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Independent Auditors Report

To the Members of SAMHI JV Business Hotels Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of SAMHI JV Business Hotels Private Limited (the "Company") which comprise the balance sheet as at 31 March 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 profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition

See Note 24 to the financial statements

The key audit matter	How the matter was addressed in our audit
The Company is principally engaged in the business of owning hotels. It's revenue comprises hotel revenue (including room revenue, food and beverage revenue and revenue from recreation and other services). The accounting policies for different revenue streams are set out in Note 2.11 to the financial	Our audit procedures included: • Tested the design, implementation and operating effectiveness of the key controls of the revenue recognition process. • Tested the Company's revenue recognition accounting policies are consistent with the

statements. Revenue is a key performance indicator of the Company and there is risk of overstatement of revenue due to fraud resulting from pressure to achieve targets and earnings expectations. Considering the above, we have identified revenue recognition as a key audit matter.	applicable accounting standards. • Using statistical sampling basis, tested the revenue transactions recorded during the year (including year-end cut off testing), with the underlying documents such as invoices, bank collections and other relevant documents, as applicable. • Tested the journal entries relating to revenue recognised during the year based on specified risk-based criteria, to identify unusual or irregular items. • Evaluated the adequacy of disclosures relating to the revenue recognition made in the financial statements in accordance with the applicable accounting standards.

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the following:

(i) the back-up of accounting softwares used for maintaining general ledger, food & beverage revenue records, payroll records and procure to pay records which forms part of the 'books of account and other relevant books and papers in electronic mode' have not been kept on servers physically located in India on a daily basis; and

(ii) for the matters stated in the paragraph 2B(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 17 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 qualifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A (b) above on reporting under Section 143(3)(b) of the Act 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 32(b) to the financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d (i) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 42 (v) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other 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 their knowledge and belief, as disclosed in the Note 42(vi) 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 account which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:

(i) In the absence of sufficient and appropriate reporting on compliance with the audit trail requirements in the respective independent auditor's reports of service organisations available for part of the year and in the absence of the independent auditor's reports of service organisations for the balance period, for accounting softwares used for maintaining the books of account relating to general ledger, food and beverage revenue, payroll and procure to pay process, which are operated by third-party software service providers, we are unable to comment whether audit trail feature for the said softwares was enabled and operated throughout the year for all relevant transactions, recorded in the respective softwares.

(ii) The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting software used for maintaining the books of account relating to revenue process.

(iii) The feature of recording audit trail (edit log) facility was not enabled for the accounting software used for maintaining the books of account relating to general ledger.

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.

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

Rahul Nayar

Partner

Place: Gurugram

Membership No.: 508605

Date: 29 May 2024

ICAI UDIN:24508605BKGUMN2434

Annexure A to the Independent Auditor's Report on the Financial Statements of SAMHI JV Business Hotels Private Limited for the year ended 31 March 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 period of three years. In accordance with this programme, all property, plant and equipment were physically verified during the current 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 property disclosed in the financial statements are held in the name of the Company. However, original title deeds are under lien with lender. Therefore, we could not verify those title deeds and have not received independent confirmation from the lender.

(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 been sanctioned working capital limits in excess of five crore rupees, in aggregate, from bank on the basis of security of current assets. As informed to us and as per the terms of loan agreement of such limits, there are no requirements on the Company to submit quarterly returns or statements with such bank.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has not provided loans or provided advances in the nature of loans, or provided guarantee, or provided security to any entity during the year. Accordingly, clause 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 provided loans or provided advances in the nature of loans, or provided guarantee, or provided security to any entity during the year. Accordingly, clause 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 SAMHI JV Business Hotels Private Limited for the year ended 31 March 2024 *(Continued)*

of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated except for the interest free loan of INR 1,055.70 million [nominal amount] as at 31 March 2024 given to SAMHI Hotels Limited (holding company), which is repayable after 31 December 2030 as per mutual consent of the Company and SAMHI Hotels Limited. As informed to us, no repayment of loans and payment of interest was due in the current year. Further, the Company has not given any advances in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

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

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

(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 provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

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

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, 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 income tax and professional tax.

As explained to us, the Company did not have any dues on account of Duty of Customs.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, 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, except as mentioned below:

Annexure A to the Independent Auditor's Report on the Financial Statements of SAMHI JV Business Hotels Private Limited for the year ended 31 March 2024 *(Continued)*

Name of the statute	Nature of the dues	Amount (INR million)	Period to which the amount relates	Due date	Date of payment
The Employees' Provident Funds And Miscellaneous Provisions Act, 1952	Provident Fund (Additional liability due to Supreme Court Judgement)	0.29	March 2019	15 April 2019	Not yet paid
Central Goods and Services Tax Act, 2017 and State Goods and Services Tax Act, 2017	Interest liability on Goods and Services Tax	0.67	April 2021 - March 2022	#	Not yet paid

These amounts have fallen due at various points of time during the year ended 31 March 2022.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (INR million)	Period to which the amount relates (FY)	Forum where dispute is pending
Finance Act, 1994 (Service tax)	Excess availment of CENVAT credit and short payment of service tax	90.93	2014-15 to 2017-18	Commissioner of Goods and Services Tax (Appeals)

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowings 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 loan during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

Annexure A to the Independent Auditor's Report on the Financial Statements of SAMHI JV Business Hotels Private Limited for the year ended 31 March 2024 *(Continued)*

(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 during the year, the Company has used funds raised on short term basis aggregating to INR 428.35 million for long term purposes.

(e) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2024. Accordingly, clause 3(ix)(e) is not applicable.

(f) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2024. Accordingly, clause 3(ix)(f) of the Order is not applicable.

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

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

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

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

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

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

(xiii) The Company is a wholly owned subsidiary of public limited 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) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit of the Company for the period under audit is currently under progress. Hence, the internal audit reports could not be considered by us.

(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

Annexure A to the Independent Auditor's Report on the Financial Statements of SAMHI JV Business Hotels Private Limited for the year ended 31 March 2024 *(Continued)*

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 not incurred any cash losses in the current financial year; however, cash loss of INR 842.31 million was incurred in the previous 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) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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

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

Chartered Accountants

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

Rahul Nayar

Rahul Nayar

Partner

Place: Gurugram

Date: 29 May 2024

Membership No.: 508605

ICAI UDIN:24508605BKGUMN2434

Annexure B to the Independent Auditor's Report on the financial statements of SAMHI JV Business Hotels Private Limited for the year ended 31 March 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 SAMHI JV Business Hotels 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 maintained, in all material respects, adequate internal financial controls with reference to financial statements 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") and except for the possible effects of the material weakness described in "Basis for 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 financial statements were operating effectively as of 31 March 2024.

We have considered the material weakness identified and reported below in determining the 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 statements 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 Controls (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 in the Company's financial statements.

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 annual or interim 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.

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

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

Rahul Nayar

Rahul Nayar
Partner
Membership No.: 508605
ICAI UDIN:24508605BKGUMN2434

Place: Gurugram
Date: 29 May 2024

SAMHI JV Business Hotels Private Limited
CIN U55101DL2011PTC214129
Balance Sheet as at 31 March 2024
(All amounts in Rupees millions, unless otherwise stated)

	Note	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,169.71	2,249.98
Intangible assets	4	-	-
Financial assets			
Loans	5	713.68	1,460.09
Other financial assets	6	171.79	42.97
Income tax assets	7	20.25	11.03
Other non-current assets	9	3.32	2.62
Total non-current assets		**3,078.75**	**3,766.69**
Current assets			
Inventories	10	5.35	5.10
Financial assets			
Trade receivables	11	53.95	74.71
Cash and cash equivalents	12	105.57	50.79
Other financial assets	13	8.98	55.38
Other current assets	14	16.29	40.37
Total current assets		**190.14**	**226.35**
TOTAL ASSETS		**3,268.89**	**3,993.04**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	1,247.80	1,247.80
Other equity	16	(1,614.19)	(1,806.44)
Total equity		**(366.39)**	**(558.64)**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	17	2,942.84	3,747.97
Provisions	18	1.50	1.54
Total non- current liabilities		**2,944.34**	**3,749.51**
Current liabilities			
Financial liabilities			
Borrowings	19	439.47	534.83
Trade payables	20		
- total outstanding dues of micro enterprises and small enterprises		8.02	16.85
- total outstanding dues of creditors other than micro enterprises and small enterprises		201.34	206.32
Other financial liabilities	21	10.66	11.03
Other current liabilities	22	30.53	32.20
Provisions	23	0.92	0.94
Total current liabilities		**690.94**	**802.17**
Total liabilities		**3,635.28**	**4,551.68**
TOTAL EQUITY AND LIABILITIES		**3,268.89**	**3,993.04**

The notes from Note 1 to Note 42 form an integral part of these financial statements.

