years from the date of issue. These FCCDs do not carry any interest till the repayment of term loans from the banks and financial institution and accordingly no interest is accrued on these FCCDs till 31 March 2024. These FCCDs were transferred by Asiya Asset Management (Cayman) Limited to ACIC Mauritius 1 on 29 December 2018 and then to SAMHI Hotels Limited on 10 August 2023 with same terms and conditions.
- FCCDs of INR 10 each having a coupon rate of SBI Base rate plus 300 basis points per annum were allotted on 22 October 2018, 22 November 2018, 31 December 2018, 5 February 2019 and 1 March 2019. 6.2 FCCDs shall get converted into 1 equity share of INR 10 each on maturity on or before 30 September 2028. These FCCDs do not carry any interest till the repayment of term loans from the banks and financial institution and accordingly no interest is accrued on these FCCDs till 31 March 2024 then to SAMHI Hotels Limited on 10 August 2023 with same terms and conditions.
- FCCDs of INR 10 each having a coupon rate of SBI Base rate plus 300 basis points per annum were allotted on 13 May 2019, 28 June 2019, 1 October 2019, 30 December 2019 and 3 February 2020. 6.2 FCCDs shall get converted into 1 equity share of INR 10 each on maturity on or before 30 September 2028. These FCCDs do not carry any interest till the repayment of term loans from the banks and financial institution and accordingly no interest is accrued on these FCCDs till 31 March 2024 then to SAMHI Hotels Limited on 10 August 2023 with same terms and conditions.
- FCCDs of INR 10 each having a coupon rate of SBI Base rate plus 300 basis points per annum were allotted on 1 October 2020 and 18 November 2020. 6.2 FCCDs shall get converted into 1 equity share of INR 10 each on maturity on or before 30 September 2028. These FCCDs do not carry any interest till the repayment of term loans from the banks and financial institution and accordingly no interest is accrued on these FCCDs till 31 March 2024 then to SAMHI Hotels Limited on 10 August 2023 with same terms and conditions.
- FCCDs of INR 10 each having a coupon rate of SBI Base rate plus 300 basis points per annum were allotted on 9 October 2021. 6.2 FCCDs shall get converted into 1 equity share of INR 10 each on maturity on or before 30 September 2028. These FCCDs do not carry any interest till the repayment of term loans from the banks and financial institution and accordingly no interest is accrued on these FCCDs till 31 March 2024 then to SAMHI Hotels Limited on 10 August 2023 with same terms and conditions.



**Duet India Hotels (Chennai OMR) Private Limited**

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**Notes to the financial statements for the year ended 31 March 2024***(All amounts are in INR millions, unless otherwise stated)***18 Other equity**

	As at 31 March 2024	As at 31 March 2023
Securities premium	308.38	308.38
Capital contribution on behalf of the parent company	96.88	85.28
Retained earnings	(1,154.08)	(1,111.05)
	<u>(748.82)</u>	<u>(717.39)</u>

**a) Securities premium**

	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	308.38	308.38
Add : Additions made during the year	-	-
<b>Balance at the end of the year</b>	<u>308.38</u>	<u>308.38</u>

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

**b) Capital contribution on behalf of the parent company**

	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	85.28	54.23
Additions during the year	12.10	31.05
Repayment during the year	(0.50)	-
<b>Balance at the end of the year</b>	<u>96.88</u>	<u>85.28</u>

The company had obtained inter-corporate loans from its fellow subsidiaries. Since, these loans are interest free loans and also repayable at the option of the borrower, hence these loans have been recognized as a capital contribution on behalf of the parent company.

**c) Retained earnings**

	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	(1,111.05)	(1,027.01)
Loss for the year	(43.26)	(84.59)
Transferred From retained earnings	0.23	0.13
Other adjustment	-	0.42
<b>Balance at the end of the year</b>	<u>(1,154.08)</u>	<u>(1,111.05)</u>

Retained earnings represent the amount of accumulated losses of the Company.

**d) Other comprehensive income**

	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	-	-
Remeasurements of defined benefit liability (net of tax)	0.23	0.13
Transferred to retained earnings	(0.23)	(0.13)
<b>Balance at the end of the year</b>	<u>-</u>	<u>-</u>

Remeasurements of defined benefit liability comprises actuarial gains and losses.



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19 Non-current financial liabilities - Borrowings

	As at 31 March 2024	As at 31 March 2023
Term loan from bank (secured)	487.99	484.75
Less: Current maturities of long-term borrowings (refer to Note 21)	(2.61)	(0.65)
	<b>485.38</b>	<b>484.10</b>

Terms and conditions in respect of non-current borrowings:

