

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Duet India Hotels (Hyderabad) Private Limited

### **Report on the Audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the accompanying standalone financial statements of Duet India Hotels (Hyderabad) Private Limited ("the Company"), which comprise the Balance sheet as at March 31 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, 2023, its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the standalone 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 Standalone 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 audit opinion on the standalone financial statements.

#### **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 Annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone 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.

### **Responsibility of Management for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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

# **S.R. BATLIBOI & Co. LLP**

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Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

## **Other Matter**

The comparative financial information of the Company for the year ended March 31, 2022 and the transition date opening balance sheet as at April 01, 2021 included in these financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2021 on which we have issued a qualified opinion, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS.

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of 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 obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except that the backup of the books of account and other books and papers maintained in electronic mode has not been maintained on servers located in India on daily basis.
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2023;

# **S.R. BATLIBOI & Co. LLP**

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- (h) 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.
  - iv.
    - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    - c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
  - v. No dividend has been declared or paid during the year by the Company.
  - vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

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

per Sanjay Vij  
Partner  
Membership Number: 095169  
UDIN: 23095169BGYAAT1769  
Place of Signature:  
Date: August 17, 2023

# **S.R. BATLIBOI & Co. LLP**

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## **Annexure 1 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 (Hyderabad) Private Limited (‘the Company’)

- (i) (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The company has maintained proper records showing full particulars of intangible assets.
- (b) All Property, Plant and Equipment were physically verified by the management in the FY 20-21 in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets and no material discrepancies were identified on such verification.
- (c) The title deeds of immovable properties disclosed in note 3 to the financial statements included in property, plant and equipment are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year ended March 31, 2023.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate having regard to the size of the Company and nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) During the year the Company has provided loans, advances in the nature of loans, stood guarantee and provided security to companies as follows:

<b>Particulars</b>	<b>Loans (Amount – INR)</b>
Aggregate amount granted/ provided during the year	
- Fellow Subsidiaries	13,470,000
-Loans to Employees	1,326,823
Balance outstanding as at balance sheet date in respect of above cases	
- Fellow Subsidiaries	19,741,652
- Loans to Employees	962,278

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- (b) The terms and conditions of the loans granted by the Company to its fellow subsidiaries and others were prejudicial to the Company's interest on account of accumulated losses of such fellow subsidiaries and uncertainty around recoverability of such loans and interest thereon except for the loans given to employees.
- (c) As mentioned in Note 5c & 12(b) of the standalone financial statements, interest on unsecured loans given to fellow subsidiaries and others 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. Further, according to the information and explanation given to us, repayment schedule of unsecured loans as mentioned in Note 5c & 9d of the standalone 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 regularity of repayment of unsecured loan.

In respect of loans granted during the year to employees, the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

- (d) according to the information and explanations given to us, repayment schedule of unsecured loans granted to fellow subsidiaries and other companies have 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.

In respect of loans granted to employees as per the information and explanations given to us, there is no overdue amount remaining outstanding as at the balance sheet date.

- (e) During the year, the Company had renewed / extended / granted fresh loans to companies, firms, Limited Liability Partnerships or any other parties to settle the loan/ advance in the nature of loan granted to these parties which had fallen due during the year.

The aggregate amount of such dues renewed / extended / settled by fresh loans and the percentage of the aggregate to the total loans or advances in the nature of loans granted during the year are as follows:

<b>Name of Parties</b>	<b>Aggregate amount of overdues of existing loans renewed or extended or settled by fresh loans</b>	<b>Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year</b>
Duet India Hotels (Chennai) Private Limited	20,655,851	50.83%
Duet India Hotels (Chennai OMR) Private Limited	12,685,801	18.79%
Duet India Hotels Private Limited	8,8120,000	100%

- (f) As disclosed in note 41 to the financial statements, the Company has granted loans or advances in the nature of loans, without specifying any terms or period of repayment to companies. Of these following are the details of the aggregate amount of loans or advances in the nature of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013.