As per our report of even date attached

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

Rahul Nayar

Rahul Nayar
Partner
Membership No.: 508605

Place: Gurugram
Date: 29 May 2024

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

Rajat Mehra
Director
DIN: 06813081

Place: Gurugram
Date: 29 May 2024

Tanya Chakravarty
Director
DIN: 08539291

Place: Gurugram
Date: 29 May 2024

Anjita Kumari
Company Secretary
Membership No.: A35561

Place: Gurugram
Date: 29 May 2024

SAMHI JV Business Hotels Private Limited
CIN U55101DL2011PTC214129
Statement of Profit and Loss for the year ended 31 March 2024
(All amounts in Rupees millions, unless otherwise stated)

	Note	For the year ended 31 March 2024	For the year ended 31 March 2023
Income			
Revenue from operations	24	1,431.59	1,202.40
Other income	25	144.14	298.13
Total income		**1,575.73**	**1,500.53**
Expenses			
Cost of materials consumed	26	87.12	76.89
Employee benefits expense	27	146.65	104.56
Other expenses	30	587.94	520.23
		821.71	**701.68**
Earnings before finance cost, depreciation and amortisation and tax		**754.02**	**798.85**
Finance costs	28	460.56	1,584.70
Depreciation and amortisation expense	29	100.96	107.31
		561.52	**1,692.01**
Profit/(Loss) before tax		**192.50**	**(893.16)**
Tax expense	8		
Current tax		-	-
Deferred tax		-	-
		-	-
Profit/(Loss) for the year		**192.50**	**(893.16)**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Re-measurement gain/(loss) on defined benefit obligations	27	(0.25)	0.01
- Income tax relating to items mentioned above		-	-
Other comprehensive income/(loss), net of tax		**(0.25)**	**0.01**
Total comprehensive income/(loss) for the year		**192.25**	**(893.15)**
Earnings/(loss) per equity share (Face value of INR 10 each)	31		
Basic [INR]		1.54	(7.16)
Diluted [INR]		1.54	(7.16)

The notes from Note 1 to Note 42 form an integral part of these financial statements

As per our report of even date attached

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

Rahul Nayar

Rahul Nayar
Partner
Membership No.: 508605

Place: Gurugram
Date: 29 May 2024

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

Rajat Mehra
Director
DIN: 06813081

Place: Gurugram
Date: 29 May 2024

Tanya Chakravarty
Director
DIN: 08539291

Place: Gurugram
Date: 29 May 2024

Anjana Kumari
Company Secretary
Membership No.: A35561

Place: Gurugram
Date: 29 May 2024

SAMHI JV Business Hotels Private Limited
CIN U55101DL2011PTC214129
Statement of Cash Flows for the year ended 31 March 2024
(All amounts in Rupees millions, unless otherwise stated)

	For the year ended 31 March 2024	For the year ended 31 March 2023
A. Cash flows from operating activities		
Profit / (loss) before tax	192.50	(893.16)
Adjustments for:		
Depreciation and amortisation expense	100.96	107.31
Provisions/liabilities no longer required written back	(3.49)	(5.73)
Loss allowance for trade receivables	-	4.80
Finance costs	460.56	1,584.70
Interest income	(135.75)	(234.32)
Gain on sale of property, plant and equipment	(0.31)	-
Loss on foreign exchange fluctuation (net)	0.08	0.64
Net gain on fair valuation of equity component of non-convertible debentures	-	(57.10)
Operating profit before movement in assets and liabilities	**614.55**	**507.14**
(Increase) in inventories	(0.25)	(0.55)
Decrease / (Increase) in trade receivables	24.24	(38.26)
(Increase) / Decrease in other financial assets	(4.21)	0.64
Decrease / (Increase) in other assets	24.10	(9.12)
(Decrease) / Increase in trade payables	(15.49)	6.49
(Decrease) / Increase in other liabilities	(1.67)	11.77
(Decrease) / Increase in provisions	(0.31)	0.83
Increase / (Decrease) in other financial liabilities	4.14	(4.97)
Cash generated from operations	**645.10**	**473.97**
Income taxes paid - net	(9.22)	(3.46)
Net cash generated from operating activities	**635.88**	**470.51**
B. Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(20.86)	(7.92)
Sale of property, plant and equipment	1.08	-
Repayment of loan by holding company	187.86	-
Bank deposits matured	189.35	2,340.68
Bank deposits made	(268.00)	(2,416.30)
Interest received	181.15	92.29
Net cash generated from investing activities	**270.58**	**8.75**
C. Cash flows from financing activities		
Proceeds from long term borrowings	-	3,910.50
Repayment of long term borrowings	(911.70)	(4,100.00)
Loan received from Holding Company	500.00	-
Proceeds/(repayment) from current borrowings - net	(3.01)	368.44
Finance costs paid	(436.97)	(731.68)
Net cash generated used in financing activities	**(851.68)**	**(552.74)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**54.78**	**(73.48)**
Cash and cash equivalents at the beginning of the year	50.79	124.27
Cash and cash equivalents at the end of the year	**105.57**	**50.79**

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	0.20	0.28
Balances with banks :		
- on current accounts	105.37	50.51
	105.57	**50.79**

ii. Movement in borrowings (including interest accrued)

	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening Balance	4,289.98	3,264.31
Changes from financing cash flows		
Proceeds from long term borrowings	-	3,910.50
Loan received from Holding Company	500.00	-
Repayment of long term borrowings	(911.70)	(4,100.00)
Proceeds/(repayment) from current borrowings - net	(3.01)	368.44
Finance costs paid	(436.97)	(731.68)
Other non cash changes		
Finance costs	457.60	1,578.41
Adjustment against loan to holding company	(512.24)	-
Closing Balance	**3,383.66**	**4,289.98**

iii. The cash flows from operating activities section of 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 42 form an integral part of these financial statements.

As per our report of even date attached

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

Rahul Nayar

Rahul Nayar
Partner
Membership No. 508605

Place: Gurugram
Date: 29 May 2024

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

Rajat Mehra
Director
DIN: 06813081

Place: Gurugram
Date: 29 May 2024

Tanya Chakravarty
Director
DIN: 08539291

Place: Gurugram
Date: 29 May 2024

Anjana Kumari
Company Secretary
Membership No. A35561

Place: Gurugram
Date: 29 May 2024

SAMHI JV Business Hotels Private Limited
CIN U55101DL2011PTC214129
Statement of Changes in Equity for the year ended 31 March 2024
(All amounts in Rupees millions, unless otherwise stated)

a. Equity share capital

Particulars	Number of shares	Amount
As at 01 April 2022	124,780,000	1,247.80
Changes in equity share capital during the year	-	-
As at 31 March 2023	**124,780,000**	**1,247.80**
As at 1 April 2023	124,780,000	1,247.80
Changes in equity share capital during the year	-	-
As at 31 March 2024	**124,780,000**	**1,247.80**

b. Other equity (Refer Note 16)

Particulars	Reserves and surplus			Concessional interest component of loan to holding company	Equity component of convertible PIK obligation	Total
	Retained earnings	Capital reserve	Remeasurement of defined benefit plans			
Balance as at 01 April 2022	**(1,141.39)**	**32.44**	-	**(610.54)**	**863.30**	**(856.19)**
Loss for the year	(893.16)	-	-	-	-	(893.16)
Other comprehensive income (net of tax)	-	-	0.01	-	-	0.01
Total comprehensive income/(loss)	**(893.16)**	-	**0.01**	-	-	**(893.15)**
Transferred to retained earnings	0.01	-	(0.01)	-	-	-
Equity component of non-convertible debentures	-	-	-	-	(57.10)	(57.10)
Balance as at 31 March 2023	**(2,034.54)**	**32.44**	-	**(610.54)**	**806.20**	**(1,806.44)**
Profit for the year	192.50	-	-	-	-	192.50
Other comprehensive loss (net of tax)	-	-	(0.25)	-	-	(0.25)
Total comprehensive income	**192.50**	-	**(0.25)**	-	-	**192.25**
Transferred to retained earnings	(0.25)	-	0.25	-	-	-
Balance as at 31 March 2024	**(1,842.29)**	**32.44**	-	**(610.54)**	**806.20**	**(1,614.19)**

The notes from Note 1 to Note 42 form an integral part of these financial statements.

As per our report of even date attached

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

Rahul Nayar

Rahul Nayar
Partner
Membership No.: 508605

Place: Gurugram
Date: 29 May 2024

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

Rajat Mehra
Director
DIN: 06813081

Place: Gurugram
Date: 29 May 2024

Tanya Chakravarty
Director
DIN: 08539291

Place: Gurugram
Date: 29 May 2024

Anjana Kumari
Company Secretary
Membership No.: A35561

Place: Gurugram
Date: 29 May 2024

SAMHI JV Business Hotels Private Limited
Notes to the financial statements for the year ended 31 March 2024
(All amounts in Rupees millions, unless otherwise stated)

1.1 Corporate information

SAMHI JV Business Hotels Private Limited ('the Company') is a Company domiciled in India. The Company was incorporated in India on 15 February 2011 as per the provisions of Indian Companies Act and is limited by shares. The registered office of the Company is at Caspia Hotels Delhi, District Centre Crossing, Opp. Galaxy Toyota Outer Ring Road, Haider Pur, Shalimar Bagh, New Delhi, India, 110088.