Particulars	Carrying Amount as on 31 March 2024 (including interest accrued thereon)	Carrying Amount as on 31 March 2023 (including interest accrued thereon)	Sanctioned Amount	Interest rate charged per annum		Repayment Terms	Security Details
				As at 31 March 2024	As at 31 March 2023		
Industrial Bank Limited	162.55	485.43	478.55	9.00%	9.30%	The loan amount of INR 274.99 is repayable in 22 structured quarterly installments with the first repayment falling after last business day of the first quarter of 2025 i.e. 30 June 2025 and loan amount of INR 35.17 is payable in final payment on 10 September 2025. During the current year, the borrowings were drawn off in two bank amounts of INR 167.55	Secured term loan is secured by way of: <ol style="list-style-type: none"> <li>1 First mortgage and charge on all immovable properties of the Borrower together with all the fixtures and appurtenances thereon and thereunder, whether owned or leased (both present and future)</li> <li>2 First Charge by way of hypothecation on all the current and tangible movable assets of the Borrower, including but not limited to cash flows, receivables, movable plant and machinery, machinery spares, tools, and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future.</li> <li>3 First charge by way of hypothecation on all current assets and intangibles of the Borrower, including but not limited to, bank-debts, Receivables, operating cash flows, commissions, revenues of whatsoever nature, both present and future.</li> <li>4 First charge by way of hypothecation over all accounts of the Borrower and the Permitted Investments or other securities.</li> <li>5 A non-deposit undertaking over 21 % (twenty-one percent) of the Equity Share Capital and FCCDs held by promoters, free from any Security Interest, in form and manner satisfactory to the lenders/leader agent.</li> <li>6 Pledge over the Equity Share Capital and the FCCDs held by Promoters free from any Security Interest, so as to maintain the required cover.</li> <li>7 Security by way of cross collateralisation of cash flows offered by each of the Hypothecators (Duet India Hotels (Pune) Private Limited, Duet India Hotels (Mumbai) Private Limited, Duet India Hotels (Chennai) Private Limited, Duet India Hotels (Hyderabad) Private Limited and Duet India Hotels (Ahmedabad) Private Limited)</li> </ol>
Axis Bank Limited	166.69	NA	167.55	9.07%	NA	The loan amount is repayable in 22 structured quarterly installments, with the first repayment falling after last business day of the first quarter of 2025 i.e. 10 June 2025	Secured term loan is secured by way of: <ol style="list-style-type: none"> <li>1 First mortgage and charge on all immovable properties of the Borrower together with all the fixtures and appurtenances thereon and thereunder, whether owned or leased (both present and future)</li> <li>2 First Charge by way of hypothecation on all the current and tangible movable assets of the Borrower, including but not limited to cash flows, receivables, movable plant and machinery, machinery spares, tools, and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future.</li> <li>3 First charge by way of hypothecation on all current assets and intangibles of the Borrower, including but not limited to, bank-debts, Receivables, operating cash flows, commissions, revenues of whatsoever nature, both present and future.</li> <li>4 First charge by way of hypothecation over all accounts of the Borrower and the Permitted Investments or other securities.</li> <li>5 A non-deposit undertaking over 21 % (twenty-one percent) of the Equity Share Capital and FCCDs held by promoters, free from any Security Interest, in form and manner satisfactory to the lenders/leader agent.</li> <li>6 Pledge over the Equity Share Capital and the FCCDs held by Promoters free from any Security Interest, so as to maintain the required cover.</li> <li>7 Security by way of cross collateralisation of cash flows offered by each of the Hypothecators (Duet India Hotels (Pune) Private Limited, Duet India Hotels (Mumbai) Private Limited, Duet India Hotels (Chennai) Private Limited, Duet India Hotels (Hyderabad) Private Limited and Duet India Hotels (Ahmedabad) Private Limited)</li> </ol>
Indus-Ind Bank Limited (ECLOS)	18.75	19.33	19.11	9.21%	9.31%	The loan amount is repayable in 48 structured monthly installments with the first repayment falling due on 30 November 2023	Secured working capital term loan from bank (ECLOS) is secured by way of a secured charge over the security mentioned above.
	487.99	484.75					

The Company did not have any defaults in the repayment of loans and interest. There has been no loan covenant defaults during the current year and there has been no intimation from the banks for recalling any loan facility.



<b>10 Non current provisions</b>	<b>As at</b>	<b>As at</b>
	<b>31 March 2024</b>	<b>31 March 2023</b>
Provision for employee benefits Gratuity (Refer note 29)	0.14	0.58
Compensated absences (Refer note 29)	0.47	0.86
	<u>0.61</u>	<u>1.44</u>
<b>11 Current financial liabilities - Borrowings</b> <i>(Secured)</i>	<b>As at</b>	<b>As at</b>
	<b>31 March 2024</b>	<b>31 March 2023</b>
Overdraft facilities from bank (secured) *	9.03	9.98
Current maturities of long-term borrowings (Refer note 19)	2.61	0.65
<i>(Unsecured)</i>		
Intercompany loan from related parties #	36.21	-
	<u>47.98</u>	<u>10.63</u>

\* Includes interest accrued amounting to INR 0.07 (31 March 2023 - INR 0.06)  
# included interest accrued on loan INR 1.44 (31 March 2023 INR Nil)

Cash credit and overdraft facilities from banks					
Particulars	Sanctioned Amount (INR Millions)	Interest rate charged per annum		Repayment Terms	Security details
		31 March 2024	31 March 2023		
Industrial Bank Limited	10.00	9.25%	9.30%	Repayable on demand	Same as mentioned in Note 19

Incorporate borrowings from related parties					
Particulars	Loan amount as on		Interest rate charged per annum		Repayment Terms
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	
Duet India Hotels (Pune) Private Limited	32.80	-	11.50%	NA	Repayable within 12 months from the date of drawdown
Duet India Hotels (Hyderabad) Private Limited	2.00	-	11.50%	NA	

<b>22 Current financial liabilities - Trade payables</b>	<b>As at</b>	<b>As at</b>
	<b>31 March 2024</b>	<b>31 March 2023</b>
Trade payables		
- total outstanding dues of micro enterprises and small enterprises (MSME)	1.60	1.30
- total outstanding dues of creditors other than micro enterprises and small enterprises	31.58	39.10
	<u>33.18</u>	<u>40.40</u>

