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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of Duet India Hotels (Chennai OMR) Private Limited ("the Company"), which comprise the Balance sheet as at March 31 2021, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the 'Basis for Qualified Opinion' section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the 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 March 31, 2021, its loss, its cash flows for the year ended on that date.

Basis for Qualified Opinion

(a) We draw attention to Note 29 of the financial statements regarding the numerous loan transactions entered by the Company in the earlier years with its group companies. These loan transactions were not in compliance with the provisions of Section 185 of the Companies Act, 2013. The Company has not yet filed application to MCA seeking condonation for the aforesaid non-compliance. In view of uncertainties involved on the maximum penalty amounts of Rs. 25,00,000 under section 185 of the Act on all the loan transactions or per loan transaction, we are unable to comment on the impact, if any, of this matter on the financial statements. This matter was also qualified in our report dated December 11, 2020 on the financial statements for the year ended March 31, 2020.

(b) Attention is invited to Note 36 of the financial statements regarding Company's assessment of recoverability of carrying value of Property, plant & equipment amounting to Rs.754,446,546 and impairment thereupon. The management has not recorded impairment adjustments, if any, required to the carrying value of property plant and equipment as it believes that no reliable estimates can be made in these uncertain times. In the absence of management assessment, we are unable to comment on the necessity or otherwise to provide for an impairment loss in respect of carrying value of property plant & equipment and the consequent impact thereof on statement of profit and loss. This matter was also qualified in our report dated December 11, 2020 on the financial statements for the year ended March 31, 2020.

(c) We draw attention to Note 37 which explains management assessment for a dispute for fees payable in respect to hotel renovation of Rs 12,685,250 with the service provider. In the absence of final settlement with the service provider, we are unable to comment on the accuracy of the amount capitalized under Property, plant & equipment and liability for capital expenditure. This matter was also qualified in our report dated December 11, 2020 on the financial statements for the year ended March 31, 2020.

(d) We draw attention to Note 38 of the financial statements regarding the assignment of loan receivable of Rs. 1,100,000 pertaining to a SARE Group entity by the Company to it's fellow subsidiary without obtaining consent of the relevant SARE Group entity. In the absence of such consent we are unable to obtain sufficient appropriate audit evidence to assess the appropriateness of the above assignment and consequential implication if any on the financial statements including accuracy of the balances of debt payable and loan receivable as at year end and other income of Rs. 11,00,000 recorded in the financial statements pursuant to such assignment of loan balance.

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards 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 qualified audit opinion on the financial statements.

Emphasis of Matter

We draw attention to Note 36 to the accompanying financial statements which describes the uncertainties and the impact of COVID- 19 pandemic on the Company's operations, future cash flows of the company and its consequential impact on the financial statement as assessed by the management. Our opinion is not qualified with respect to this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management for the Financial Statements

The Company's Board of Directors is 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 financial position, financial performance, cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Ruled 2016. 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 the 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, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and except for the matters described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (a) Except for the matters described in the Basis for Qualified Opinion paragraph, 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;

   (b) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   (c) Except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid financial statements comply with the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014;

   (d) The matters described in the Basis for Qualified Opinion paragraph and Emphasis of matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;

   (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;

   (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (h) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2021;

(i) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position;

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

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

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij
Partner
Membership Number: 095169
UDIN: 21095169AAAAEQ4396
Place of Signature: Gurugram
Date: November 08, 2021

Annexure referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Duet India Hotels (Chennai OMR) Private Limited

(i)(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(i)(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(i)(c) According to the information and explanations given by the management and audit procedures performed by us, the title deeds of immovable properties included in property, plant and equipment/ fixed assets are held in the name of the company.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification. There was no inventory lying with third parties.

(iii) According to the information and explanations given to us, the Company has granted unsecured loans to companies covered in the register maintained under section 189 of the Act.

With respect to these unsecured loans:

a) as mentioned in Note 26 of the financial Statements, interest on unsecured loans has been waived off during current year. The Company is engaged in the business of hotel operations and has given loans to fellow subsidiaries who are also engaged in the hotel projects. The Company being an infrastructure facility providing company under section 186 (11) of the Act, has been exempted from charging interest under section 186 (7) of the Act on loans given by the Company. Based on the above, in our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such unsecured loans are prima facie not prejudicial to the interest of the Company's interest.

b) according to the information and explanation given to us, repayment schedule of unsecured loans as mentioned in Note 26 of the financial statement has not been stipulated and is repayable as per the mutual consent between both the parties. Accordingly, we are unable to specifically comment on the regularly of repayment of unsecured loan; and

c) according to the information and explanations given to us, repayment schedule of unsecured loans has not been stipulated, therefore, there are no overdue amounts in respect to such loans as these are repayable as per the mutual consent between both the parties.

(iv) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no loans, investments, guarantees, and securities granted/ obtained by the Company which are not in compliance with the section 185 and 186 of the Companies Act 2013, except for the loans granted to/obtained from and guarantees received from certain parties up to March 31, 2018 which are not in compliance with section 185 of the Companies Act as mentioned in Note 26 of financial statements and para (a) of 'Basis for Qualified Opinion' in our audit report. In respect of loans granted by the Company, the maximum amount outstanding during the year amounts to Rs. 12,440,000 and the amount outstanding as at the year-end amounts to Rs. 12,440,000.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, for the services of the Company.

(vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

(vii)(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(vii)(c) According to the information and explanations given to us, there are no dues of income tax, goods and service tax and cess which have not been deposited on account of any dispute.

(viii) According to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution or dues to debenture holders. The Company did not have any outstanding loans or borrowing dues in respect of a bank or to government during the year.

(ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments. Further, in our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management and audit procedures performed by us, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) in so far as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.

(xiv) According to the information and explanations given by the management and audit procedures performed by us, the Company has complied with provisions of section 42 of the Companies Act, 2013 in respect of the preferential allotment fully convertible debentures during the year. According to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised.

(xv) According to the information and explanations given by the management and audit procedures performed by us, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij
Partner
Membership Number: 095169
UDIN: 21095169AAAAEQ4396
Place of Signature: Gurugram
Date: November 08, 2021

Annexure 2 to the Independent Auditor's Report of even date on the Duet India Hotels (Chennai OMR) Private Limited (the Company)

Report on the Internal Financial Controls under Clause (h) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Duet India Hotels (Chennai OMR) Private Limited ("the Company") as of March 31, 2021, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 ("ICAI") . 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 the 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 these financial statements was established and maintained and if such controls operated effectively in all material respects.

An 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 these 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 audit opinion on the Company's internal financial controls with reference to these 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 control with reference to financial statements includes 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 control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at 31 March 2021:

(a) The Company's internal financial controls over compliance with the provisions of section 185 of the Companies Act, 2013 ("the Act) were not operating effectively in respect to the loan transactions entered with the group companies during the earlier year's and condonation for non-compliance with the provision of the Act was not filed with the MCA (refer note 29 of the financial statements). This could potentially result in levy of penalty by MCA on the Company. This matter was also qualified in our report dated December 11, 2020 on the financial statements for the year ended March 31, 2020.