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

Presently, the Company has two hotels under it (Courtyard by Marriott, Bangalore and Fairfield by Marriott, Bangalore) which are operational.

1.2 Basis of preparation

A. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements were approved for issue in accordance with the resolution of 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 and Note 2.1.

B. Functional and presentation currency

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

C. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items, which are measured on an alternative basis on each reporting date:

Items	Measurement Basis
Financial assets and liabilities i.e., derivative instruments	Fair Value

Also, refer Note 41 for going concern basis of accounting used by the management.

D. Use of 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 accounting estimates are recognized prospectively.

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 are:

i) Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets', which involves key assumptions about the likelihood and magnitude of an outflow of resources.

ii) Useful lives of property, plant and equipment and intangible assets

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

iii) Employee benefit obligations

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

iv) Fair value measurement of financial instruments

The fair values of financial instruments recorded in the balance sheet in respect of which quoted prices in active markets are not available are measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Also, refer Note 35 for further disclosures.

v) Recognition of deferred tax assets/liabilities

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

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

vi) Measurement of expected credit loss allowance for trade receivables

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

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

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

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

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

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

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

Further information about the assumptions made in measuring fair values is included in Note 35.

2. Material accounting policies

1) Property, plant and equipment

Recognition and measurement

Property, plant and equipment including capital work in progress are measured at cost less accumulated depreciation and any accumulated impairment losses if any.

Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in-progress.

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

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

Subsequent costs and disposal

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

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

Depreciation

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

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

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

Asset Category*	Management estimate of Useful Life	Useful life as per Schedule II to the Companies Act, 2013
Building	15-60 years	60 years
Computers and accessories	3-6 years	3-6 years
Plant and machinery	5-25 years	15 years
Furniture and fixtures	5-8 years	10 years
Vehicles	8 years	8 years
Office equipment	5-10 years	5 years

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

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Freehold land is not depreciated.

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

2) Intangible assets

Recognition and measurement

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

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

Amortisation

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

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

3) Financial instruments

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.

i. Recognition and initial measurement

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

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.

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SAMHI JV Business Hotels Pvt. Ltd.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at
- Amortised cost;
- Debt investment measured at fair value through other comprehensive income (FVOCI);
- Fair value through profit or loss (FVTPL); or
- Equity investment measured at fair value through other comprehensive income (FVOCI)

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

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

– the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

– the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Financial assets: Business model assessment

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

S.R. & Co LLP Gurugram

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

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are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. *Derecognition*

Financial assets

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

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

Financial liabilities

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

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

iv. *Offsetting*

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

v. *Interest free loans*

The Company has provided interest free loan to its holding company. Such interest free loans are measured at fair values determined using a present value technique with inputs that include future cash flows and discount rates that reflect assumptions that market participants would apply in pricing such loans. The difference between the transaction price and the fair value of such loans has been debited to other equity in the books of the Company. The loan component is subsequently measured at amortised costs and interest income is recognised using effective interest rate method.

vi. *Non-convertible debentures*

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

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

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vii. *Modification of financial assets and liabilities*

Financial assets:

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

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

Financial liabilities:

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

4) Impairment

A. Impairment of financial instruments

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

At each reporting date, the Company assesses whether financial assets carried at amortised cost 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;
- a breach of contract such as a default or being past due for two years or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial 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

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the expected life of a financial instrument.

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

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

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

Measurement of expected credit losses

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

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

Presentation of allowance for expected credit losses in the balance sheet

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

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

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.

The recoverable amount is the greater of the asset's (or cash generating unit's) fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present

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value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset (or cash generating unit (CGU)).

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. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated, if any to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) 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 comprise stock of food and beverages is carried at the lower of cost and net realisable 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) 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.

7) Provisions (other than employee benefits)

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of the obligation.
If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Provisions are reviewed by the management at each reporting date and adjusted to reflect the current best estimates at each reporting date.

8) Contingent liabilities

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

9) Borrowing costs

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

10) Employee benefits

(a) Short-term employee benefits

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

(b) Post-employment benefits

Defined contribution plan – Provident fund and Employee state insurance

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

The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, are based on the market yields on government securities as at the balance sheet date, having maturity period approximating to the terms of related obligations.

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

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

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

11) Revenue recognition

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

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 and other services

Revenue is recognized at the transaction price that is allocated to the performance obligation. Revenue comprises room revenue, sale of food and beverages, recreation and other services (including banquet and allied 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.

12) Recognition of dividend income, interest income or expense

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

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

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

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

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

13) Foreign currency translation

Transactions and balances

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

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

14) Income taxes

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

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax 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.

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

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax is not recognised for
- temporary differences arising on the initial recognition of assets or liabilities in a transaction that:
  - is not a business combination; and
  - at the time of transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences.

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 of 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 realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and 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 such tax assets and liabilities will be realised simultaneously.

15) Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenue 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). 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.

16) Earnings per share

Basic earnings per share are calculated by dividing the profit or loss for the period attributable to equity shareholders by the weighted average number of shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, except where the results would be anti - dilutive.

17) Cash and cash equivalents

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

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 and tax expense.

19) Expenditure

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

2.1. Changes in material accounting policies

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

3 Property, plant and equipment

Reconciliation of carrying amount

	Freehold land	Computers and accessories	Buildings	Plant and machinery	Furnitures and fixtures	Vehicles	Office equipment	Total
Gross carrying amount								
Balance as at 01 April 2022	1,029.00	51.97	1,288.66	477.80	251.66	15.84	30.64	3,145.57
Additions during the year	-	4.87	-	0.53	-	-	0.27	5.67
Balance as at 31 March 2023	**1,029.00**	**56.84**	**1,288.66**	**478.33**	**251.66**	**15.84**	**30.91**	**3,151.24**
Additions during the year	-	3.10	-	9.07	9.29	-	-	21.46
Deletions during the year	-	-	-	-	-	(15.84)	-	(15.84)
Balance as at 31 March 2024	**1,029.00**	**59.94**	**1,288.66**	**487.40**	**260.95**	-	**30.91**	**3,156.86**
Accumulated depreciation								
Balance as at 01 April 2022	-	49.29	307.80	198.60	198.41	11.79	29.13	795.02
Depreciation charge for the year	-	0.60	48.77	31.76	23.21	1.89	0.01	106.24
Balance as at 31 March 2023	-	**49.89**	**356.57**	**230.36**	**221.62**	**13.68**	**29.14**	**901.26**
Depreciation charge for the year	-	1.84	48.92	32.12	16.64	1.39	0.05	100.96
Accumulated depreciation on disposal	-	-	-	-	-	(15.07)	-	(15.07)
Balance as at 31 March 2024	-	**51.73**	**405.49**	**262.48**	**238.26**	-	**29.19**	**987.15**
Net carrying amount								
Balance as at 31 March 2023	**1,029.00**	**6.95**	**932.09**	**247.97**	**30.04**	**2.16**	**1.77**	**2,249.98**
Balance as at 31 March 2024	**1,029.00**	**8.21**	**883.17**	**224.92**	**22.69**	-	**1.72**	**2,169.71**

(i) Refer to note 17 and note 19 for information on property, plant and equipment pledged as security by the Company
(ii) Refer to note 42 for details regarding the title deeds of immovable property of the Company.

4 Intangible assets

Reconciliation of carrying amount

	Computer software	Total
Gross carrying amount		
Balance as at 01 April 2022	19.77	19.77
Additions during the year	-	-
Balance as at 31 March 2023	**19.77**	**19.77**
Additions during the year	-	-
Balance as at 31 March 2024	**19.77**	**19.77**
Accumulated amortisation		
Balance as at 01 April 2022	18.70	18.70
Amortisation for the year	1.07	1.07
Balance as at 31 March 2023	**19.77**	**19.77**
Amortisation for the year	-	-
Balance as at 31 March 2024	**19.77**	**19.77**
Net carrying amount		
Balance as at 31 March 2023	-	-
Balance as at 31 March 2024	-	-

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(All amounts in Rupees millions, unless otherwise stated)

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

	As at 31 March 2024	As at 31 March 2023
Loan to related party		
Loan to holding company	713.68	1,460.09
	713.68	**1,460.09**

Interest free loan
As on 31 March 2024, the Company has provided interest free loan to holding company amounting to INR 484.42 (31 March 2023 - INR 431.62) which is repayable at any date after 31 December 2030 as per mutual consent of the Company and the holding company. The loan is provided in Indian Rupees. These loans were advanced to holding company for meeting project expenses and business purpose

Interest bearing loan
As on 31 March 2024, the Company has provided loan to holding company amounting to INR 229.26 (31 March 2023 - INR 1,028.47) including accrued interest of INR 6.39 (31 March 2023 - INR 124.93) which is repayable after 3 years from the date of first disbursement i.e. 21 January 2022. The loan is given at interest rate of 11.50% p.a. (31 March 2023 - 19.50% p.a.). The loan is provided in Indian Rupees. These loans were advanced to holding company for meeting project expenses and business purpose requirements.

During the current year, the Company has extended the term of such interest bearing loan to 6 years from the date of first disbursement.