(a) Refer to Note 39 for disclosures under Micro, Small and Medium Enterprises Development Act, 2006 (MSME)  
(b) Refer to Note 36 for related party balances  
(c) The Company's exposure to currency and liquidity risks related to trade payables is disclosed in Note 37

**Trade payables ageing schedule**

As at 31 March 2024						
Particulars	Accrued Expenses	Outstanding for following period from due date of transaction				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	1.60	-	-	-	1.60
(ii) Others	6.68	23.15	1.12	0.58	0.05	31.58
<b>Total</b>	<b>6.68</b>	<b>24.75</b>	<b>1.12</b>	<b>0.58</b>	<b>0.05</b>	<b>33.18</b>

As at 31 March 2023						
Particulars	Accrued Expenses	Outstanding for following period from due date of transaction				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	1.30	-	-	-	1.30
(ii) Others	3.70	34.44	0.68	0.28	-	39.10
<b>Total</b>	<b>3.70</b>	<b>35.74</b>	<b>0.68</b>	<b>0.28</b>	<b>-</b>	<b>40.40</b>

The Company does not have any disputed dues which are payable as at 31 March 2024 and 31 March 2023

<b>23 Current financial liabilities - Others</b>	<b>As at</b>	<b>As at</b>
	<b>31 March 2024</b>	<b>31 March 2023</b>
Payable for capital assets	12.79	12.60
Employee related payables	3.96	3.67
	<u>16.75</u>	<u>16.27</u>

<b>24 Other current liabilities</b>	<b>As at</b>	<b>As at</b>
	<b>31 March 2024</b>	<b>31 March 2023</b>
Statutory dues payable	3.45	1.37
Advance from customers	0.05	0.71
Deferred revenue of government grant (Refer note 42)	11.98	16.01
	<u>15.48</u>	<u>18.59</u>

<b>25 Current provisions</b>	<b>As at</b>	<b>As at</b>
	<b>31 March 2024</b>	<b>31 March 2023</b>
Provision for employee benefits Gratuity (Refer note 29)	0.03	-
Compensated absences (Refer note 29)	0.55	0.11
Provision for contingencies (Refer note 42 and 45)	13.52	26.71
	<u>14.10</u>	<u>26.82</u>
<b>Movement of provision for contingencies</b>		
Opening balance	26.71	13.43
Provision created during the year	0.23	13.28
Reversals during the year	(13.42)	-
Closing balance	<u>13.52</u>	<u>26.71</u>



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26 Revenue from operations	For the year ended 31 March 2024	For the year ended 31 March 2023
Sale of services		
- Room revenue	123.79	119.83
- Food and beverage revenue	24.62	23.86
- Recreation and other services	2.69	1.43
	<u>151.10</u>	<u>145.12</u>

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. Excess of revenue over invoicing is recorded as unbilled revenue. Revenue recognised in the Statement of Profit and Loss is same as the contracted price.

Contract Liabilities	As at 31 March 2024	As at 31 March 2023
- Advance from customers	0.05	0.71

The amount of revenue INR 0.05 (31 March 2023 INR 0.71) recognised in the reporting period was included in the advance from customers balance at the beginning of the period.

Trade receivables	12.91	10.25
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Note: Considering the nature of business of the Company, the above trade receivables is converted into cash within the same operating cycle.

27 Other income	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income from financial assets at amortised cost		
- on bank deposits	1.26	1.05
Government grant (refer note 42)	4.11	-
Provision no longer required written back	4.60	4.69
Miscellaneous income	0.10	0.88
	<u>10.07</u>	<u>6.62</u>

28 Cost of materials consumed	For the year ended 31 March 2024	For the year ended 31 March 2023
Consumption of food and beverages		
Inventory at the beginning of the year	0.22	0.32
Add : Purchases during the year	7.21	7.06
Inventory at the end of the year	-	(0.22)
	<u>7.43</u>	<u>7.16</u>

29 Employee benefits expenses	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, wages and bonus	26.16	24.04
Contribution to provident fund and other funds (refer 'a' below)	1.69	1.39
Compensated absences (refer 'b' below)	0.24	0.54
Staff welfare expenses	8.91	8.97
	<u>37.00</u>	<u>34.94</u>

**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 1.69 (31 March 2023 - INR 1.39).

**b. Compensated absences (other than long term employee benefits)**

The principal assumptions used in determining the obligation are as given below:

Particulars	As at 31 March 2024	As at 31 March 2023
Discounting rate p.a.	7.15%	7.39%
Salary growth rate p.a.	10.00%	10.00%

Refer note below for mortality assumptions





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**c. Defined Benefit Plan**

**Gratuity**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service as per Payment of Gratuity Act 1972. The scheme is not funded.

These plans typically expose the Company to actuarial risks such as investment risk, inherent interest rate risk, longevity risk and salary risk.

**Investment risk**

The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

**Interest rate risk**

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

**Longevity risk**

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Salary risk**

Higher than expected increases in salary will increase the defined benefit obligation.