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Particulars	All Parties	Promoter	Related Parties
Aggregate of loans/advances in the nature of loans -Agreement does not specify any terms or period of repayment*	13,470,000	-	13,470,000
Percentage of loans/advances in the nature of total loans	100%	-	100%

- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 of the Companies Act, 2013 are applicable. Accordingly, the requirement to report on compliance of section 185 does not apply.

Further, the according to the information and explanations given to us, provisions of sections 186 of the Companies Act, 2013 in respect of loans, investments and, guarantees, and security have been complied with by the Company.

- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

- (vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

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

According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act 1961	Disallowance under section 40 (a) (i) of the Act and additions u/s 68 of the Act.	17,710,530	2012-13	CIT(A)

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to banks and financial institutions.

# **S.R. BATLIBOI & Co. LLP**

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According to the information and explanation given to us, repayment schedule a of loans taken from fellow subsidiaries and terms of payment of interest thereon have not been stipulated. Accordingly, we are unable to comment on the default in repayment of such loans and payment of interest thereon.

- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
- (f) The Company has raised loans during the year on the pledge of securities held in its subsidiaries companies, as per details below and has not defaulted in the repayment of such loans raised. The Company does not have investment in associates and joint ventures.

<b>Nature of loan taken</b>	<b>Name of lender</b>	<b>Amount of loan</b>	<b>Name of the subsidiary</b>	<b>Details of security pledged</b>	<b>Remarks</b>
Term Loans	IndusInd Bank Limited	513,700,000	Duet India Hotels (Navi Mumbai) Private Limited	556,788 Equity Shares of Rs. 10 each fully paid-up and 4,871,581 Debentures of Rs. 100 each fully paid-up	The Company is in the process of creating the pledge.

- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud/ material fraud by the Company or no fraud / material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) (a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 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 the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

# **S.R. BATLIBOI & Co. LLP**

**Chartered Accountants**

- (xiv) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(a) and 3 (xiv)(b) of the Order is not applicable to the Company.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred any cash losses in the financial year covered by our audit but had incurred cash losses amounting to Rs. 8.78 million in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 42 to the standalone financial statements, the ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions and considering the Company's current liabilities exceeds the current assets by Rs. 53.63 million, the Company has obtained the letter of financial support from its Holding Company, nothing has come to our attention, which causes us to believe that Company is not capable of meeting its liabilities, existing at the date of balance sheet, as and when they fall due within a period of one year from the balance sheet date.

We, further state that this is not an assurance as to the future viability of the Company and our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

# ***S.R. BATLIBOI & Co. LLP***

**Chartered Accountants**

- (xx) The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) and (b) of the Order is 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: 23095169BGYAAT1769  
Place of Signature: Gurugram  
Date: August 17, 2023

# **S.R. BATLIBOI & Co. LLP**

Chartered Accountants

## **Annexure 2 to the Independent Auditor's Report of even date on the Duet India Hotels (Hyderabad) Private Limited**

### **Report on the Internal Financial Controls under Clause (i) 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 (Hyderabad) Private Limited ("the Company") as of March 31, 2023, 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.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these 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 audit opinion on the Company's internal financial controls with reference to these financial statements.

# ***S.R. BATLIBOI & Co. LLP***

Chartered Accountants

## **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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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.

## **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to these financial statements and such internal financial controls with reference to these financial statements were operating effectively as at March 31, 2023, 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 issued by the ICAI.

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

per Sanjay Vij  
Partner  
Membership Number: 095169  
UDIN: 23095169BGYAAT1769  
Place of Signature: Gurugram  
Date: August 17, 2023

**Duet India Hotels (Hyderabad) Private Limited**  
**Standalone Balance Sheet as at March 31, 2023**  
(Amount in Rs. Millions, unless otherwise stated)