Loans and advances to specified person

Name of Borrower	As at 31 March 2024	% to total loan & advances	As at 31 March 2023	% to total loan & advances
SAMHI Hotels Limited (Holding Company)	713.68	100%	1,460.09	100%

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

	As at 31 March 2024	As at 31 March 2023
Bank deposits (due to mature after 12 months from the reporting date)*#	165.20	36.99
Security deposits	6.59	5.98
	171.79	**42.97**

* Includes interest accrued on bank deposits amounting to INR 0.26 (31 March 2023 - INR 0.71)
# Includes bank deposits under lien amounting to INR 164.94 (31 March 2023 INR 36.16)

7 Income tax assets

	As at 31 March 2024	As at 31 March 2023
Tax deducted at source	20.25	11.03
	20.25	**11.03**

8 Income tax

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

	For the year ended 31 March 2024	For the year ended 31 March 2023
Recognised in profit or loss		
Current tax	-	-
Deferred tax	-	-
	-	-

	For the year ended 31 March 2024	For the year ended 31 March 2023
Recognised in Other comprehensive income		
Income tax on other comprehensive income	-	-
	-	-

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

	For the year ended 31 March 2024		For the year ended 31 March 2023	
	%	Amount	%	Amount
Profit/(Loss) before tax		192.50		(893.16)
Tax using the Company's domestic tax rate	25.17	48.45	25.17	(224.79)
Tax effect of:				
Non-convertible debentures (PIK obligation recognised through equity)	-	-	29.40	(262.58)
Non-deductible expenses	(0.16)	(0.31)	(0.04)	0.39
Non recognition of deferred taxes on temporary differences	(152.83)	(294.19)	(57.29)	511.66
Others	127.82	246.05	2.76	(24.68)
Effective tax rate	-	-	-	-

C. Deferred tax assets/liabilities

	As at 31 March 2024	As at 31 March 2023
Deferred tax assets		
Unabsorbed business losses and depreciation	443.38	725.74
Loss allowance for trade receivables	0.67	1.55
Loan to holding company	143.79	157.08
Provision for employee benefits	1.85	1.39
	589.69	**885.76**
Deferred tax liabilities		
Property, plant and equipment and intangible assets	160.21	161.38
Others	-	0.40
	160.21	**161.78**
Deferred tax assets (net)	**429.48**	**723.98**
Deferred tax assets/(liabilities) recognised*	-	-

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

(All amounts in Rupees millions, unless otherwise stated)

D. Movement in temporary differences

31 March 2024

Particulars	Balance as at 1 April 2023 (A)	Deferred tax on differences generated but not recognised during the year (B)	Balance as at 31 March 2024 (C=A+B)
Deferred tax assets			
Unabsorbed business loss and depreciation	725.74	(282.36)	443.38
Loss allowance for trade receivables	1.55	(0.88)	0.67
Loan to holding company	157.08	(13.29)	143.79
Provision for employee benefits	1.39	0.46	1.85
	885.76	**(296.07)**	**589.69**
Deferred tax liabilities			
Property, plant and equipment and intangible assets	(161.38)	1.17	(160.21)
Others	(0.40)	0.40	-
	(161.78)	**1.57**	**(160.21)**
Net deferred tax asset	**723.98**	**(294.50)**	**429.48**

31 March 2023

Particulars	Balance as at 1 April 2022 (A)	Deferred tax on differences generated but not recognised during the year (B)	Balance as at 31 March 2023 (C=A+B)
Deferred tax assets			
Unabsorbed business loss and depreciation	413.58	312.16	725.74
Disallowance under Section 43B of the Income tax Act, 1961 (for accrued interest)	37.89	(37.89)	-
Loss allowance for trade receivables	0.34	1.21	1.55
Loan to holding company	168.89	(11.81)	157.08
Provision for employee benefits	3.55	(2.16)	1.39
	624.24	**261.52**	**885.76**
Deferred tax liabilities			
Property, plant and equipment and intangible assets	(161.70)	0.33	(161.38)
Non-convertible debentures	(248.23)	248.23	-
Others	(1.99)	1.58	(0.40)
	(411.92)	**250.14**	**(161.78)**
Net deferred tax asset	**212.32**	**511.66**	**723.98**

E. Tax losses carried forward

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

	As at 31 March 2024 Amount	Expiry Date (Financial year)
Business loss	108.51	2028-29
Business loss	1,075.06	2029-30
Business loss	59.78	2030-31
Unabsorbed depreciation	518.20	Never expire

	As at 31 March 2023 Amount	Expiry Date (Financial year)
Business loss	253.91	2028-29
Business loss	1,075.06	2029-30
Business loss	1,036.16	2030-31
Unabsorbed depreciation	518.20	Never expire

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

	As at 31 March 2024	As at 31 March 2023
Capital advances	2.97	2.25
Advances other than capital advances		
Prepaid expenses	0.35	0.37
	3.32	**2.62**

(All amounts in Rupees millions, unless otherwise stated)

		As at 31 March 2024	As at 31 March 2023
10	**Inventories** *(valued at the lower of cost and net realisable value)*		
	Food and beverages	5.35	5.10
		5.35	**5.10**

		As at 31 March 2024	As at 31 March 2023
11	**Current financial assets - Trade receivables** *(Unsecured)*		
	Trade receivables		
	-Considered good	41.56	64.04
	-Credit impaired	1.03	1.49
	Unbilled revenue *		
	-Considered good	14.03	15.33
		56.62	**80.86**
	Less: Loss allowance	(2.67)	(6.15)
		53.95	**74.71**

* Net of advance from customers of INR 3.75 (31 March 2023 - INR 4.24)

a) The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in Note 35
b) For receivables secured against borrowings, refer to Note 17 and Note 19.

Trade receivable ageing schedule

As at 31 March 2024

Particulars	Outstanding for following periods from the date of transaction						
	Unbilled Revenue	**Less than 6 months**	**6 months - 1 year**	**1 - 2 years**	**2 - 3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables – considered good	14.03	38.91	1.21	1.44	-		55.59
(ii) Undisputed Trade receivables – credit impaired	-	-	-	-	0.49	0.54	1.03
Total	**14.03**	**38.91**	**1.21**	**1.44**	**0.49**	**0.54**	**56.62**

As at 31 March 2023

Particulars	Outstanding for following periods from the date of transaction						
	Unbilled Revenue	**Less than 6 months**	**6 months - 1 year**	**1 - 2 years**	**2 - 3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables – considered good	15.33	40.79	18.81	3.19	0.07	1.18	79.37
(ii) Undisputed Trade receivables – credit impaired	-	-	-	0.62	0.19	0.68	1.49
Total	**15.33**	**40.79**	**18.81**	**3.81**	**0.26**	**1.86**	**80.86**

The Company does not have any disputed trade receivables as at 31 March 2024 and 31 March 2023

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(All amounts in Rupees millions, unless otherwise stated)

12 Current financial assets - Cash and cash equivalents

	As at 31 March 2024	As at 31 March 2023
Cash on hand	0.20	0.28
Balances with banks		
- on current accounts	105.37	50.51
	105.57	**50.79**

13 Current financial assets - Others

(Unsecured, considered good)	As at 31 March 2024	As at 31 March 2023
Bank deposits (due to mature within 12 months of the reporting date)	-	50.00
Security deposits	2.37	2.61
Other receivables*	6.61	2.77
	8.98	**55.38**

* Refer Note 34 for related party balances

14 Other current assets

(Unsecured, considered good)	As at 31 March 2024	As at 31 March 2023
Staff advance	0.10	0.14
Advance to suppliers	1.48	2.08
Balance with statutory authorities	5.37	30.91
Prepaid expenses #	9.16	6.90
Other advances	0.18	0.34
	16.29	**40.37**

includes current portion of non-current prepaid expenses amounting to INR 0.35 (31 March 2023 - INR 0.15)

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(All amounts in Rupees millions, unless otherwise stated)

15 Equity share capital

	As at 31 March 2024 Number of shares	Amount	As at 31 March 2023 Number of shares	Amount
Authorised share capital				
Equity shares of INR 10 each	130,000,000	1,300.00	130,000,000	1,300.00
	130,000,000	**1,300.00**	**130,000,000**	**1,300.00**
Issued, subscribed and fully paid up				
Equity shares of INR 10 each	124,780,000	1,247.80	124,780,000	1,247.80
	124,780,000	**1,247.80**	**124,780,000**	**1,247.80**

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

	For the year ended 31 March 2024 Number of shares	Amount	For the year ended 31 March 2023 Number of shares	Amount
Issued, subscribed and fully paid up				
At the beginning of the year	124,780,000	1,247.80	124,780,000	1,247.80
Balance at the end of the year	**124,780,000**	**1,247.80**	**124,780,000**	**1,247.80**

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/ultimate holding company and/ or their subsidiaries/ associates