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:

**i) The principal assumptions used in determining the gratuity benefit obligation are as given below**

Particulars	As at	As at
	31 March 2024	31 March 2023
Discounting rate p.a.	7.15	7.39
Salary growth rate p.a.	10.00	10.00
Retirement age (in years)	60	60
<b>Withdrawal rates: age related and past experience</b>	<b>%</b>	<b>%</b>
Age		
Up to 30 Years	72	15
From 31 to 44 years	72	15
Above 44 years	72	20
Mortality rates inclusive of provision for disability	100% of IALM (2012-2014)	100% of IALM (2012-2014)

The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**ii) Change in present value of benefit obligation**

Particulars	For the year ended	For the year ended
	31 March 2024	31 March 2023
Present value of obligation as at the beginning of the year	0.58	0.48
Current service cost	0.05	0.24
Interest cost	0.04	0.04
Actuarial (gain)/loss	(0.23)	(0.18)
Benefits paid	(0.27)	-
<b>Present value of obligation as at the end of the year</b>	<b>0.17</b>	<b>0.58</b>



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iii) Amounts to be recognized in Balance Sheet

Particulars	As at 31 March 2024	As at 31 March 2023
Present value of the defined benefit obligation at the end of the year	0.17	0.58
Fair value of plan assets at the end of the year	-	-
<b>Net liability recognized in the Balance Sheet</b>	<b>(0.17)</b>	<b>(0.58)</b>
Non-current	0.14	0.58
Current	0.03	-

iv) Expense recognised in Statement of Profit and Loss

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current service cost	0.05	0.24
Interest cost	0.04	0.04
<b>Total expenses recognised in the Statement of Profit and Loss</b>	<b>0.09</b>	<b>0.28</b>

v) Remeasurements recognized directly in other comprehensive income

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
- changes in demographic assumptions	0.02	-
- changes in financial assumptions	0.01	-
- changes in experience adjustments	(0.26)	(0.18)
<b>Amount recognized in other comprehensive income</b>	<b>(0.23)</b>	<b>(0.18)</b>

vi) The Company best estimate of expense for the next year is INR 0.07, (31 March 2023 - INR 0.46)

Sensitivity analysis

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

	31 March 2024	
	Increase *	Decrease *
Discount rate (0.5% movement)	(0.01)	0.01
Future salary growth (0.5% movement)	0.01	(0.01)
	31 March 2023	
	Increase *	Decrease *
Discount rate (0.5% movement)	(0.02)	0.02
Salary growth rate (0.5% movement)	0.02	(0.02)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the year  
Sensitivities due to mortality and withdrawals rate are not material and hence impact of change not calculated

\* Positive amount represents increase in provision  
\* Negative amount represents decrease in provision

(Weighted average duration of defined benefit obligation is 1.05 years (31 March 2023 - 5.76 years).

Sensitivity changes due to withdrawal and mortality are not material and hence not disclosed.

There was no change in the method and assumptions used in preparing the sensitivity analysis from prior years

The following payments are expected contributions to the defined benefit plan in future years:

Year	For the year ended 31 March 2024	For the year ended 31 March 2023
0 to 1 Year	0.01	-
1 to 2 Year	0.08	0.07
2 to 3 Year	0.02	0.07
3 to 4 Year	0.01	0.06
4 to 5 Year	-	0.06
5 to 6 Year	-	0.05
More than 6 Year	0.05	0.27
	<b>0.17</b>	<b>0.58</b>



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	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>30 Finance costs</b>		
Interest expense on financial liabilities carried at amortised cost		
- Loans from bank	47.05	60.29
- Others	0.25	-
- Loan from fellow subsidiary	1.60	-
Interest cost on government grant (refer note 42)	0.40	13.29
Other finance costs	0.26	1.36
	<u>49.66</u>	<u>75.14</u>
<b>31 Depreciation and amortisation expense</b>		
Depreciation of property, plants and equipment (refer note 3)	25.97	28.27
Amortisation of intangible assets (refer note 4)	0.43	1.17
	<u>26.40</u>	<u>29.44</u>
<b>32 Other expenses</b>		
Consumption of stores and supplies	7.58	7.93
Rates and taxes	1.67	2.01
Brand, license and marketing fees	26.50	28.55
Insurance	1.44	1.21
Power, fuel and water	16.94	17.03
Printing and stationery	1.09	0.94
Communication	1.60	1.49
Travelling and conveyance	2.96	3.33
Management and incentive fees	5.91	1.20
Legal and professional fees	3.07	7.02
Payment to auditors *	1.46	5.51
Repair and maintenance		
- Building	0.99	1.34
- Machinery	4.00	5.00
- Others	3.08	2.73
Contractual labour	1.84	1.18
Security services	1.40	1.12
Loss on foreign exchange fluctuation (net)	0.06	1.38
Provision for bad and doubtful debts	0.83	0.23
Miscellaneous expenses	1.31	0.50
Loss on disposal of property, plant and equipment	0.21	-
	<u>83.94</u>	<u>89.70</u>
*Payment to auditors (excluding taxes)		
As Auditors		
Statutory audit	1.28	1.84
Reimbursement of expenses	0.13	0.07
Other services	0.05	3.60
	<u>1.46</u>	<u>5.51</u>
<b>33 Earnings/(loss) per share (EPS)</b>		
	For the year ended 31 March 2024	For the year ended 31 March 2023
Net loss attributable to equity shareholders	(43.26)	(84.59)
Weighted average number of equity shares outstanding during the year for calculation of basic EPS	62,519,939	13,806,789
Weighted average number of equity shares outstanding during the year for calculation of diluted EPS*	62,519,939	13,806,789
Nominal value of equity share (INR)	10	10
Basic earnings/(loss) per share (INR)	(0.69)	(6.13)
Diluted earnings/(loss) per share (INR)	(0.69)	(6.13)
	For the year ended 31 March 2024	For the year ended 31 March 2023
Reconciliation of net profit/(loss) attributable to equity shareholders (basic earnings per share)		
Net loss after tax as per Statement of profit and loss	(43.26)	(84.59)
Net loss attributable to equity shareholders	<u>(43.26)</u>	<u>(84.59)</u>
<b>Calculation of weighted average number of shares for basic and diluted earnings per share for the year ended 31 March 2024</b>		
	Number	Weighted Average
Equity Shares	4,455,473	4,455,473
Instruments entirely equity in nature		
Fully compulsory convertible debentures	58,064,466	58,064,466
	<u>62,519,939</u>	<u>62,519,939</u>
<b>Calculation of weighted average number of shares for basic and diluted earnings per share for the year ended 31 March 2023</b>		
	Number	Weighted Average
Equity Shares	4,455,473	4,455,473
Instruments entirely equity in nature		
Fully compulsory convertible debentures	9,351,316	9,351,316
	<u>(3,806,789)</u>	<u>13,806,789</u>