(b) The Company did not have an appropriate internal control system used for determining the valuation of carrying value of its property, plant and equipment (refer note 36 of the financial statements). This could potentially result in the Company not recognising provision for impairment, if any, that may be required in respect of the carrying value of these property, plant and equipment as at March 31, 2021. This matter was also qualified in our report dated December 11, 2020 on the financial statements for the year ended March 31, 2020.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, 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.

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting as at March 31, 2021 and except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting 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.

Explanatory paragraph

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, financial statements of the Company, which comprise the Balance Sheet as at March 31, 2021, and the related Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. This material weakness was considered in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2021 financial statements of the Company and this report affect our report dated November 08, 2021, which expressed a qualified opinion on those financial statements.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij
Partner
Membership Number: 095169
UDIN: 21095169AAAAEQ4396
Place of Signature: Gurugram
Date: November 08, 2021

Duet India Hotels (Chennai OMR) Private Limited
Balance Sheet as at March 31, 2021
(All amounts in Indian Rupees, unless otherwise stated)

	Notes	As at March 31, 2021	As at March 31, 2020
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	44,554,730	44,554,730
Reserves and surplus	4	(352,611,973)	(243,590,743)
		(308,057,243)	**(199,036,013)**
Non-current liabilities			
Long-term borrowings	5	1,073,603,571	860,528,500
Deferred tax liabilities (Net)	6	-	-
Long-term provisions	7	1,330,269	1,484,293
		1,074,933,840	**862,012,793**
Current liabilities			
Trade payables	8		
a) Total outstanding dues of micro enterprises and small enterprises		-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		24,806,212	23,060,702
Other current liabilities	9	25,846,129	179,694,172
Short-term provisions	7	94,204	117,882
		50,746,545	**202,872,756**
TOTAL		**817,623,142**	**865,849,536**
ASSETS			
Non-current assets			
Plant, Property and Equipment			
Tangible assets	10	751,676,044	788,097,334
Intangible assets	11	2,770,502	3,940,980
Long-term loans and advances	12	5,695,059	6,070,084
Other non-current assets	13	36,531,745	43,252,139
		796,673,350	**841,360,537**
Current assets			
Inventories	14	166,362	525,608
Trade receivables	15	1,916,959	4,760,574
Cash and bank balances	16	3,199,172	3,772,632
Short-term loans and advances	17	13,528,037	12,604,620
Other current assets	13	2,139,262	2,825,565
		20,949,792	**24,488,999**
TOTAL		**817,623,142**	**865,849,536**
Significant accounting policies	2		

The notes referred to above form an integral part of the financial statements.

As per our report of even date.

For S.R. Batliboi & Co. LLP
Firm Registration No.: 301003E/E300005
Chartered Accountants

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

per Sanjay Vij
Partner
Membership No. 095169

Place: Gurugram
Date: November 08, 2021

Sudhir Gupta
Director
DIN: 03102047

Place: Gurugram
Date: November 08, 2021

Rahul N. Latta
Director
DIN: 07886515

Place: Gurugram
Date: November 08, 2021

Duet India Hotels (Chennai OMR) Private Limited
Statement of Profit and Loss for the year ended March 31, 2021
(All amounts in Indian Rupees, unless otherwise stated)

	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue			
Revenue from operations	**18**	38,959,846	33,510,648
Other income	**19**	3,298,319	8,576,672
Total revenue (i)		**42,258,165**	**42,087,320**
Expenses			
Cost of materials consumed	**20**	4,751,141	2,713,110
Employee benefits expense	**21**	13,133,621	29,246,937
Depreciation and amortisation expense	**22**	38,493,054	44,771,090
Finance costs	**23**	59,563,256	68,721,527
Other expenses	**24**	35,338,323	76,209,437
Total expenses (ii)		**151,279,395**	**221,662,101**
Loss for the year before tax (iii) = (i-ii)		**(109,021,230)**	**(179,574,781)**
Tax expense (iv)			
- Current tax		-	-
Loss for the year after tax (v) - (iii-iv)		**(109,021,230)**	**(179,574,781)**
Earnings per equity share			
[Nominal value of share Rs. 10 (previous year Rs. 10)]	**25**		
Basic		(24.47)	(40.30)
Diluted		(24.47)	(40.30)
Significant accounting policies	**2**		

The notes referred to above form an integral part of the financial statements.

As per our report of even date.

For S.R. Batliboi & Co. LLP
Firm Registration No.: 301003E/E300005
Chartered Accountants

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

per Sanjay Vij
Partner
Membership No. 095169

Place: Gurugram
Date: November 08, 2021

Sudhir Gupta
Director
DIN: 03102047

Place: Gurugram
Date: November 08, 2021

Rahul N. Latta
Director
DIN: 07886515

Place: Gurugram
Date: November 08, 2021

Duet India Hotels (Chennai OMR) Private Limited
Cash flow statement for the year ended March 31, 2021
(All amounts in Indian Rupees, unless otherwise stated)

	For the year ended March 31, 2021	For the year ended March 31, 2020
A. Cash flows from operating activities		
Net profit/(loss) before taxes	(109,021,230)	(179,574,781)
Adjustments:		
Interest income on fixed deposit	(2,065,590)	(2,645,148)
Depreciation and amortisation	38,493,054	44,771,090
Liabilities and provisions no longer required written back	(1,100,000)	(5,675,370)
Net loss on disposal of fixed assets	-	28,392,919
Provision for doubtful other receivables	169,845	326,366
Finance costs	59,563,256	68,665,087
Operating cash flow before working capital changes	**(13,960,665)**	**(45,739,837)**
(Increase)/decrease in Inventories	359,246	(525,608)
(Increase)/decrease in trade receivables	2,673,770	(3,293,838)
(Increase)/decrease in loans and advances	(153,633)	(2,409,361)
(Increase)/decrease in other current assets	562,125	(1,167,132)
Increase/(decrease) in other current liabilities	437,566	7,955,987
Increase/(decrease) in trade payables	1,745,510	20,690,773
Increase/(decrease) in provisions	(177,702)	1,063,540
	5,446,882	**22,314,361**
Cash generated from operating activities before taxes	**(8,513,783)**	**(23,425,476)**
Income taxes (paid)/ refund received	(394,759)	677,122
Net cash used by operating activities (A)	**(8,908,542)**	**(22,748,354)**
B. Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(2,368,348)	(82,969,480)
Redemption/(Investment) in bank deposits	6,265,982	3,802,914
Interest received	2,189,768	2,645,148
Intercompany loan given	-	(1,700,000)
Intercompany loans received back	-	4,400,000
Net cash provided/ (used) by investing activities (B)	**6,087,402**	**(73,821,418)**
C. Cash flows from financing activities		
Proceeds from issue of debentures	165,571,400	259,343,850
Re-payment of long term borrowings	(109,068,118)	-
Intercompany loan taken	14,169,717	67,400,000
Repayment of Intercompany loan taken	(38,711,142)	(161,082,959)
Interest paid	(29,408,197)	(67,896,080)
Net cash provided by financing activities (C)	**2,553,660**	**97,764,811**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(267,480)	1,195,039
Cash and cash equivalents at the beginning of the year	3,466,652	2,271,613
Cash and cash equivalents at the end of the year (refer notes below)	**3,199,172**	**3,466,652**

Notes to cash flow statement:

1. Components of cash and bank balances	As at March 31, 2021	As at March 31, 2020
(A) Cash and Cash Equivalents		
Cash on hand	112,721	195,129
Balance with banks on current account	3,086,451	3,271,523
	3,199,172	**3,466,652**
(B) Other bank balances		
Bank deposits (due to mature within 12 months from the reporting date)	-	305,980
Total (A+B)	**3,199,172**	**3,772,632**

2. The cash flow statement has been prepared with the "Indirect Method" as set out in the Accounting Standard (AS) - 3 on "Cash flow Statements".