Name of shareholder	As at 31 March 2024 Number of shares	Amount	As at 31 March 2023 Number of shares	Amount
Equity shares of INR 10 each				
SAMHI Hotels Limited (Holding Company)*	124,780,000	1,247.80	124,780,000	1,247.80

d) Details of shareholders holding more than 5% equity shares

Name of shareholder	As at 31 March 2024 Number of shares	% of holding	As at 31 March 2023 Number of shares	% of holding
Equity shares of INR 10 each				
SAMHI Hotels Limited, Holding Company *	124,780,000	100%	124,780,000	100%

*1 equity share is held by Mr. Gyana Das as a nominee shareholder

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

f) Details of promoters shareholding as at year end

As at 31 March 2024

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

As at 31 March 2023

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

16 Other equity

	As at 31 March 2024	As at 31 March 2023
Capital reserve	32.44	32.44
Retained earnings	(1,842.29)	(2,034.54)
Concessional interest component of loan to holding company	(610.54)	(610.54)
Equity component of non-convertible debentures	806.20	806.20
	(1,614.19)	**(1,806.44)**

a) Retained earnings

	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	(2,034.54)	(1,141.39)
Profit/(Loss) for the year	192.50	(893.16)
Transferred from remeasurement of defined benefit obligation	(0.25)	0.01
Balance at the end of the year	**(1,842.29)**	**(2,034.54)**

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

b) Concessional interest component of loan to holding company

	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	(610.54)	(610.54)
Balance at the end of the year	**(610.54)**	**(610.54)**

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

c) Remeasurement of defined benefit obligation

	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	-	-
Remeasurements of defined benefit liability/asset (net of tax)	(0.25)	0.01
Transferred to retained earnings	0.25	(0.01)
Balance at the end of the year	-	-

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

(All amounts in Rupees millions, unless otherwise stated)

d) Capital reserve	**As at 31 March 2024**	**As at 31 March 2023**
Balance at the beginning of the year	32.44	32.44
Additions made during the year	-	-
Balance at the end of the year	**32.44**	**32.44**

This represents capital reserve recognised on gain on early repayment of loan by holding company

e) Equity component of non-convertible debentures	**As at 31 March 2024**	**As at 31 March 2023**
Balance at the beginning of the year	806.20	863.30
Net gain on fair valuation of equity component of non-convertible debentures	-	(57.10)
Balance at the end of the year	**806.20**	**806.20**

During the financial year ended 31 March 2022, SAMHI JV Business Hotels Private Limited had issued 4,100 unlisted, secured, redeemable, non-convertible debentures of a face value of INR 1,000,000 each on the terms and conditions set out in Debenture Trust Deed (DTD). As per DTD, return on non-convertible debentures was sum of Cash Payment in Kind (PIK) and Convertible PIK. Cash PIK was an amount that would give the debenture holder a return equal to 14.50% p.a. compounded monthly during the term of debentures. Convertible PIK was portion of accrued interest on the non-convertible debentures that was to be converted into equity shares of SAMHI Hotels Limited (Holding Company) in accordance with the SAMHI shares allotment agreement dated 19 January 2022 between SAMHI JV Business Hotels Private Limited, holding company and debenture trustee.

During the year ended 31 March 2023, the non-convertible debentures have been settled where the cash PIK component has been paid and the Convertible PIK component has been converted into 8,202,419 equity shares of the Holding Company. The above equity component balance represents the fair value of the convertible PIK obligation of non-convertible debentures.

SAMHI JV Business Hotels Private Limited
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Notes to the financial statements for the year ended 31 March 2024
(All amounts in Rupees millions, unless otherwise stated)

17 Non-current financial liabilities - Borrowings

	As at 31 March 2024	As at 31 March 2023
a) From banks (secured)		
Term loan	2,011.27	2,708.25
b) From financial institutions (secured)		
Term loan	1,004.02	1,209.94
Less Current maturities of long-term borrowings (Refer Note 19)	(71.10)	(163.04)
Less Interest accrued on borrowings (Refer Note 21)	(1.35)	(7.18)
	2,942.84	**3,747.97**

A. Terms and conditions

(i) Term loans from banks

Particulars	Carrying Amount as on 31 March 2024 (including interest accrued thereon) (INR Millions)	Carrying Amount as on 31 March 2023 (including interest accrued thereon) (INR Millions)	Sanctioned Amount (INR Millions)	Interest rate charged per annum		Repayment Terms	Security details
				As at 31 March 2024	As at 31 March 2023		
CITIBANK, N.A	534.67	2,708.25	2,735.00	3 months T-bill rate + Margin (3.75%) i.e. 10.77%	3 months T-bill rate + Margin (3.75%) i.e. 10.63%	The loan is repayable in 44 structured quarterly installments starting after 12 months from the first disbursement date i.e 27 February 2023 During the current year, loan from Citibank, N.A. was sell-down to below lenders. 1. HDFC Bank Limited INR 554.00 2. Federal Bank Limited INR 888.40 3. IDFC FIRST Bank Limited : INR 343.00	i) First exclusive mortgage on the Assets of borrower and Assets of Co-Borrowers (Barque Hotels Private Limited and Argon Hotels Private Limited), including mortgage over leasehold rights for leased assets ii) Hypothecation on the receivables and Bank accounts iii) 99% of share pledge of the borrowers shares and Non disposal undertaking on the balance un-pledged from SAMHI Hotels Limited iv) Corporate Guarantee of SAMHI Hotels Limited
Federal Bank Limited	734.18	-	888.40	Repo + Margin (3.75%) i.e. 10.25%	-	The loan is repayable in 42 structured quarterly installments starting from 31 March 2024	i) First exclusive mortgage on the Assets of borrower and Assets of Co-Borrowers (Barque Hotels Private Limited and Argon Hotels Private Limited), including mortgage over leasehold rights for leased assets ii) Hypothecation on the receivables and Bank accounts iii) 99% of share pledge of the borrowers shares and Non disposal undertaking on the balance un-pledged from SAMHI Hotels Limited iv) Corporate Guarantee of SAMHI Hotels Limited
HDFC Bank Limited	404.63	-	554.00	3 months T-bill rate + Margin (3.75%) i.e. 10.77%	-	The loan is repayable in 41 structured quarterly installments starting from 31 March 2024	i) First exclusive mortgage on the Assets of borrower and Assets of Co-Borrowers (Barque Hotels Private Limited and Argon Hotels Private Limited), including mortgage over leasehold rights for leased assets ii) Hypothecation on the receivables and Bank accounts iii) 99% of share pledge of the borrowers shares and Non disposal undertaking on the balance un-pledged from SAMHI Hotels Limited iv) Corporate Guarantee of SAMHI Hotels Limited
IDFC FIRST Bank Limited	337.79	-	343.00	Repo + Margin (3.75%) i.e. 10.25%	-	The loan is repayable in 42 structured quarterly installments starting from 31 March 2024	i) First exclusive mortgage on the Assets of borrower and Assets of Co-Borrowers (Barque Hotels Private Limited and Argon Hotels Private Limited), including mortgage over leasehold rights for leased assets ii) Hypothecation on the receivables and Bank accounts iii) 99% of share pledge of the borrowers shares and Non disposal undertaking on the balance un-pledged from SAMHI Hotels Limited iv) Corporate Guarantee of SAMHI Hotels Limited.

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(ii) Term loans from financial institutions

Particulars	Carrying Amount as on (including interest accrued thereon) (INR Millions)	Carrying Amount as on (including interest accrued thereon) (INR Millions)	Sanctioned Amount (INR Millions)	Interest rate charged per annum: As at 31 March 2024	Interest rate charged per annum: As at 31 March 2023	Repayment Terms	Security details
Citicorp Finance (India) Limited ("CFIL")	446 75	1,209 94	1,225 00	3 months T-bill rate + Margin (3.60%) i e 10 62%	3 months T-bill rate + Margin (4 75%) i e 11 63%	The loan is repayable in 44 structured quarterly installments starting after 12 months from the first disbursement date i e 27 February 2023 During the current year, loan from Citicorp Finance (India) Limited was sell-down to below lender 1 Aditya Birla Finance Limited INR 680 00	i) First exclusive mortgage on the Assets of borrower and Assets of Co-Borrowers (Barque Hotels Private Limited and Argon Hotels Private Limited), including mortgage over leasehold rights for leased assets ii) Hypothecation on the receivables and Bank accounts iii) 99% of share pledge of the borrowers shares and Non disposal undertaking on the balance un-pledged from SAMHI Hotels Limited iv) Corporate Guarantee of SAMHI Hotels Limited
Aditya Birla Finance Limited	557.27	-	680.00	3 months T-bill rate + Margin (3 60%) i e 10 62%	-	The loan is repayable in 44 structured quarterly installments starting from 31 March 2024.	i) First exclusive mortgage on the Assets of borrower and Assets of Co-Borrowers (Barque Hotels Private Limited and Argon Hotels Private Limited), including mortgage over leasehold rights for leased assets ii) Hypothecation on the receivables and Bank accounts iii) 99% of share pledge of the borrowers shares and Non disposal undertaking on the balance un-pledged from SAMHI Hotels Limited. iv) Corporate Guarantee of SAMHI Hotels Limited

(iii) During the current year and previous year, the Company did not have any defaults in the repayment of loans and interest Further, there are no breach of loan covenants