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



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

	<u>As at</u> <u>31 March 2024</u>	<u>As at</u> <u>31 March 2023</u>
<b>a) Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and others, and not provided for	-	-

**b) Contingent liabilities**

During the year 2018-19, the Company had received a Show cause notice from a Land Acquisition Officer under Tamil Nadu Acquisition of Land for Industrial Purpose Act, 1997 for acquisition of a small portion of land admeasuring 298 sq mtr in the hotel property owned by the Company. The Company was asked to submit reasons as to why the proposed land should not be acquired by the Authority. The Company, replied to the above notice by objecting to the proposed land acquisition along with reasons thereof. There has been no response from the authority thereafter and the management believes that no further adjustment is required in the financial statements in this regard.

**35 Operating Segments**

The Holding Company's Chief Executive Officer has been identified as the Chief Operating Decision Maker ('CODM') w.e.f 10 August 2023, 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. Till 10 August 2023, the Directors were identified as CODM. CODM has examined the Company's performance from product and geographic perspective and has identified a single business segment i.e. "Developing and running of hotels", hence no specific disclosures have been made.

**A. Information about products and services**

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

**B. Information about geographical areas**

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

**C. Information about major customers (from external customers)**

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



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**36 Related party disclosures**

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

Description of relationship	Name of the Party
Ultimate holding company	Asiya Capital Investments Company, K.S.C.P. (till 10 August 2023)
Holding Company	ACIC Mauritius 1 (till 10 August 2023)
Entity having significant influence	ACIC Mauritius 2 (till 10 August 2023)
Holding Company	SAMHI Hotels Limited (w.e.f 10 August 2023)

**b) Other related parties with whom transactions have taken place**

Description of relationship	Name of the Party
Fellow Subsidiary	Duet India Hotels (Ahmedabad) Private Limited
Fellow Subsidiary	Duet India Hotels (Chennai) Private Limited
Fellow Subsidiary	Duet India Hotels (Hyderabad) Private Limited
Fellow Subsidiary	Duet India Hotels (Navi Mumbai) Private Limited
Fellow Subsidiary	Duet India Hotels (Pune) Private Limited
Fellow Subsidiary	Duet India Hotels (Jaipur) Private Limited
Fellow Subsidiary	ACIC Advisory Private Limited

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

Particulars	Holding Company		Fellow Subsidiary	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
<b>Capital contribution on behalf of the parent company received</b>				
Duet India Hotels (Pune) Private Limited	-	-	2.50	14.25
Duet India Hotels (Hyderabad) Private Limited	-	-	9.60	10.31
Duet India Hotels (Jaipur) Private Limited	-	-	-	6.49
<b>Capital contribution on behalf of the parent company repaid</b>				
Duet India Hotels (Navi Mumbai) Private Limited	-	-	0.50	-
<b>Management fees expenses</b>				
ACIC Advisory Private Limited	-	-	5.91	1.20
<b>Legal &amp; Professional fees</b>				
ACIC Advisory Private Limited	-	-	-	2.30
<b>Short-term borrowings taken during the year</b>				
Duet India Hotels (Pune) Private Limited	-	-	2.00	-
Duet India Hotels (Hyderabad) Private Limited	-	-	32.80	-
<b>Interest accrued on intercorporate loan from related parties</b>				
Duet India Hotels (Pune) Private Limited	-	-	0.10	-
Duet India Hotels (Hyderabad) Private Limited	-	-	1.51	-
<b>Trade payables</b>				
Duet India Hotels (Pune) Private Limited	-	-	-	-
<b>Advance to vendor</b>				
ACIC Advisory Private Limited	-	-	6.28	-
<b>Other receivables</b>				
Duet India Hotels (Chennai) Private Limited	-	-	-	1.95
<b>Reimbursement of Expense paid</b>				
SAMHI Hotels Limited	0.05	-	-	-
<b>Reimbursement of Expense received</b>				
SAMHI Hotels Limited	0.96	-	-	-
<b>Short term loans and advances*</b>				
Duet India Hotels (Ahmedabad) Private Limited	-	-	-	0.36





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**d) Related party balances as at year end**

Particulars	Holding Company		Fellow Subsidiary	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
<b>Capital contribution on behalf of the parent company repaid</b>				
Duet India Hotels (Pune) Private Limited	-	-	63.89	61.39
Duet India Hotels (Navi Mumbai) Private Limited	-	-	4.00	4.50
Duet India Hotels (Hyderabad) Private Limited	-	-	22.29	12.69
Duet India Hotels (Jaipur) Private Limited	-	-	6.70	6.70
<b>Instruments entirely equity in nature (Fully Compulsory Convertible Debentures (FCCDs))</b>				
ACIC Mauritius I	-	580.64	-	-
SAMHI Hotels Limited	580.64	-	-	-
<b>Other receivables</b>				
Duet India Hotels (Chennai) Private Limited	-	-	2.18	2.43
Duet India Hotels (Pune) Private Limited	-	-	-	-
<b>Short-term borrowings (including accrued interest)</b>				
Duet India Hotels (Pune) Private Limited	-	-	2.09	-
Duet India Hotels (Hyderabad) Private Limited	-	-	34.16	-
<b>Trade payables</b>				
Duet India Hotels (Pune) Private Limited	-	-	2.64	-
ACIC Advisors Private Limited	-	-	3.38	4.02