As per our report of even date.

For S.R. Batliboi & Co. LLP
Firm Registration No.: 301003E/E300005
Chartered Accountants

per Sanjay Vij
Partner
Membership No. 095169

Place: Gurugram
Date: November 08, 2021

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

Sudhir Gupta
Director
DIN: 03102047

Place: Gurugram
Date: November 08, 2021

Rahul N. Latta
Director
DIN: 07886515

Place: Gurugram
Date: November 08, 2021

1 Company overview

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

2 Basis of preparation of financial statements

The financial statements of the Company have been prepared and presented in accordance with the generally accepted accounting principles in India (Indian GAAP) and to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

2.1 Summary of significant accounting policies

a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make judgements, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amount of assets of liabilities in future periods.

b) Going concern assumption

The Company has incurred a loss of Rs. 109,021,230 during the current year and has accumulated losses of Rs. 660,995,083 at the year end resulting in fully erosion of net worth of the Company. Further, as at the year end, the Company's current liabilities exceed its current assets by Rs. 29,796,753. Asiya Capital investment Kuwait, the ultimate holding company has undertaken to provide unconditional continued financial and operational support to the Company. Management believes that the continued financial and operational support from the ultimate holding company and operational efficiencies with the expected significant improvements in the average room rates and increase in demand leading to incremental increase in top line and bottom line will enable the Company to settle its obligations as they fall due. Further, during the year, the Company updated its loan arrangement with L&T Infrastructure Finance Company Limited (L&T Infra), made prepayment of loan amounting to Rs. 118,548,763 to be utilised towards payment of upcoming principal repayments upto March 31, 2025 and accordingly the rate of interest has been reduced by L&T Infra from 12.45% to 9.95%. In view of the aforesaid the management believes that that there is no material uncertainty on going concern assumptions of the Company and has continued to prepare these financials statement on a going concern basis.

c) Current and non-current classification

All assets and liabilities are classified into current and non-current.

Assets
An asset is treated as current when it is:

(a) expected to be realised in, or is intended for sale or consumption in normal operating cycle;
(b) it is held primarily for the purpose of being traded;
(c) expected to be realised within 12 months after the reporting date, or
(d) cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities
A liability is treated as current when:

(a) it is expected to be settled normal operating cycle;
(b) it is held primarily for the purpose of being traded;
(c) it is due to be settled within 12 months after the reporting date; or
(d) there is No unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

Deferred tax assets and liabilities are classified as non-current assets and non-current liabiilites.

d) Property, plant and equipment and depreciation

Property, plant and equipment

Property, plant and equipment are carried at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures related to an item of property, plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. All other repair and maintenance cost are recognized in profit and loss as incurred.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized

The company identifies and determines cost of component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining life.

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management The Company has used the following useful life to provide depreciation on its fixed assets

Block of Asset	Estimated life (Years)
Building*	5-60
Plant and Machinery*	5-15
Furniture and Fixture	8
Computers and Server*	3-6

* 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 for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Depreciation on additions/deletions is provided on pro-rata basis with reference to the days of addition/deletion.

The residual values, useful lives and methods of depreciation of fixed assets are reviewed at each financial year end and adjusted prospectively, if appropriate. In case of a revision, the unamortized depreciable amount is charged over the remaining useful life.

Capital work-in-progress

Capital work-in-progress includes property, plant and equipment under construction and cost attributable to construction of assets not ready for intended use before the year-end.

e) Intangible assets

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 any accumulated amortisation and any accumulated impairment loss.

Intangible assets includes computer software that are amortised in Statement of Profit and Loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset. Accordingly, at present, these are being amortised on straight line basis over a useful life of 4 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. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use and disposal.

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 statement of profit and loss when the asset is derecognized.

f) Borrowing cost

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to acquisition and/or construction of those property, plant and equipment which necessarily take a substantial period of time to get ready for their intended use are capitalised.

Ancillary cost incurred in connection with arrangement of the borrowing are charged off to statement of profit and loss over the period of loan.
All other borrowing costs are recognised as an expense in the Statement of Profit and Loss in the period in which they are incurred.

g) Impairment

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

h) Cash and cash equivalents

Cash and cash equivalents comprises cheques on hand, cash in hand, at bank and demand deposit with banks. Cash equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value.

i) Revenue Recognition

Revenue comprises of room rentals, sale of food and beverages and other allied services related to hotel operations. Revenue is recognised upon rendering of services and sale of food and beverages. The Company collects service tax, value added tax (VAT) and luxury tax (now collectively subsumed into GST w.e.f. July 1, 2017) on behalf of the government, and therefore, these are not economic benefits flowing to the Company.

Interest
Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Insurance Claim

j) Foreign currency translations:

Foreign currency transactions and balances

Initial Recognition
Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion
Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange Differences
Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in special purpose financial statements, are recognized as income or as expenses in the year in which they arise.

k) Income Taxes

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period and reversal of timing differences of previous years). Income-tax expense is recognised in Statement of Profit and Loss except that tax expense related to items recognised directly in reserves is also recognized in those reserves.

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

Minimum alternate tax
MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

l) Employee benefits

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

Post-employment benefits

(a) Defined contribution plans
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.

(b) Defined benefit plans
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 Projected Unit Credit Method, which recognizes each period of service as giving rise to 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, is based on the market yields on government securities as at the balance sheet date, having maturity period approximating to the terms of related obligations. Actuarial gains and losses on the curtailment and settlement of any defined benefit plans are recognised in the Statement of Profit and Loss as and when the curtailment and settlement occurs.

Compensated absences
The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise 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 utilised 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.

m) Provisions and contingency

A provision is recognised if, as a result of a past event, the Company has a present obligation as a result of past event; it is probable that an outflow of economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Provision for expenditure relating to voluntary retirement is made when the employee accepts the offer of early retirement.

Contingencies

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognized when it is probable that a liability has been incurred, and the amount can be estimated reliably.

n) Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

o) Earnings per share

Basic earnings/ (loss) per equity share have been computed by dividing net loss after tax attributable to equity shareholders by the weighted average number of equity shares outstanding for the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

Diluted earnings per share is computed using the weighted average number of equity and equivalent dilutive equity equivalent shares outstanding during the year, except where results would be anti-dilutive.