(iv) For information about the Company's exposure to interest rate and liquidity risks is included in Refer Note 35

SAMHI JV Business Hotels Private Limited
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Notes to the financial statements for the year ended 31 March 2024
(All amounts in Rupees millions unless otherwise stated)

18 Non current provisions

	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Gratuity (Refer Note 27)	0.68	0.39
Compensated absences (Refer Note 27)	0.82	1.15
	1.50	**1.54**

19 Current financial liabilities - Borrowings

	As at 31 March 2024	As at 31 March 2023
Cash credit and overdraft facilities from bank (secured) *	368.37	371.79
Current maturities of long-term borrowings (Refer Note 17)	71.10	163.04
	439.47	**534.83**

*Includes interest accrued amounting to INR 2.94 (31 March 2023 - INR 3.35)

Cash credit and overdraft facilities from bank

Particulars	Sanctioned Amount (INR Millions)	Interest rate charged per annum 31 March 2024	Interest rate charged per annum 31 March 2023	Repayment Terms	Security details
CITIBANK, N.A	400.00	3 months T-bill rate + Margin (3.75%) i.e. 10.77%	3 months T-bill rate + Margin (3.75%) i.e. 10.63%	Repayable on demand.	i) First exclusive mortgage on the Assets of borrower and Assets of Co-Borrowers (Barque Hotels Private Limited and Argon Hotels Private Limited), including mortgage over leasehold rights for leased assets. ii) Hypothecation on the receivables and Bank accounts. iii) 99% of share pledge of the borrowers shares and Non disposal undertaking on the balance un-pledged from SAMHI Hotels Limited iv) Corporate Guarantee of SAMHI Hotels Limited

20 Current financial liabilities - Trade payables

	As at 31 March 2024	As at 31 March 2023
Trade payables		
- total outstanding dues of micro enterprises and small enterprises (MSME)	8.02	16.85
- total outstanding dues of creditors other than micro enterprises and small enterprises	201.34	206.32
	209.36	**223.17**

a) Refer Note 37 for disclosures under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED).
b) Refer Note 34 for dues to related parties.
c) The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 35.

Trade payables ageing schedule

As at 31 March 2024

Particulars	Outstanding for following periods from due date of transaction					
	Accrued expenses	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	8.02	-	-	-	**8.02**
Others	67.34	134.00	-	-	-	**201.34**
Total	**67.34**	**142.02**	-	-	-	**209.36**

As at 31 March 2023

Particulars	Outstanding for following periods from due date of transaction					
	Accrued expenses	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	16.85	-	-	-	**16.85**
Others	42.67	133.06	13.05	6.26	11.28	**206.32**
Total	**42.67**	**149.91**	**13.05**	**6.26**	**11.28**	**223.17**

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

21 Current financial liabilities - Others

	As at 31 March 2024	As at 31 March 2023
Interest accrued on borrowings (Refer Note 17)	1.35	7.18
Employee related payables	6.15	3.59
Payable for capital assets	1.32	-
Other payables	1.58	-
Security deposits received	0.26	0.26
	10.66	**11.03**

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(All amounts in Rupees millions, unless otherwise stated)

22 Other current liabilities

	As at 31 March 2024	As at 31 March 2023
Advance from customers	3.97	5.69
Statutory dues payable	26.56	26.51
	30.53	**32.20**

23 Current provisions

	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Gratuity (Refer Note 27)	0.28	0.15
Compensated absences (Refer Note 27)	0.64	0.79
	0.92	**0.94**

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(All amounts in Rupees millions, unless otherwise stated)

24 Revenue from operations

	For the year ended 31 March 2024	For the year ended 31 March 2023
Sale of services		
- Room revenue	1,041.79	901.39
- Food and beverage revenue	333.46	271.25
- Recreation and other services	56.34	29.76
	1,431.59	**1,202.40**

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.

	As at 31 March 2024	As at 31 March 2023
Contract liabilities		
Advance from customers	3 97	5 69

The amount of revenue of INR 5.42 (31 March 2023 INR 7.97) recognised in the reporting period was included in advance from customer balance at the beginning of the period.

Trade Receivables	53 95	74 71

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

25 Other income

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income from financial assets at amortised cost		
- bank deposits	3.72	10.96
- on loan to holding company	132.03	223.09
Provisions/liabilities no longer required written back	3.49	5.73
Gain on sale of property, plant and equipment	0.31	-
Net gain on fair valuation of equity component of non-convertible debentures	-	57.10
Interest on income tax refund	-	0.27
Miscellaneous income	4.59	0 98
	144.14	**298.13**

26 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	5.10	4 55
Add · Purchases during the year	87.37	77 44
Inventory at the end of the year	(5.35)	(5.10)
	87.12	**76.89**

27 Employee benefits expense

	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, wages and bonus	122.63	87 23
Contribution to provident fund and other funds (refer 'a' below)	9.28	6.06
Compensated absences (refer 'b' below)	0 58	1.98
Staff welfare expenses	14 16	9.29
	146.65	**104.56**

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 9.28 (31 March 2023 - INR 6 06) Also, Refer Note 32.

b. Compensated absences

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

Particulars	For the year ended 31 March 2024 %	For the year ended 31 March 2023 %
Discounting rate p.a	7.15	7.04
Salary growth rate p.a.	5.50	5.50

c. Defined Benefit Plan

Gratuity

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

(All amounts in Rupees millions, unless otherwise stated)

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:

a) Expense recognised in the Statement of Profit and Loss

Particulars	**For the year ended 31 March 2024**	**For the year ended 31 March 2023**
Current service cost	0.28	0.16
Interest cost	0.04	0.04
Total included in 'Employee benefits expense'	**0.32**	**0.20**

b) Remeasurements recognised directly in other comprehensive income

Particulars	**For the year ended 31 March 2024**	**For the year ended 31 March 2023**
Net actuarial (gain)/loss recognized in the year from:		
- changes in demographic assumptions	-	-
- changes in financial assumptions	-	(0.03)
- changes in experience adjustments	0.25	0.02
Amount recognised in other comprehensive loss/(income)	**0.25**	**(0.01)**

c) Change in present value of benefit obligation

Particulars	**For the year ended 31 March 2024**	**For the year ended 31 March 2023**
Present value of obligation as at the beginning of the year	0.54	0.74
Current service cost	0.28	0.16
Interest cost	0.04	0.04
Remeasurements of defined benefit liability/asset (net of tax)	0.25	(0.01)
Benefits paid	(0.15)	(0.40)
Present value of obligation as at the end of the year	**0.96**	**0.54**

d) Amounts to be recognised 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	0.96	0.54
Funded status	-	-
Net liability recognised in the Balance Sheet	**0.96**	**0.54**
Non-current	0.68	0.39
Current	0.28	0.15

e) The principal assumptions used in determining the gratuity benefit obligation are as given below:

Particulars	**As at 31 March 2024 %**	**As at 31 March 2023 %**
Economic assumptions		
Discounting rate p.a. (i)	7.15	7.04
Salary growth rate p.a. (ii)	5.50	5.50

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

Demographic assumptions	**As at 31 March 2024**	**As at 31 March 2023**
Retirement age (years)	58	58
Withdrawal Rate		
Ages	%	%
Up to 30 years	61	61
From 31 to 44 years	61	61
Above 44 years	61	61
Mortality rate	100% Indian assured lives mortality (2012 - 14)	100% Indian assured lives mortality (2012 - 14)

f) The Company's best estimate of expense for the next year is INR 0.37 (31 March 2023 - INR 0.22)

(All amounts in Rupees millions, unless otherwise stated)

g) Sensitivity analysis

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

	For the year ended 31 March 2024		For the year ended 31 March 2023	
	Increase *	Decrease *	Increase *	Decrease *
Discount rate (0.5% movement)	(0.01)	0.01	(0.01)	0.01
Future salary growth (0.5% movement)	0.01	(0.01)	0.01	(0.01)

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

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

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

Weighted average duration of defined benefit obligation 1.14 years (31 March 2023 1.12 years)
There was no change in the method and assumptions used in prepaing the sensitivity analysis from prior years.

h) Maturity profile of defined benefit obligation

Year	As at 31 March 2024
0 to 1 year	0.28
1 to 2 year	0.26
2 to 3 year	0.13
3 to 4 year	0.06
4 to 5 year	0.02
5 to 6 year	0.01
6 year onwards	0.20
	0.96

Year	As at 31 March 2023
0 to 1 year	0.15
1 to 2 year	0.15
2 to 3 year	0.07
3 to 4 year	0.03
4 to 5 year	0.01
5 to 6 year	0.01
6 year onwards	0.12
	0.54

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28 Finance costs

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest expense on financial liabilities carried at amortised cost		
- Non-convertible debentures	-	1,526.21
- Loans from banks and financial institutions	411.06	43.10
- Loan from Holding Company	13.60	-
- Others	1.60	6.29
Interest expense on delay in deposit of statutory dues	1.22	1.56
Other finance costs	33.08	7.54
	460.56	**1,584.70**