\*Short term loans and advances includes accrued interest receivable

As at 31 March 2023, Asiya Capital Investments Company, Kuwait (the Ultimate Holding company till 10 August 2023), has given corporate guarantee to the lenders of the Company against a borrowing facility taken by the Company and its fellow subsidiary companies. The maximum exposure of the ultimate holding company is INR 250.00.

In addition to the transactions mentioned above:

- There is a security by way of cross collateralisation of cash flows offered by the Company in respect of borrowings obtained by its fellow subsidiaries from banks.
- Duet India Hotels (Pune) Private Limited has provided fixed deposit for an aggregate amount of INR 250.00 (plus capitalized interest) to IndusInd Bank as lien.



37 Financial instruments – Fair values and risk management

A) Financial instruments by category and fair value

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

Particulars	31 March 2024			
	Level of Hierarchy	Fair Value Through Profit and Loss (FVTPL)	Fair Value Through Other Comprehensive Income (FVTOCI)	Amortised Cost
<b>Financial assets</b>				
<b>Non-current</b>				
Other financial assets		-	-	22.58
<b>Current</b>				
Trade receivables		-	-	12.91
Cash and cash equivalents		-	-	10.40
Other financial assets		-	-	0.67
<b>Total financial assets</b>		-	-	<b>46.56</b>
<b>Financial liabilities</b>				
<b>Non-current</b>				
Borrowings	Level 2	-	-	485.38
<b>Current</b>				
Borrowings	Level 2	-	-	47.88
Trade payables		-	-	33.18
Other financial liabilities		-	-	16.75
<b>Total financial liabilities</b>		-	-	<b>583.19</b>

Particulars	31 March 2023			
	Level of Hierarchy	Fair Value Through Profit and Loss (FVTPL)	Fair Value Through Other Comprehensive Income (FVTOCI)	Amortised Cost
<b>Financial assets</b>				
<b>Non-current</b>				
Other financial assets		-	-	10.35
<b>Current</b>				
Trade receivables		-	-	10.25
Cash and cash equivalents		-	-	15.97
Other financial assets		-	-	0.11
<b>Total financial assets</b>		-	-	<b>36.68</b>
<b>Financial liabilities</b>				
<b>Non-current</b>				
Borrowings	Level 2	-	-	484.10
<b>Current</b>				
Borrowings	Level 2	-	-	10.63
Trade payables		-	-	40.40
Other financial liabilities		-	-	16.27
<b>Total financial liabilities</b>		-	-	<b>551.40</b>

The management assessed that the fair value of cash and cash equivalents, other bank balances, trade receivables, security deposits, margin money deposits, unbilled revenue, trade and other payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Interest rates on non-current borrowings (borrowings from banks) are equivalent to the market rate. Such borrowings are at floating rates which are reset at short intervals. Accordingly, the carrying value of such borrowings approximates fair value. Fair valuation of non-current financial assets and liabilities has been disclosed to be same as carrying value as there is no significant difference between carrying value and fair value. The company has not done any hedging transactions during the year.

B) Measurement of fair values

There are no transfer between Level 1, Level 2 and Level 3 during the year.

C. Financial risk management

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. Market risk**

Market risk is the risk that the 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. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

**a. 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 obligations with floating interest rates.

The Company evaluates the interest rates in the market on regular basis to explore the option of refinancing of the borrowings of the Company. Moreover, majority of the Company's borrowings are primarily 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 following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/ decrease in basis points	Effect on profit (loss) before tax
<b>31 March 2024</b>		
Term loans from banks and financial institutions	100bp	(4.99)
Term loans from banks and financial institutions	-100bp	4.99
<b>31 March 2023</b>		
Term loans from banks and financial institutions	100bp	(4.96)
Term loans from banks and financial institutions	-100bp	4.96

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in

**b. Currency risk**

Currency risk for the Company is the risk that the future cash outflows on account of payables for management fees and other expenditure will fluctuate because of changes in foreign exchange rates. The Company is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies. The Management evaluates foreign exchange rate exposure arising from foreign currency transactions on periodic basis and follows appropriate risk management policies.

**Exposure to currency risk**

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

31 March 2024	Currency	Amount in foreign currency (in millions)	Amount in INR (in millions)
Trade payables	USD	0.04	3.59
<b>31 March 2023</b>			
Trade payables	USD	0.06	4.80
<b>31 March 2024</b>			
		Change in USD rate	Effect on profit (loss) before tax
		100bp	(0.04)
		-100bp	0.04
<b>31 March 2023</b>			
		100bp	(0.05)
		-100bp	0.05

**2. 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.

The Company's policy is to place cash and cash equivalents and other bank balances with banks and financial institution counterparties with good credit rating.

The Company has given security deposits to various statutory authorities and to vendors for securing services from them and rental deposits for employee accommodations. Further, the Company has other receivable balances outstanding as at year end from vendors against cost reimbursement. The Company does not expect any default from these parties and accordingly the risk of default is negligible or nil.