(All amounts in Indian Rupees, unless otherwise stated)

		As at March 31, 2021	As at March 31, 2020
3	**Share capital**		
	Authorised		
	4,990,000 (previous year 4,990,000) Equity shares of Rs. 10 each	49,900,000	49,900,000
		49,900,000	**49,900,000**
	Issued, subscribed and paid up		
	4,455,473 (previous year 4,455,473) Equity shares of Rs.10 each.	44,554,730	44,554,730
		44,554,730	**44,554,730**

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

	As at March 31, 2021		As at March 31, 2020	
Equity shares	**Number of**	**Amount**	**Number of shares**	**Amount**
At the commencement and end of the year	4,455,473	44,554,730	4,455,473	44,554,730

Rights, preferences and restrictions attached to equity shares

The Company has single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in company's residual assets. The equity shares are entitled to receive dividend as and when declared. The voting rights of an equity shareholder are in proportion to the paid-up equity capital of the Company. On winding up of the company, the holders of equity shares will be entitled to receive the residual assets of the Company remaining after distribution of all preferential amounts in proportion to the number of equity shares held. During the year ended March 31, 2021 and March 31, 2020, the Company has not declared any dividend to equity shareholders.

3 (b) Shares held by ultimate holding company/ holding company and their subsidiaries/ associates

	As at March 31, 2021		As at March 31, 2020	
	Number of	**Amount**	**Number of shares**	**Amount**
ACIC Mauritius 1, the holding company	3,386,159	33,861,590	3,386,159	33,861,590
ACIC Mauritius 2	1,069,314	10,693,140	1,069,314	10,693,140
	4,455,473	**44,554,730**	**4,455,473**	**44,554,730**

3 (c) Details of shareholders holding more than 5% shares of the Company

	As at March 31, 2021		As at March 31, 2020	
	Number of shares	**% holding in the class**	**Number of shares**	**% holding in the class**
Equity shares of Rs. 10 each fully paid up held by				
ACIC Mauritius 1, the holding company	3,386,159	76.00%	3,386,159	76.00%
ACIC Mauritius 2	1,069,314	24.00%	1,069,314	24.00%
	4,455,473	**100%**	**4,455,473**	**100%**

		As at March 31, 2021	As at March 31, 2020
4	**Reserves and surplus**		
	Securities premium		
	At the commencement and end of the year	**308,383,110**	**308,383,110**
	Surplus/ (deficit) in the statement of profit and loss		
	At the commencement of the year	(551,973,853)	(372,399,072)
	Surplus/(deficit) in the statement of profit and loss	(109,021,230)	(179,574,781)
	Balance at the end of the year	**(660,995,083)**	**(551,973,853)**
	Total	**(352,611,973)**	**(243,590,743)**

(All amounts in Indian Rupees, unless otherwise stated)

		Non-current		Current (#)	
5	**Long-term borrowings**	**As at March 31, 2021**	**As at March 31, 2020**	**As at March 31, 2021**	**As at March 31, 2020**
	Fully Compulsory Convertible Debentures (FCCD) issued to Holding Company - ACIC Mauritius 1				
	5,437,204 (Previous year 5,437,204) of Rs.10 each (unsecured)^	54,372,040	54,372,040	-	-
	8,640,737 (Previous year 8,640,737) of Rs.10 each (unsecured)^^	86,407,370	86,407,370	-	-
	16,791,840 (Previous year 16,791,840) of Rs.10 each (unsecured)^^^	167,918,400	167,918,400	-	-
	5,147,736 (Previous year 5,147,736) of Rs.10 each (unsecured)^^^	51,477,360	51,477,360	-	-
	1,202,410 (Previous year 1,202,410) of Rs.10 each (unsecured)^^^	12,024,100	12,024,100	-	-
	1,904,274 (Previous year 1,904,274) of Rs.10 each (unsecured)^^^	19,042,740	19,042,740	-	-
	888,125 (Previous year 888,125) of Rs.10 each (unsecured)^^^	8,881,250	8,881,250	-	-
	15,680,400 (Previous year NIL) of Rs.10 each (unsecured)^^^^	156,804,000	-	-	-
	876,740 (Previous year NIL) of Rs.10 each (unsecured)^^^^	8,767,400	-	-	-
	Term loan from financial institution (secured)*	471,940,773	436,706,819	-	109,135,681
	Intercompany loan from related parties (unsecured)**	35,968,138	23,698,421	-	37,911,142
		1,073,603,571	**860,528,500**	-	147,046,823

^ FCCD of Rs. 10 each having a coupon rate of SBI base rate plus 300 base points per annum were allotted to Asiya Asset Management Cayman Ltd. Each debenture holder will get 1 equity share of Rs. 63 each in place of 6.3 debentures on maturity before 10 years from the date of issue.These FCCD’s do not carry any interest till the repayment of term loans from the banks and financial institution and accordingly no interest is accrued on these FCCD's till March 31, 2021.

^^ FCCD of Rs. 10 each having a coupon rate of SBI Base rate plus 300 basis points per annum were allotted on October 22, 2018, November 22,2018, December 31, 2018, February 5, 2019 and March 1, 2019. Each debenture holder will get 1 equity share of Rs 10 each in place of 6.2 FCCD on or before maturity. These FCCD’s do not carry any interest till the repayment of term loans from the banks and financial institution and accordingly no interest is accrued on these FCCD's till March 31, 2021.

^^^ FCCD of Rs. 10 each having a coupon rate of SBI Base rate plus 300 basis points per annum were allotted on May 13, 2019, June 28, 2019, October 1, 2019, December 20, 2019 and February 3, 2020. Each debenture holder will get 1 equity share of Rs 10 each in place of 6.2 FCCD on or before maturity. These FCCD’s do not carry any interest till the repayment of term loans from the banks and financial institution and accordingly no interest is accrued on these FCCD's till March 31, 2021.

^^^^ FCCD of Rs. 10 each having a coupon rate of SBI Base rate plus 300 basis points per annum were allotted on October 01, 2020 and November 18, 2020. Each debenture holder will get 1 equity share of Rs 10 each in place of 6.2 FCCD's on or before maturity. These FCCD’s do not carry any interest till the repayment of term loans from the banks and financial institution and accordingly no interest is accrued on these FCCD's till March 31, 2021.

* The loan carries interest at 9.95% (previous year 12.45%) per annum linked to L&T Infra PLR (floating) with monthly rests and is repayable in 40 quarterly instalments after a moratorium period of 24 months from the date of first disbursement i.e July 7, 2018. During the current year, the Company updated its loan arrangement with L&T Infrastructure Finance Company Limited (L&T Infra), made prepayment of loan amounting to Rs. 118,548,763 to be utilised towards payment of upcoming principal repayments upto March 31, 2025, which improved the credit rating of the Company and accordingly the rate of interest has been reduced by L&T Infra from 12.45% to 9.95%. The term loan is secured by mortgage on all immovable properties together with all buildings, structures and appurtenances thereon and thereunder, both present and future; charge by way of hypothecation on all the movable assets of the Company, including but not limited to cash flows, receivables, movable machinery, machinery spares, tools, equipment(s) and accessories, both present and future; Pledge by the Promoter(s) of 100% of the fully paid up share capital of the Company /100% of CCCPS/FCCD's, in demat form; and pledge/charge on investments, if any, in demat form, of the Company

** The Company has taken intercompany loans from related parties at an interest rate of 14% p.a (previous year 14% p.a). These loans are repayable as per the mutual consent between both the parties. Interest on intercompany loan received has been waived off as per mutual consent and accordingly no interest is accrued on these loan transactions from FY 2016-17 till FY 2020-21 (refer note 26).