29 Depreciation and amortisation expense

	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation on property, plant and equipment	100.96	106.24
Amortisation of intangible assets	-	1.07
	100.96	**107.31**

30 Other expenses

	For the year ended 31 March 2024	For the year ended 31 March 2023
Repair and maintenance		
- Building	7.63	10.48
- Machinery	17.90	16.23
- Others	4.22	6.94
Advertisement and business promotion	63.16	41.36
Commission	68.97	51.38
Communication	4.48	3.78
Consumption of stores and supplies	28.12	31.62
Contractual labour	24.35	24.46
General administration expenses	7.14	6.37
Insurance	2.58	2.03
Legal and professional charges	133.84	119.27
Loss on foreign exchange fluctuation (net)	4.17	10.15
Management and incentive fees	93.72	78.77
Payment to auditors*	2.78	1.84
Power, fuel and water	57.82	50.03
Loss allowance for trade receivables	-	4.80
Rates and taxes	27.83	23.95
Training expenses	2.57	1.80
Travelling expenses	28.68	26.60
Miscellaneous expenses	7.98	8.37
	587.94	**520.23**

***Payment to auditors**

Statutory audit	2.20	1.75
Reimbursement of expenses	0.58	0.09
	2.78	**1.84**

31 Earnings/(loss) per share (EPS)

Basic EPS is calculated by dividing the profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.
Diluted EPS is calculated by dividing the profit/(loss) for the year attributable to the equity shareholders by weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

	For the year ended 31 March 2024	For the year ended 31 March 2023
Net profit/(loss) attributable to equity shareholders	192.50	(893.16)
Weighted average number of equity shares outstanding during the year for calculation of basic EPS	124,780,000	124,780,000
Weighted average number of equity shares outstanding during the year for calculation of diluted EPS	124,780,000	124,780,000
Nominal value of equity share (INR)	10.00	10.00
Basic earnings/(loss) per share (INR)	1.54	(7.16)
Diluted earnings/(loss) per share (INR)	1.54	(7.16)

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(All amounts in Rupees millions, unless otherwise stated)

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

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

(b) Contingent liabilities

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

b. During the year ended 31 March 2021, the Company had received a notice under Chapter V of the Finance Act, 1994 for the period FY 2014-15 to FY 2017-18 (upto June 2017) on grounds of excess availment of CENVAT credit and short payment of service tax involving an amount of INR 90.93 including interest under Section 75 of the Finance Act, 1994 and equal penalty under Rule 15 of the Cenvat Credit Rules, 2004 and Section 78 of the Finance Act, 1994. In earlier years, the Company had filed a written submission denying all allegations made in the notice before the Commissioner of Goods and Services Tax (Appeals) which was pending for disposal.

Subsequent to 31 March 2024, the Company has received an unfavorable order from Commissioner of Goods and Services Tax (Appeals). In response to such unfavourable order, the Company filed a writ petition with Delhi High Court in this regard.

The management is of the view that based on the merits of the arguments put forward and facts of this case, the outcome is likely to be in the favour of the Company and no provision is required to be created in the books

33 Operating Segments

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

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

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

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

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(All amounts in Rupees millions, unless otherwise stated)

34 Related party disclosures

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

Nature	Name of related party
Holding Company	SAMHI Hotels Limited

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

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

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

Particulars	Holding Company		Fellow Subsidiaries	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Legal and professional charges				
SAMHI Hotels Limited	94.74	83.73	-	-
Interest income from financial assets at amortised cost				
SAMHI Hotels Limited	132.03	223.09	-	-
Loan received from				
SAMHI Hotels Limited	500.00	-	-	-
Repayment of loan (including interest accrued)				
SAMHI Hotels Limited	366.19	-	-	-
Loan received (from SAMHI Hotels Limited) adjusted against loan given by the Company				
SAMHI Hotels Limited	512.24	-	-	-
Interest expense on financial liabilities carried at amortised cost				
SAMHI Hotels Limited	13.60	-	-	-
Reimbursement of expenses (net)				
SAMHI Hotels Limited	6.71	4.94	-	-
CASPIA Hotels Private Limited	-	-	7.87	7.75
SAMHI Hotels (Ahmedabad) Private Limited	-	-	1.64	2.11
Argon Hotels Private Limited	-	-	7.48	9.82
Barque Hotels Private Limited	-	-	0.05	-
Net gain on fair valuation of equity component of non-convertible debentures				
SAMHI Hotels Limited	-	57.10	-	-

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d) Related party balances as at year end

Particulars	Holding Company		Fellow Subsidiaries	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Trade payables				
SAMHI Hotels Limited	118.36	95.36	-	-
SAMHI Hotels (Ahmedabad) Private Limited	-	-	0.10	-
CASPIA Hotels Private Limited	-	-	0.32	-
Loan to holding company (including interest accrued) (refer to Note 5)				
SAMHI Hotels Limited	713.68	1,460.09	-	-
Capital reserve				
SAMHI Hotels Limited	32.44	32.44	-	-
Concessional interest component of loan to holding company				
SAMHI Hotels Limited	610.54	610.54	-	-
Equity component of non-convertible debentures				
SAMHI Hotels Limited	806.20	806.20	-	-
Other receivables				
SAMHI Hotels Limited	-	0.52	-	-
SAMHI Hotels (Ahmedabad) Private Limited	-	-	-	0.36
CASPIA Hotels Private Limited	-	-	-	0.53
Argon Hotels Private Limited	-	-	-	0.10

Note:

(i) Refer Note 17 and Note 19 for the securities/ guarantees provided/ received by the Company on behalf of its related entities for loans obtained from banks and financial institutions

(ii) The Company has provided securities on behalf of following fellow subsidiaries:

Particulars	31 March 2024	31 March 2023
- Barque Hotels Private Limited	3,152.00	3,152.00
- Argon Hotels Private Limited	1,338.00	1,338.00
(Represents the limits sanctioned by banks and financial institutions to fellow subsidiaries on account of the security given by the Company)		

(iii) The transactions with related parties are within the ordinary course of business. Outstanding balances at the year-end are unsecured and settlement occurs in cash

(iv) For the year ended 31 March 2024 and 31 March 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken at each reporting period.

(All amounts in Rupees millions, unless otherwise stated)

35 Financial instruments – Fair values and risk management

A) Financial instruments by category and fair value

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

Particulars	As at 31 March 2024			
	Level of hierarchy	Fair Value Through Profit and Loss (FVTPL)	Fair Value Through Other Comprehensive Income (FVTOCI)	Amortised Cost
Financial assets				
Non-current financial assets - Loans	2	-	-	713.68
Non-current financial assets - Others		-	-	171.79
Current financial assets - Trade receivables		-	-	53.95
Current financial assets - Cash and cash equivalents		-	-	105.57
Current financial assets - Others		-	-	8.98
Total financial assets		-	-	**1,053.97**
Financial liabilities				
Non-current financial liabilities - Borrowings	2	-	-	2,942.84
Current financial liabilities - Borrowings	2	-	-	439.47
Current financial liabilities - Trade payables		-	-	209.36
Current financial liabilities - Others		-	-	10.66
Total financial liabilities		-	-	**3,602.33**

Particulars	As at 31 March 2023			
	Level of hierarchy	Fair Value Through Profit and Loss (FVTPL)	Fair Value Through Other Comprehensive Income (FVTOCI)	Amortised Cost
Financial assets				
Non-current financial assets - Loans	2	-	-	1,460.09
Non-current financial assets - Others		-		42.97
Current financial assets - Trade receivables		-	-	74.71
Current financial assets - Cash and cash equivalents		-	-	50.79
Current financial assets - Others		-		55.38
Total financial assets		-	-	**1,683.94**
Financial liabilities				
Non-current financial liabilities - Borrowings	2	-	-	3,747.97
Current financial liabilities - Borrowings	2	-	-	534.83
Current financial liabilities - Trade payables		-	-	223.17
Current financial liabilities - Others		-	-	11.03
Total financial liabilities		-	-	**4,517.00**

Financial assets and liabilities measured at amortised cost - Fair value measurements	As at 31 March 2024	As at 31 March 2023
Non-current financial assets		
Loans (interest free loan) (Level 2) *	485.47	411.34

* Represents fair value of loan to holding company

Significant unobservable inputs used by the Company to determine fair value of loans (Interest free loan) is discount rate (31 March 2024: 11.50% p.a. and 31 March 2023: 12.15% p.a.)

The fair value of trade receivables, cash and cash equivalents, other current financial assets, current borrowings, current trade payables and other current financial liabilities approximate their carrying amounts, due to their short-term nature.
Interest rates on non-current borrowings (borrowings from bank and financial institution) 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 other non-current financial assets has been disclosed to be same as carrying value as there is no significant difference between carrying value and fair value

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

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

B) Measurement of fair values

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques. There has been no transfer between Level 1, Level 2 and Level 3 for the year ended 31 March 2024 and 31 March 2023

(All amounts in Rupees millions, unless otherwise stated)

C) Financial risk management

Risk management framework

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

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

i. Credit risk

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

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

The Company has given security deposits to various statutory authorities and vendors for securing services from them and rental deposits for employee accommodations. The Company has loan receivable balance outstanding as at year end from its holding company. 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 policies in place to ensure that sales on credit without collateral are made principally to travel agents and corporate companies with an appropriate credit history The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before entering into contract Sales to other customers are made in cash or by credit cards.