In respect of credit exposures from trade receivables, the Company has established a credit policy under which each new customer is analysed individually for creditworthiness before entering into contract. Credit limits are established for each customer, reviewed regularly and any sales exceeding those limits require approval from the appropriate authority.

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.

There are no significant concentrations of credit risk within the Company.

The Company considers a financial asset to be in default when

- the debtor is unlikely to pay its credit obligations to the Group in full, or
- the financial asset is more than two years past due.

The provision matrix used for determining loss allowance on trade receivables as at 31 March 2024 is 0-180 days 1.60%, 180-365 days 5.74%, 366-547 days 34.15%, 548-729 days 76.37%, >= 730 days 100%.



Dnet India Hotels (Chennai OMR) Private Limited

CIN:U55101HR2010FTC046877

Notes to the financial statements for the year ended 31 March 2024

(All amounts are in INR millions, unless otherwise stated)

#### Reconciliation of loss allowance provision

	For the year ended 31 March 2024	For the year ended 31 March 2023
Trade receivables		
Opening balance	0.73	0.50
Change in loss allowance	0.84	0.23
Closing balance	1.57	0.73

#### 3. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows to ensure it has sufficient cash to meet operational needs. Such forecasting takes into consideration the Company's debt refinancing plans, undrawn committed borrowing facilities and covenant compliance.

Ultimate responsibility for liquidity risk management rests with the 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.

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

31 March 2024	Contractual cash flows					
	Carrying amount	Total	0 to 1 year	1 to 2 years	2 to 5 years	> 5 years
<b>Non - derivative financial liabilities</b>						
Non-current borrowings	487.99	494.95	-	29.21	199.01	266.73
Current borrowings	47.88	47.88	47.88	-	-	-
Current Trade payables	33.18	33.18	33.18	-	-	-
Other current financial liabilities	16.75	16.75	16.75	-	-	-
	<b>585.80</b>	<b>592.76</b>	<b>97.81</b>	<b>29.21</b>	<b>199.01</b>	<b>266.73</b>

  

31 March 2023	Contractual cash flows					
	Carrying amount	Total	0 to 1 year	1 to 2 years	2 to 5 years	> 5 years
<b>Non-derivative financial liabilities</b>						
Non-current borrowings	484.75	498.22	-	0.65	152.15	345.42
Current borrowings	9.98	9.98	9.98	-	-	-
Trade payables	40.40	40.40	40.40	-	-	-
Other current financial liabilities	16.27	16.27	16.27	-	-	-
	<b>551.40</b>	<b>564.87</b>	<b>66.65</b>	<b>0.65</b>	<b>152.15</b>	<b>345.42</b>



38 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 Holding 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. Loan includes the current and non-current borrowings and Value refers to the market capitalisation of the Group.

The Company is not subject to externally imposed capital requirements.

As a part of its capital management policy, the Company did not have any defaults in the repayment of loans and interest for the current year. The loan covenants have been tested for Duet India Hotels (Hyderabad) Private Limited, Duet India Hotels (Chennai) Private Limited, Duet India Hotels (Jaipur) Private Limited, Duet India Hotels (Pune) Private Limited, Duet India Hotels (Chennai OMR) Private Limited, Duet India Hotels (Ahmedabad) Private Limited on consolidated basis and there have been no loan covenant defaults during the current year and there has been no intimation from the bank for recalling any loan facility.

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

	As at 31 March 2024	As at 31 March 2023
<b>Due to micro, small and medium suppliers</b>		
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
Principal	1.60	1.30
Interest	-	-
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 year 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.	-	-
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 2024 and 31 March 2023 has been made in the financial statements based on information received and available with the Company.		

40 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. For the year ended 31 March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

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

Ratio	In times/%	Numerator	Denominator	31 March 2024	31 March 2023	Increase/ (decrease) %
(a) Current Ratio	In times	Total Current Assets	Total Current Liabilities	0.34	0.39	-15%
(b) Debt-Equity Ratio	In times	Total Borrowings	Total Equity	(4.31)	(5.37)	-20%
(c) Debt Service Coverage Ratio	In times	Earnings before finance costs, depreciation and amortisation and tax (and other adjustments)	Finance costs paid + Principal repayments of long term borrowings	0.72	(1.09)	166%
(d) Return on Equity Ratio	In %	Profit/(Loss) for the year	Average Total Equity	0.40	(1.29)	131%
(e) Trade Receivables turnover ratio	In times	Revenue from operations	Average Trade Receivables	13.05	16.71	-22%
(f) Trade payables turnover ratio	In times	Purchases + Other expenses	Average Trade Payables	2.48	2.64	-6%
(g) Net capital turnover ratio	In times	Revenue from operations	Average working capital	(1.98)	2.11	-194%
(h) Net profit ratio	In %	Profit/(Loss) for the year	Revenue from operations	(0.29)	(0.59)	51%
(i) Return on Capital employed	In %	Earnings/(Losses) before interest and taxes	Capital Employed : Tangible Net Worth + Total Borrowing	0.02	(0.03)	152%

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

- (1) Inventory turnover ratio: Since the proportion of such inventory value is insignificant to total assets.
- (2) 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.