Amount disclosed under "other current liabilities" (refer note 9).

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(All amounts in Indian Rupees, unless otherwise stated)

		As at March 31, 2021	As at March 31, 2020
6	**Deferred tax liabilities (Net)**		
	Deferred tax liabilities		
	Difference between net book value and written down value of property, plant and equipment as per Income Tax Act, 1961	49,659,598	45,378,456
		49,659,598	**45,378,456**
	Deferred tax assets		
	Provision for employee benefits		
	-Gratuity	136,949	107,645
	-Compensated absences	229,852	304,915
	Brought forward business losses and unabsorbed depreciation*	49,292,797	44,965,896
		49,659,598	**45,378,456**
	Deferred tax asset/ liability (Net)	**-**	**-**

*In view of absence of virtual certainty of realization of unabsorbed tax losses, deferred tax asset has been recognized only to the extent of deferred tax liabilities.

		Non-current		Current	
		As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
7	**Provisions**				
	Provision for employee benefits				
	Gratuity (refer note 28)	531,075	413,464	767	4,574
	Compensated absences	799,194	1,070,829	93,437	113,308
		1,330,269	**1,484,293**	**94,204**	**117,882**

		As at March 31, 2021	As at March 31, 2020
8	**Trade payables**		
	a) Total outstanding dues of micro enterprises and small enterprises (refer note 27)	-	-
	b) Total outstanding dues of creditors other than micro enterprises and small enterprises	24,806,212	23,060,702
		24,806,212	**23,060,702**
9	**Other current liabilities**		
	Current maturity of long term borrowings (refer note 5)	-	109,135,681
	Current maturity of Intercompany loan from related parties (unsecured) (refer note 5)	-	37,911,142
	Interest payable on term loan***	-	5,771,724
	Statutory dues	4,251,658	2,086,245
	Liability for capital expenditure	17,766,891	19,233,953
	Interest free security deposit	-	450,000
	Employee related payables	1,317,340	2,468,722
	Advance from customers	10,240	136,705
	Others (refer note 29)	2,500,000	2,500,000
		25,846,129	**179,694,172**

*** During the previous year, as per RBI circular dated March 27, 2020, all commercial banks, co-operative banks, Financial Institutions, and NBFCs are permitted to grant a moratorium of three months on payment of all instalments falling due between March 1, 2020 and May 31, 2020. Further on May 23, 2020, The Government of India has extended moratorium period till August 31, 2020. As per the guidelines issued the Company has opted for moratorium on payment of interest to L&T Infrastructure Finance Co. Ltd.

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Duet India Hotels (Chennai OMR) Private Limited
Notes to the financial statements for the year ended 31 March 2021
(All amounts in Indian Rupees, unless otherwise stated)

10. Property, Plant and Equipment

a. Tangible Assets	**Freehold land**	**Building**	**Plant and Machinery**	**Furniture and Fixtures**	**Computer**	**Total**
Gross block						
Balance as at March 31, 2019	141,602,485	436,415,764	222,459,285	68,014,552	20,006,763	888,498,849
Additions during the year	-	31,929,377	11,192,570	40,827,564	7,176,305	91,125,816
Disposals during the year	-	(6,523,867)	(16,666,030)	(23,846,380)	(1,679,496)	(48,715,773)
Balance as at March 31, 2020	**141,602,485**	**461,821,274**	**216,985,825**	**84,995,736**	**25,503,572**	**930,908,892**
Balance as at March 31, 2020	141,602,485	461,821,274	216,985,825	84,995,736	25,503,572	930,908,892
Additions during the year	-	62,826	170,529	655,041	12,890	901,286
Disposals during the year	-	-	-	-	-	-
Balance as at March 31, 2021	**141,602,485**	**461,884,100**	**217,156,354**	**85,650,777**	**25,516,462**	**931,810,178**
Depreciation						
Balance as at March 31, 2019	-	31,869,020	52,535,877	23,163,871	11,535,292	119,104,060
Depreciation for the year	-	11,087,682	18,198,058	11,030,725	3,713,887	44,030,352
Disposals for the year	-	(490,407)	(6,570,430)	(12,318,700)	(943,317)	(20,322,854)
Balance as at March 31, 2020	**-**	**42,466,295**	**64,163,505**	**21,875,896**	**14,305,862**	**142,811,558**
Balance as at March 31, 2020	-	42,466,295	64,163,505	21,875,896	14,305,862	142,811,558
Depreciation for the year	-	11,082,507	15,566,828	6,933,859	3,739,382	37,322,576
Disposals for the year	-	-	-	-	-	-
Balance as at March 31, 2021	**-**	**53,548,802**	**79,730,333**	**28,809,755**	**18,045,244**	**180,134,134**
Net Block						
Balance as at March 31, 2021	141,602,485	408,335,298	137,426,021	56,841,022	7,471,218	751,676,044
Balance as at March 31, 2020	141,602,485	419,354,979	152,822,320	63,119,840	11,197,710	788,097,334

(All amounts in Indian Rupees, unless otherwise stated)

11. Intangible assets

	Computer software	Total
Gross block		
Balance as at March 31, 2019	3,996,214	3,996,214
Additions	4,681,718	4,681,718
Disposals	(3,996,214)	(3,996,214)
Balance as at March 31, 2020	**4,681,718**	**4,681,718**
Balance as at March 31, 2020	4,681,718	4,681,718
Additions	-	-
Disposals	-	-
Balance as at March 31, 2021	**4,681,718**	**4,681,718**
Amortisation		
Balance as at March 31, 2019	3,996,214	3,996,214
Amortisation for the year	740,738	740,738
Disposals for the year	(3,996,214)	(3,996,214)
Balance as at March 31, 2020	**740,738**	**740,738**
Balance as at March 31, 2020	740,738	740,738
Amortisation for the year	1,170,478	1,170,478
Disposals for the year	-	-
Balance as at March 31, 2021	**1,911,216**	**1,911,216**
Net Block		
As at March 31, 2021	2,770,502	2,770,502
As at March 31, 2020	3,940,980	3,940,980

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(All amounts in Indian Rupees, unless otherwise stated)

12 Long term loans and advances
(unsecured considered good, unless otherwise stated)

	As at March 31, 2021	As at March 31, 2020
To parties other than related parties		
Intercompany loan to other parties (unsecured)*	12,440,000	12,440,000
Less: provision for doubtful loans	(12,440,000)	(12,440,000)
	-	-
Advance tax [net of provision for tax Rs. Nil (previous year Rs. nil)]	844,279	449,520
Capital advances	2,349,299	2,349,299
Security deposits	2,501,481	3,173,217
Prepaid expenses	-	98,048
	5,695,059	**6,070,084**

* The Company has given Intercompany loan to other parties at an interest rate of 14% p.a. (previous year 14% p.a.) This loan is repayable on demand.Interest on intercompany loan given has been waived off as per mutual consent and accordingly no interest is accrued on these loan transactions from FY 2016-17 till FY 2020-21 (refer note 26).