The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade receivables The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or legal entity, 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 Company 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 less than 6 months 1.91%, 6 months - 1 year 9.13%, 1 - 2 years 35.68% - 65.37% and more than 2 years: 100%

Reconciliation of loss allowance provision

	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening balance	6.15	1.35
Provision no longer required written back during the year	(3.48)	-
Provision made during the year	-	4.80
Closing balance	**2.67**	**6.15**

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

ii. Liquidity risk

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 of the Company, 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

(a) Exposure to liquidity risk

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

		Contractual cash flows (INR)				
As at 31 March 2024	**Carrying amount**	**Total**	**0-1 year**	**1-2 years**	**2-5 years**	**More than 5 years**
Non - derivative financial liabilities						
Non-current borrowings	2,942.84	2,977.20	-	99.00	673.20	2,205.00
Current borrowings	439.47	439.47	439.47	-	-	-
Current trade payables	209.36	209.36	209.36	-	-	-
Other current financial liabilities	10.66	10.66	10.66	-	-	-
	3,602.33	**3,636.69**	**659.49**	**99.00**	**673.20**	**2,205.00**

		Contractual cash flows (INR)				
As at 31 March 2023	**Carrying amount**	**Total**	**0-1 year**	**1-2 years**	**2-5 years**	**More than 5 years**
Non-derivative financial liabilities						
Non-current borrowings	3,747.97	3,796.96	-	71.10	514.80	3,211.06
Current borrowings	534.83	534.83	534.83	-	-	-
Current trade payables	223.17	224.77	224.77	-	-	-
Other current financial liabilities	11.03	11.03	11.03	-	-	-
	4,517.00	**4,567.59**	**770.63**	**71.10**	**514.80**	**3,211.06**

Also, refer note 41 for disclosures on going concern assumptions.

(b) Financing arrangements

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

	As at 31 March 2024	As at 31 March 2023
Floating rate		
Expiring within one year (bank overdraft and other facilities)	34.51	31.56
	34.51	31.56

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iii. 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.

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 INR in millions
Financial liabilities			
Trade payables	USD	0.25	21.20

31 March 2023	Currency	Amount in foreign currency (in millions)	Amount INR in millions
Financial liabilities			
Trade payables	USD	0.43	35.03

Sensitivity analysis

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

	(Profit)/loss		Equity, net of tax (increase)/decrease	
Effect in INR	**Strengthening**	**Weakening**	**Strengthening**	**Weakening**
31 March 2024				
USD (1% movement)	0.21	(0.21)	0.21	(0.21)
	0.21	**(0.21)**	**0.21**	**(0.21)**

	(Profit)/loss		Equity, net of tax (increase)/decrease	
Effect in INR	**Strengthening**	**Weakening**	**Strengthening**	**Weakening**
31 March 2023				
USD (1% movement)	0.35	(0.35)	0.35	(0.35)
	0.35	**(0.35)**	**0.35**	**(0.35)**

Interest rate risk

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

The Company evaluates the interest rates in the market on a regular basis to explore the option of refinancing of the borrowings of the Company. Moreover, as at 31 March 2024, the Company's borrowings are linked to floating interest rates, thereby resulting in the adjustments of its borrowing costs in line with the market interest.

Exposure to interest rate risk

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

	31 March 2024	31 March 2023
Fixed-rate instruments		
Non-current financial assets - Loan (Refer Note 5)	713.68	1,460.09
Financial assets - bank deposits	165.20	86.99
Variable-rate instruments		
Financial liabilities - Cash credit and overdraft facilities from bank	368.37	371.79
Financial liabilities - Term loans from banks	2,011.27	2,708.25
Financial liabilities - Term loans from financial institutions	1,004.02	1,209.94

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit and loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss. Also, refer Note 35A for fair value disclosure.

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(All amounts in Rupees millions, unless otherwise stated)

Cash flow sensitivity analysis for variable-rate instruments

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

	(Profit)/loss		Equity, net of tax (increase)/decrease	
	100 bps increase	100 bps decrease	100 bps increase	100 bps decrease
As at 31 March 2024				
Financial liabilities	38.60	(38.60)	38.60	(38.60)
	38.60	**(38.60)**	**38.60**	**(38.60)**
As at 31 March 2023				
Financial liabilities	3.92	(3.92)	3.92	(3.92)
	3.92	**(3.92)**	**3.92**	**(3.92)**

36 Capital Management

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

The Board of directors of the Company seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position. The Company monitors capital using loan to value (LTV) method to ensure that the loan to value does not increase beyond 65% on any given reporting date at a company level.

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. Further, there have been no breach of loan covenants.

(All amounts in Rupees millions, unless otherwise stated)

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

	As at 31 March 2024	As at 31 March 2023
Dues to micro, small and medium suppliers		
The amounts remaining unpaid to micro and small suppliers as at the end of the year:		
Principal amount	5.55	15.44
Interest thereon	2.47	1.41
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	2.47	1.41
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.

38 During the current year, SAMHI Hotels Limited (the Holding Company) has charged INR 94.74 (31 March 2023 - INR 83.73) for core business advisory, procurement and other support services. The same is booked as legal and professional expense under the head 'other expenses'

39 New standards and interpretations, not yet adopted

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. As at 31 March 2024, MCA has not notified any new standards or amendments to the accounting standards which are effective from 1 April 2024.

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

Ratio	In times/%	Numerator	Denominator	31 March 2024	31 March 2023	Increase/ decrease %
Current Ratio	In times	Total current assets	Total current liabilities	0.28	0.28	-2%
Debt-Equity Ratio	In times	Total Borrowings	Total equity	(9.23)	(7.67)	20%
Debt Service Coverage Ratio	In times	Earnings before finance cost, depreciation and amortisation and tax	Interest Payments + Principal Repayments	1.26	1.06	19%
Return on Equity Ratio	In %	Profit/(loss) for the year	Average Total equity	NA	NA	NA
Inventory turnover ratio	In times	Cost of goods sold	Average Inventory	NA	NA	NA
Trade Receivables turnover ratio	In times	Revenue from operations	Average Trade Receivables	22.25	20.74	7%
Trade payables turnover ratio	In times	Cost of materials consumed + Other expenses	Average Trade Payables	3.12	2.75	13%
Net capital turnover ratio	In times	Revenue from operations	Average working capital	(2.66)	(4.13)	-36%
Net profit ratio	In %	Profit/(loss) for the year	Revenue from operations	13%	-74%	-118%
Return on Capital employed	In %	Profit/(loss) before finance costs and taxes	Tangible Net Worth + Total Borrowings	NA	NA	NA
Return on investments	In %	Interest (Finance Income)	Investment	NA	NA	NA

Explanations to variance in Ratios:

Net capital turnover ratio	Variance is due to increase in average working capital (negative) in current year as compared to previous year
Net profit ratio	Improved due to improvement in business activity during the year.

The Company has not presented the following ratios due to the reasons given below
(a) Inventory turnover ratio: Since the value of inventory is insignificant as compared to the total assets.
(b) Return on investments: Since the Company invests surplus temporary funds in short term bank deposits and the income generated is insignificant to total turnover
(c) The Company has negative total equity/ capital employed. Therefore, "Return on equity" and "Return on capital employed" ratio cannot be meaningfully computed and hence have not been disclosed in the financial statements

Gurugram

SAMHI JV Business Hotels Private Limited
CIN U55101DL2011PTC214129
Notes to the financial statements for the year ended 31 March 2024
(All amounts in Rupees millions, unless otherwise stated)

41 Going concern

As at 31 March 2024, the Company's current liabilities has exceeded its current assets by INR 500.80. The Company has contractual cash outflows of INR 659.49 (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.

In view of the above, the Management and Board of Directors of the Company have prepared these financial statements on a going concern basis.

42 Other statutory information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
(ii) The Company do not have any transactions with companies struck off.
(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(vii) The Company has not entered any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
(viii) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
(ix) 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.
(x) The Company has used the borrowings from bank and financial institution for the specific purpose for which it was taken.
(xi) The Company has complied with number of layers prescribed under the Companies Act, 2013.
(xii) The Company has not entered into any scheme of arrangement which has an accounting impact on current year or previous financial year.
(xiii) The Company has not revalued its property, plant and equipment or intangible assets or both during current year or previous year.
(xiv) The Company is not required to submit quarterly returns or statements with banks during the current year 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.

As per our report of even date attached

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

Rahul Nayar

Rahul Nayar
Partner
Membership No.: 508605

Place: Gurugram
Date: 29 May 2024

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

Rajat Mehra
Director
DIN: 06813081

Place: Gurugram
Date: 29 May 2024

Tanya Chakravarty
Director
DIN: 08539291

Place: Gurugram
Date: 29 May 2024

Anjana Kumari
Company Secretary
Membership No.: A35561

Place: Gurugram
Date: 29 May 2024