Explanations to variance in Ratios:

Current Ratio	Since the variance is less than 25% there is no requirement to disclose the reason.
Debt-Equity Ratio	Since the variance is less than 25% there is no requirement to disclose the reason.
Debt Service Coverage Ratio	Variance is primarily on account of increase in earnings before finance costs, depreciation and amortisation and tax and corresponding decrease in debt payment, principal and interest as compared to the previous year.
Return on Equity Ratio	Variance is primarily on account of decrease in net loss during the year as compared to the previous year.
Trade Receivables turnover ratio	Since the variance is less than 25% there is no requirement to disclose the reason.
Trade Payable Turnover Ratio	Since the variance is less than 25% there is no requirement to disclose the reason.
Net capital turnover ratio	Variance is primarily on account of increase in revenue from operation and corresponding decrease in average working capital as compared to the previous year.
Net profit ratio	Variance is primarily on account of decrease in finance cost during the year as compared to the previous year.
Return on Capital employed	Variance is primarily on account of increase in earnings before finance costs, depreciation and amortisation and tax as compared to the previous year.

42 The Company in earlier years had availed custom duty exemptions under the Export Promotion Capital Goods Scheme (EPCG) of Ministry of Commerce and Industry, Government of India. Under the Scheme, the Company was required to fulfill an export obligation over a period of six to eight years from the date of availing the benefit. During FY 2019-20, the department had revoked Fixed deposits amounting to INR 11.38 given as bank guarantee against duty saved by the Company as it did not fulfill the required export obligation. The management believes that considering the export revenue earned by the Company is sufficient to discharge the export obligations required to be fulfilled by the Company, it will recover back the balance amount of INR 11.38 (31 March 2023 - INR 11.38).

For the licenses, where the Company fulfills its export obligations after considering its foreign exchange earnings, it unwinds deferred government grant revenue based on filing of application for Export Obligation Discharge Certificates (EODC). During the year, the Company has filed application for EODCs amounting to INR 4.11 and accordingly has recognised an income of INR 4.11 (31 March 2023 - INR Nil) and is carrying a deferred government grant revenue of INR 11.98 (31 March 2023 - INR 16.01) as at reporting date.

Also considering the delays in filing requisite documents by the Company with the department and non receipt of EODCs, the management considers it prudent to accrue interest on all utilised EPCG licenses against which the Company has not filed applications and received EODCs from the department. Accordingly, the Company has further accrued an interest of INR 0.23 during the year (31 March 2023 - INR 24.06) and has recorded the same as provision for contingency of INR 13.52 (31 March 2023 - INR 13.29) as at reporting date.

The management is confident that no other liability will develop upon the Company in this matter.





43 Other statutory information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) The Company has not been declared as willful defaulter by any bank or financial institution or other lender.
- (iii) The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (iv) The Company does not have any 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).
- (v) There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.
- (vi) There are no funds which 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 ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vii) There are no funds which 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 ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- (viii) The Company and Group is not a CIC as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016.
- (ix) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (x) The Company has complied with the number of layers prescribed under section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- (xi) The Company did not obtain borrowings from banks and financial institution during the year.
- (xii) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (xiii) The Company has not revalued its property, plant and equipment or intangible assets or both during current or previous year.
- (xiv) The Company is not required to submit quarterly returns or statements with banks during the current or previous year.
- (xv) 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 lender.
- (xvi) The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.

44 Code on Social Security, 2020

The Code on Social Security, 2020 (the Code) relating to employee benefits received Presidential assent on 28 September 2020. The Ministry of Labour and Employment has released draft rules for the Code on 13 November 2020 and invited suggestions from the stakeholders. The date of implementation of the Code is yet to be notified by the Government and when implemented will impact the contributions by the Company towards benefits such as Provident Fund, Gratuity etc. The Company will assess the impact of the Code and give effect in the financial statements when the Code and Rules thereunder are notified.

45 In earlier years, the Company had engaged with a service provider for assisting in hotel renovations. The service provider initiated arbitration proceedings for recovery of above amounts and the management filed a counter claim disputing service provider's claims on account of delay and lack of submission of cost details and saving arising out of the efforts of service provider. The Company was carrying a provision for expected liability in this regard on a prudent basis amounting to INR 13.43 as at 31 March 2023. During the current year, a settlement agreement has been executed with the service provider for a full and final settlement of dues amounting to INR 10.50. Accordingly, the differential provision of INR 0.58 (net of advances of INR 2.35) has been reversed in the Statement of Profit and Loss under 'Provision / liabilities no longer required written back' during the current year.

46 The Company has incurred a net loss of INR 43.03 million during the year ended 31 March 2024 and as of that date, the Company's current liabilities exceeded its current assets by INR 84.39 million. Further, the Company has contractual cash outflows of Rs 97.81 million (excluding future contractual interest payments) due within 12 months of the balance sheet date.

Based on future business projections, the Company expects growth in its operations and improved operating performance in coming periods and also, expects to earn enhanced cash inflows from its operating activities. The Company believes such anticipated internally generated funds from operations in future along with its liquidity position as at 31 March 2024, its available revolving undrawn credit facility as at 31 March 2024 and certain other current assets (financial and non-financial) as at 31 March 2024 will enable it to meet its future known obligations due in next year, in the ordinary course of business. However, if a liquidity need were to arise, the Company has access to requisite financial and operational support from SAMHI Hotels Limited (holding company), which should enable it to meet its ongoing capital, operating, and other liquidity requirements. Moreover, the Company will continue to consider various borrowing options to maximize liquidity and supplement cash requirements as necessary.

The notes from Note 1 to Note 46 form an integral part of these financial statements.

As per our report of even date attached

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



Ankush Goel  
Partner  
Membership No : 505121

Place: Gurugram  
Date: 29 May 2024

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



Babu N Latta  
Director  
DIN: 07886515

Place: Gurugram  
Date: 29 May 2024



Simranjeet Singh  
Director  
DIN: 08083337

Place: Gurugram  
Date: 29 May 2024