13 Other assets
(unsecured considered good, unless otherwise stated)

	Non Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Interest accrued on intercompany loan to related parties (refer note 26)	-	-	712,606	712,606
Interest accrued on fixed deposits	-	-	68,233	192,411
Unbilled revenue	-	-	598,031	1,160,156
Unamortised ancillary borrowing costs	6,083,123	6,843,515	760,392	760,392
Bank deposits (due to mature after 12 months from the reporting date)**	30,448,622	36,408,624	-	-
	36,531,745	**43,252,139**	**2,139,262**	**2,825,565**

** These deposits includes Rs. 30,448,622 (previous year Rs.36,408,624) which are not available for use by the Company as the same has been placed as fixed deposits for the stipulated cash margin against bank guarantees issued towards The Director General of Foreign Trade and certain fixed deposits are in Debt Service Reserve Account.

14 Inventories
(Valued at the lower of cost and net realisable value)

	As at March 31, 2021	As at March 31, 2020
Food and beverages	163,120	468,127
Stores and operating supplies	3,242	57,481
	166,362	**525,608**

15 Trade receivables
(unsecured considered good, unless stated otherwise)

(a) Receivables outstanding for a period exceeding six months from the date they became due for payment		
Unsecured, considered good	1,365,993	1,893,665
Unsecured, considered doubtful	496,211	326,366
	1,862,204	2,220,031
Less : Provision for doubtful receivables	(496,211)	(326,366)
	1,365,993	1,893,665
(b) Other receivables		
Unsecured, considered good	550,966	2,866,909
	1,916,959	**4,760,574**

16 Cash and bank balances

(A) Cash and Cash Equivalents		
Cash on hand	112,721	195,129
Balance with banks on current account	3,086,451	3,271,523
	3,199,172	**3,466,652**
(B) Other bank balances		
Bank deposits (due to mature within 12 months from the reporting date)#	-	305,980
Total (A+B)	**3,199,172**	**3,772,632**
# **Details of bank deposits**		
Bank deposits due to mature within 12 months of the reporting date included under 'Other bank balances'	-	305,980
Bank deposits due to mature after 12 months of the reporting date included under 'Other non-current assets' (refer note 12)	30,448,622	36,408,624
	30,448,622	**36,714,604**

17 Short term loans and advances

To parties other than related parties		
Intercompany loan to other than related parties (unsecured) *** (refer note 38)	-	1,100,000
Less: provision for doubtful loans	-	(1,100,000)
	-	-
Prepaid expenses	883,211	2,782,677
Balance with government authorities	9,116,322	9,146,462
Advances to employees	27,500	-
Advances to supplier	3,501,004	675,481
	13,528,037	**12,604,620**

*** The Company had given intercompany loans to related parties at an interest rate of 14% p.a. (previous year 14% p.a.).Interest on intercompany loan given has been waived off as per mutual consent and accordingly no interest is accrued on these loan transactions from FY 2016-17 till FY 2020-21 (refer note 26).

Duet India Hotels (Chennai OMR) Private Limited
Notes to the financial statements for the year ended March 31, 2021
(All amounts in Indian Rupees, unless otherwise stated)

		For the year ended March 31, 2021	For the year ended March 31, 2020
18	**Revenue from operations**		
	Room rentals	25,962,342	25,525,648
	Food and beverages	12,557,463	7,027,698
	Other operating revenue	440,041	957,302
		38,959,846	**33,510,648**
19	**Other income**		
	Interest income on fixed deposits	2,065,590	2,645,148
	Liabilities and provisions no longer required written back (refer note 38)	1,100,000	5,675,370
	Miscellaneous Income	132,729	256,154
		3,298,319	**8,576,672**
20	**Cost of materials consumed**		
	Food and beverages		
	Opening stock	468,127	-
	Add: Purchases made during the year	4,446,134	3,181,237
	Less: Closing stock	163,120	468,127
	Consumption	**4,751,141**	**2,713,110**
21	**Employee benefits expense**		
	Salaries, wages and bonus	9,417,982	21,358,061
	Contribution to provident fund and other funds (refer note 28)	558,709	1,586,782
	Gratuity (refer note 28)	113,804	259,455
	Staff welfare expense	3,043,126	6,042,639
		13,133,621	**29,246,937**
22	**Depreciation and amortisation expense**		
	Depreciation on property, plant and equipment*	37,322,576	44,030,352
	Amortisation of intangible assets	1,170,478	740,738
		38,493,054	**44,771,090**

* Includes reversal of Rs 3,818,612 (previous year Rs. Nil) on account of prior period adjustment

		For the year ended March 31, 2021	For the year ended March 31, 2020
23	**Finance costs**		
	Interest on term loans	58,802,864	67,961,135
	Other borrowing cost	760,392	760,392
		59,563,256	**68,721,527**

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Duet India Hotels (Chennai OMR) Private Limited
Notes to the financial statements for the year ended March 31, 2021
(All amounts in Indian Rupees, unless otherwise stated)

24 Other expenses

Rates and taxes	1,962,771	2,695,598
Brand, license and marketing fees	8,186,638	8,401,543
Management fees	1,500,000	1,500,000
Legal and professional charges	2,075,532	3,491,693
Payment to auditors*	900,000	972,000
Travelling and conveyance	232,416	4,712,540
Communication expenses	1,609,339	2,539,408
Printing and stationery	216,862	911,487
Security services	597,480	1,545,962
Insurance	1,378,479	1,347,527
Contractual manpower	176,934	739,737
Consumption of stores and operating supplies	2,784,765	2,870,362
Repairs and maintenance		
- building	98,721	317,602
- plant and machinery	1,281,465	2,423,247
- others	737,989	1,113,002
Power and fuel	10,821,726	11,281,573
Foreign exchange loss (net)	-	84,573
Provision for doubtful other receivables	169,845	326,366
Bank charges	362,515	377,866
Net loss on disposal of fixed assets	-	28,392,919
Miscellaneous expenses	244,846	164,432
	35,338,323	**76,209,437**

***Payment to auditors**		
(exclusive of applicable taxes)		
As auditor		
Statutory audit	900,000	900,000
Reimbursement of expenses	-	72,000
	900,000	**972,000**

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(All amounts in Indian Rupees, unless otherwise stated)

25	**Earnings/ (Loss) per share**	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
	Net loss attributable to equity shareholders (A)	(109,021,230)	(179,574,781)
	Weighted average of number of equity shares used in computing basic earnings per share (B)	4,455,473	4,455,473
	Weighted average of number of equity shares used in computing diluted earnings per share (C)	12,208,153	9,949,546
	Basic earnings/ (loss) per share (A/B)	(24.47)	(40.30)
	Diluted earnings/ (loss) per share (A/B)*	(24.47)	(40.30)

* As the potential equity shares are anti-dilutive, the effect of the same are ignored in calculating diluted earnings per share as per the requirements of Accounting Standard 20.