	Notes	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
<b>ASSETS</b>				
<b>I. Non-current assets</b>				
(a) Property, plant and equipment	3	1,206.97	1,270.57	1,345.85
(b) Intangible assets	4	1.32	2.86	4.57
(c) Financial assets				
(i) Investment in subsidiaries	5(a)	752.50	752.50	752.50
(ii) Other investments	5(b)	-	-	-
(iii) Loans	5(c)	0.69	2.11	0.40
(iv) Other financial assets	5(d)	11.12	23.87	25.74
(d) Non-current tax assets (net)	6	5.90	6.10	3.43
(e) Other non-current assets	7	4.45	2.74	2.74
<b>Total non-current assets</b>		<b>1,982.95</b>	<b>2,060.75</b>	<b>2,135.23</b>
<b>II. Current assets</b>				
(a) Inventories	8	7.66	4.28	2.94
(b) Financial assets				
(i) Trade receivables	9(a)	32.78	27.24	20.31
(ii) Cash and cash equivalents	9(b)	69.61	9.30	30.18
(iii) Loans	9(c)	0.02	7.23	1.13
(iv) Other financial assets	9(d)	0.96	1.08	0.51
(c) Other current assets	10	31.72	33.88	28.02
<b>Total current assets</b>		<b>142.75</b>	<b>83.01</b>	<b>83.09</b>
<b>Total assets</b>		<b>2,125.70</b>	<b>2,143.76</b>	<b>2,218.32</b>
<b>EQUITY AND LIABILITIES</b>				
<b>I. Equity</b>				
(a) Equity share capital	11(a)	49.90	49.90	49.90
(b) Instruments entirely equity in nature	11(b)	1,626.52	1,626.52	1,626.52
(c) Other equity	12	(299.64)	(249.34)	(200.50)
<b>Total equity</b>		<b>1,376.78</b>	<b>1,427.08</b>	<b>1,475.92</b>
<b>II. Non-current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	13	508.62	528.53	498.53
(b) Other non-current liabilities	14	40.92	50.78	60.63
(c) Non-current provisions	15	3.00	1.66	2.68
<b>Total non-current liabilities</b>		<b>552.54</b>	<b>580.97</b>	<b>561.84</b>
<b>III. Current liabilities</b>				
(a) Contract liabilities	16	1.10	0.35	0.31
(b) Financial liabilities				
(i) Borrowings	17(a)	55.39	39.50	43.11
(ii) Trade payables	17(b)			
- Total outstanding dues of micro enterprises and small enterprises		0.73	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		52.97	30.08	48.75
(iii) Other financial liabilities	17(c)	14.47	15.17	35.70
(c) Other current liabilities	18	34.17	37.26	39.25
(d) Short-term provisions	19	37.55	13.35	13.44
<b>Total current liabilities</b>		<b>196.38</b>	<b>135.71</b>	<b>180.56</b>
<b>Total equity and liabilities</b>		<b>2,125.70</b>	<b>2,143.76</b>	<b>2,218.32</b>

Summary of significant accounting policies 2

The accompanying notes form an integral part of the standalone financial statements 1-50

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 Directors of  
**Duet India Hotels (Hyderabad) Private Limited**

**per Sanjay Vij**  
Partner  
Membership No. 095169

**Sudhir Gupta**  
Director  
DIN: 03102047

**Rahul N Latta**  
Director  
DIN: 07886515

**Nitika Jain**  
Company Secretary  
M. No. 57538

Place: Gurugram  
Date: August 17, 2023

**Duet India Hotels (Hyderabad) Private Limited**  
**Standalone Statement of Profit and Loss for the year ended March 31, 2023**  
(Amount in Rs. Millions, unless otherwise stated)