Reconciliation of net profit/ (loss) attributable to equity shareholders (basic earnings/ (loss) per share)

Net profit /(loss) after tax per Statement of Profit and Loss	(109,021,230)	(179,574,781)
Net profit/(loss) attributable to equity shareholders	**(109,021,230)**	**(179,574,781)**

Calculation of weighted average number of shares for diluted earnings per share for the year ended March 31, 2021

Particulars	**Number**	**Weighted Average**
Equity shares as on April 1, 2020	4,455,473	4,455,473
Fully compulsory convertible debentures (FCCD) as on April 1, 2020	6,439,681	6,439,681
Fully compulsory convertible debentures issued during the year ended March 31, 2021	2,670,506	1,312,999
	13,565,660	**12,208,153**

Calculation of weighted average number of shares for diluted earnings per share for the year ended March 31, 2020

Particulars	**Number**	**Weighted Average**
Equity shares as on April 1, 2019	4,455,473	4,455,473
Fully compulsory convertible debentures (FCCD) as on April 1, 2019	2,256,716	2,256,716
Fully compulsory convertible debentures issued during the year ended March 31, 2020	4,182,965	3,237,357
	10,895,154	**9,949,546**

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Duet India Hotels (Chennai OMR) Private Limited
Notes to the financial statements for the year ended March 31, 2021
(All amounts in Indian Rupees, unless otherwise stated)

26 Related party transactions

A. Name of related parties

a) Related parties and nature of related party relationships where control exists :-

Ultimate holding company
Asiya Capital Investments Company K.S.C.P.

Holding company
ACIC Mauritius 1

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

Fellow subsidiaries
Duet India Hotels (Ahmedabad) Private Limited
Duet India Hotels (Chennai) Private Limited
Duet India Hotels (Hyderabad) Private Limited
Duet India Hotels (Navi Mumbai) Private Limited
Duet India Hotels (Pune) Private Limited
Duet India Hotels (Jaipur) Private Limited
Duet India Hotels (Bangalore) Private Limited

Enterprise holding significant influence over the Company
ACIC Mauritius 2 (March 31, 2017 onwards)

Enterprise in which key management personnel (KMP) exercise significant influence
Duet India Hotels (Mumbai) Private Limited (till February 22, 2021)

B. Transactions with related parties	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
Reimbursement of expenses		
-Duet India Hotels (Chennai) Private Limited	482,744	-
Fully Compulsory Convertible Debentures (FCCDs)		
-ACIC Mauritius 1	165,571,400	259,343,850
Long term borrowings		
Intercompany loan taken from related parties		
-Duet India Hotels (Chennai) Private Limited	200,000	15,400,000
-Duet India Hotels (Hyderabad) Private Limited	2,700,000	15,000,000
-Duet India Hotels (Pune) Private Limited	11,269,717	37,000,000
Intercompany loan repaid to related parties		
-Duet India Hotels (Chennai) Private Limited	6,600,000	19,520,000
-Duet India Hotels (Ahmedabad) Private Limited	-	7,300,000
-Duet India Hotels (Mumbai) Private Limited	-	94,350,000
-Duet India Hotels (Hyderabad) Private Limited	6,600,000	20,378,959
-Duet India Hotels (Bangalore) Private Limited	-	300,000
-Duet India Hotels (Pune) Private Limited	23,878,142	11,267,000
-Duet India Hotels (Jaipur) Private Limited	2,133,000	7,967,000
-Duet India Hotels (Navi Mumbai) Private Limited	600,000	-

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(All amounts in Indian Rupees, unless otherwise stated)

C. Balances outstanding at the end of the year	**As at March 31, 2021**	**As at March 31, 2020**
Long term borrowings		
Intercompany loan from related parties		
-Duet India Hotels (Hyderabad) Private Limited	1,600,000	-
-Duet India Hotels (Navi Mumbai) Private Limited	4,500,000	5,100,000
-Duet India Hotels (Pune) Private Limited	29,868,138	18,598,421
Other current assets		
Interest accrued on intercompany loan to related parties*		
-Duet India Hotels (Ahmedabad) Private Limited	355,950	355,950
-Duet India Hotels (Mumbai) Private Limited	356,656	356,656
Trade receivables		
-Duet India Hotels (Chennai) Private Limited	482,744	121,000
Trade Payable		
-Duet India Hotels (Pune) Private Limited	86,968	86,968
-Duet India Hotels (Hyderabad) Private Limited	411,516	411,516
Other Current Liabilities		
-Duet India Hotels (Chennai) Private Limited	-	6,400,000
-Duet India Hotels (Hyderabad) Private Limited	-	5,500,000
-Duet India Hotels (Pune) Private Limited	-	23,878,142
-Duet India Hotels (Jaipur) Private Limited	-	2,133,000
Fully Compulsory Convertible Debentures (FCCDs)		
-ACIC Mauritius 1	565,694,660	400,123,260

* Interest on intercompany loan given/ received has been waived off as per mutual consent and accordingly no interest is accrued on these loan transactions from FY 2016-17 till FY 2020-21.

27 Disclosure in relation to Micro and Small enterprises 'Suppliers' as defined in the Micro, Small and Medium Enterprises Development Act, 2006

The management has not identified enterprises which have provided goods and services to the Company and qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED). Accordingly, there is no principal or interest outstanding to any of such party and hence no disclosure has been made in the financial statements.

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(All amounts in Indian Rupees, unless otherwise stated)

28 Disclosure in respect of employee benefits under Accounting Standard (AS) – 15 (Revised) "Employee Benefits".

A Defined contribution plans

The Company's employee provident fund scheme and employee state insurance are defined contribution plans. A sum of Rs. 558,709 (previous year Rs. 1,586,782) has been recognised as an expense in relation to the scheme and included under "employee benefit expenses" in the Statement of Profit and Loss.

B Defined benefit plans - Gratuity

	As at March 31, 2021	As at March 31, 2020
(a) Change in defined benefit obligation		
Present value of obligation at the beginning of the year	418,038	158,583
Interest cost	28,259	12,147
Current service cost	291,038	282,163
Benefits paid	-	-
Actuarial (gain)/ loss on obligation	(205,493)	(34,855)
Present value of obligation at the end of the year	**531,842**	**418,038**
(b) Amount recognised in Balance Sheet		
Present value of funded obligations as at the end of the year	531,842	418,038
Net liability	**(531,842)**	**(418,038)**
(c) Expenses recognised in Statement of Profit and Loss		
Current service cost	291,038	282,163
Interest cost	28,259	12,147
Net actuarial (gain)/loss recognized in the year	(205,493)	(34,855)
Net expense	**113,804**	**259,455**

(d) Experience adjustments on actuarial gain/ (loss) for PBO and Plan assets	**Year ended March 31, 2021**	**Year ended March 31, 2020**	**Year ended March 31, 2019**	**Year ended March 31, 2018**	**Year ended March 31, 2017**
Defined benefit obligation	531,842	418,038	158,583	134,777	309,066
Surplus/(deficit)	(531,842)	(418,038)	(158,583)	(134,777)	(309,066)
Experience adjustments on planned benefit obligation	205,493	54,585	73,020	137,273	462,694

(e) Principal assumptions used in determining the defined benefit obligation are as given below:

	For the year ended March 31, 2021	For the year ended March 31, 2020
Discount rate*	6.76%	6.76%
Salary escalation rate (per annum)**	10.00%	10.00%

*The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

**The salary escalation rate is based on estimates of salary increases, which take into accounts inflation, seniority, promotion and other relevant factors.

(f) Demographic assumptions

Mortality:	Published rated under the IALM (2012-14) mortality table
Retirement age:	The employees of the company are assumed to retire at age of 58/60 years (previous year 58/60 years).
Withdrawal Rate:	Withdrawal rate at the specimen ages are shown below

Age (Years)	**Rates p.a**	
	31 March 2021	**31 March 2020**
Upto-30	15%	15%
From 31-44	15%	15%
Above 44	20%	20%

(g) Enterprise best estimate of contribution during next year is Rs. 413,176 (previous year Rs 482,564).

(h) As the Company does not have any gratuity fund, the disclosures with respect to plan assets are not applicable.

(All amounts in Indian Rupees, unless otherwise stated)

Other long term employee benefits-compensated absences

(a) The principle actuarial assumptions used at the balance sheet date for determining the provision for compensated absences are as follows:

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Discount rate*	6.76%	6.76%
Salary escalation rate (per annum)**	10.00%	10.00%

*The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

**The salary escalation rate is based on estimates of salary increases, which take into accounts inflation, seniority, promotion and other relevant factors.

(b) Demographic assumptions

Mortality:	Published rated under the IALM (2012-14) mortality table
Retirement age:	The employee of the company are assumed to retire at age of 58/60 years (previous year 58/60 years)
Withdrawal Rate:	Withdrawal rate at the specimen ages are shown below

Age (Years)	**Rates p.a**	
	March 31, 2021	**March 31, 2020**
Upto-30	15%	15%
From 31-44	15%	15%
Above 44	20%	20%

29 During earlier years, the Company had entered into certain loan transactions with group companies (having common directors with the Company). These loan transactions were not permitted under the provisions of section 185 of the Companies Act, 2013 ("the Act"). Based on the legal views, the management believes that the maximum amount of penalty prescribed under section 185 of the Companies Act, 2013 could be of Rs.25,00,000 for all such loan transactions instead of one loan transaction, which had been recognised by the Company in the books of account (disclosed under the head "other current liabilities"). The management is assessing the condonation process on the aforesaid matter.

31 Earnings in foreign currency (on cash basis)	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
Revenue from operations (including taxes)	1,233,588	1,879,800

30 Expenditure in foreign currency	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
Brand, license and marketing fees	5,355,652	7,247,894

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

Impact of Supreme Court judgement with regard to Provident Fund

There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated February 28, 2019. As a matter of caution, the company has made a provision on a prospective basis from the date of the SC order. The company will update its provision, on receiving further clarity on the subject.

33 The Company's exposure in respect of foreign currency denominated liabilities not hedged as on March 31, 2021 by derivative instruments or otherwise is USD 155,189 (Rs. 11,249,503) [previous year USD 88,694 (Rs. 6,686,277)].

(All amounts in Indian Rupees, unless otherwise stated)

34 The Company had availed custom duty exemptions under the Export Promotion Capital Goods Scheme of the Government of India on import of capital equipment for use in its hotel project. Under the Scheme, the Company is required to discharge the obligation over a period of next six years from the date of authorisation. As of March 31, 2021, the Company's export obligations outstanding under the scheme aggregate Rs.76,939,442 (previous year Rs. 78,173,030). Based on the current projection of future earnings in foreign currency, management is confident that it would be able to discharge the obligation within the time frame.

35 Disclosure requirements under Accounting Standard 17 on 'Segment Reporting', as specified in Section 133 of the Companies Act, 2013 are not applicable as the Company's business activity falls within a single primary business segment i.e. hotels. There are no geographical segment to be reported since all the operations are undertaken in India.

36 During the year the operations of the hotel are adversely impacted due to travel restrictions and nationwide lockdowns announced by Government of India due to the outbreak of COVID-19 worldwide. The management has undertaken all necessary cost saving measures to contain cost including payroll cost and also concentrating on increasing occupancy to generate cash. In evaluating the impact of COVID-19, on its ability to continue as a going concern, the management has made a detailed assessment of its liquidity position and believes that it has sufficient financing arrangements to fulfil its working capital requirements in addition to the funds expected to be generated from the operating activities and unconditional continued financial and operational support to the Company from its ultimate parent Company. The management has also assessed the potential impact of COVID-19 on the carrying value of property, plant & equipment, trade receivables, inventories, and other current assets appearing in the financial statements of the Company. Based on the current indicators of future economic conditions and subsequent realization of the its assets, the management expects to recover the carrying value of trade receivables, inventories, and other current assets. However, the management believes that the COVID-19 impact on the business is indeterminable and may not be reliable and accordingly has not considered any adjustment in the carrying value of its Property Plant & Equipment.

The impact assessment of COVID-19 is a continuous process given the uncertainties associated with its nature and duration and actual results may differ materially from these estimates. The management will continue to monitor any material changes to future economic conditions and any significant impact of these changes would be recognized in the financial statements as and when these material changes to economic conditions arise.

37 In an earlier year, the Company had engaged with a service provider for assisting in hotel renovations at an agreed value of Rs 10,284,480 (design fees and Project Management fees) and a further incentive at a proportion of saving from the budgeted renovation cost. Till the end of previous year , the service provider has raised invoices of Rs 3,953,192 for services rendered, Rs 4,729,141 for construction services and Rs 4,002,917 for incentives representing saving from budgeted renovation cost. During the current year, the service provider has initiated arbitration proceedings for recovery of above amounts. The management has disputed the vendor claims on account of delay and lack of submission of cost details and saving arising out of the efforts of service provider and believes that no material adjustment is likely to arise upon final settlement with the service provider.

38 The Company in earlier years had entered into a loan transaction with a SARE group company pursuant to which it was carrying a gross loan receivable of Rs. 1,100,000 as at March 31, 2020. During the current year, the Company assigned the loan receivable from SARE group company of Rs. 1,100,000 to Duet India Hotels (Hyderabad) Private Limited.The management based on the legal opinion obtained by it believes that the assignment of loan receivable from SARE group company to the above mentioned company is permissible and no further adjustment is required in the financial statements in this regard.

39 **Previous year comparatives**
The Company has reclassified previous year figures to conform to this year's classification.

As per our report of even date.

For S.R. Batliboi & Co. LLP
Firm Registration No.: 301003E/E300005
Chartered Accountants

per Sanjay Vij
Partner
Membership No. 095169

Place: Gurugram
Date: November 08, 2021

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

Sudhir Gupta	**Rahul N. Latta**
Director	*Director*
DIN: 03102047	DIN: 07886515
Place: Gurugram	Place: Gurugram
Date: November 08, 2021	Date: November 08, 2021