	Notes	For the Year ended March 31, 2023	For the year ended March 31, 2022
<b>I. INCOME</b>			
(a) Revenue from operations	20	523.16	239.74
(b) Other income	21	13.17	16.17
		<b>536.33</b>	<b>255.91</b>
<b>II. EXPENSES</b>			
(a) Food and beverages consumed	22	45.94	24.31
(b) Employee benefits expense	23	61.71	37.73
(c) Other expenses	24	228.36	139.74
		<b>336.01</b>	<b>201.78</b>
<b>III. Profit before finance cost, depreciation, amortisation and tax (I-II)</b>		<b>200.32</b>	<b>54.13</b>
<b>IV. Depreciation and amortisation expenses</b>	25	75.47	79.76
<b>V. Finance costs</b>	26	95.26	52.41
		<b>170.73</b>	<b>132.17</b>
<b>VI. Profit/(loss) before taxes (III-IV-V)</b>		<b>29.59</b>	<b>(78.04)</b>
<b>VII. Tax expense</b>	6		
- Current tax		-	-
- Deferred tax charge /(credit)		(0.03)	(0.06)
<b>Total tax expense</b>		<b>(0.03)</b>	<b>(0.06)</b>
<b>VIII. Profit/(loss) after tax (VI-VII)</b>		<b>29.62</b>	<b>(77.98)</b>
<b>IX. Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
(i) Re-measurement gains on defined benefit plans		0.13	0.22
(ii) Income tax effect of re-measurement gains/(losses) on defined benefit plans		(0.03)	(0.06)
<b>Total other comprehensive income</b>		<b>0.10</b>	<b>0.16</b>
<b>X. Total comprehensive income for the year (VIII+IX)</b>		<b>29.72</b>	<b>(77.82)</b>
		29.72	(77.82)
<b>XI. Earnings Per share (Equity shares, face par value of Rs. 10 (absolute value) each)</b>	27		
(a) Basic (in absolute Rs.)		0.26	(0.68)
(b) Diluted (in absolute Rs.)		0.26	(0.68)
Summary of significant accounting policies	2		
The accompanying notes form an integral part of the standalone financial statements	1-50		

In terms of our report attached

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

*For and on behalf of the Board Directors of*  
**Duet India Hotels (Hyderabad) Private Limited**

**per Sanjay Vij**  
Partner  
Membership No. 095169

**Sudhir Gupta**  
Director  
DIN: 03102047

**Rahul N Latta**  
Director  
DIN: 07886515

**Nitika Jain**  
Company Secretary  
M. No. 57538

Place: Gurugram  
Date: August 17, 2023

**Duet India Hotels (Hyderabad) Private Limited**  
**Standalone Statement of changes in equity for the year ended March 31, 2023**  
(Amount in Rs. Millions, unless otherwise stated)

**a Equity share capital**

	As at March 31, 2023		As at March 31, 2022		As at April 1, 2021	
	Nos	Amount	Nos	Amount	Nos	Amount
<b>Equity shares</b>						
At the beginning of the year	4,990,000	49.90	4,990,000	49.90	4,990,000	49.90
Add: Addition during the year	-	-	-	-	-	-
Balance at the end of the year	<b>4,990,000</b>	<b>49.90</b>	<b>4,990,000</b>	<b>49.90</b>	<b>4,990,000</b>	<b>49.90</b>

**b Instruments entirely equity in nature**

	As at March 31, 2023		As at March 31, 2022		As at April 1, 2021	
	Nos	Amount	Nos	Amount	Nos	Amount
<b>Compulsorily Convertible Cumulative Preference Shares (CCCPs)</b>						
At the beginning of the year	38,112,902	381.13	38,112,902	381.13	38,112,902	381.13
Add: Addition during the year	-	-	-	-	-	-
Balance at the end of the year (A)	<b>38,112,902</b>	<b>381.13</b>	<b>38,112,902</b>	<b>381.13</b>	<b>38,112,902</b>	<b>381.13</b>
<b>Fully Compulsorily Convertible Debentures (FCCDs)</b>						
At the beginning of the year	124,538,827	1,245.39	124,538,827	1,245.39	124,538,827	1,245.39
Add: Addition during the year	-	-	-	-	-	-
Balance at the end of the year (B)	<b>124,538,827</b>	<b>1,245.39</b>	<b>124,538,827</b>	<b>1,245.39</b>	<b>124,538,827</b>	<b>1,245.39</b>
<b>Total Instruments entirely equity in nature (A+B)</b>	<b>162,651,729</b>	<b>1,626.52</b>	<b>162,651,729</b>	<b>1,626.52</b>	<b>162,651,729</b>	<b>1,626.52</b>

**c Other equity**

	Equity Component of Intercorporate borrowings (Note 12)	Reserve & Surplus				Total
		Securities premium (Note 12)	Distribution on behalf of Ultimate Holding Company (Note 12)	Retained earnings (Note 12)	Other comprehensive income - Remeasurements of defined benefit liability (Note 12)	
<b>Balance as at April 1, 2021</b>	<b>51.74</b>	<b>498.87</b>	<b>(2.70)</b>	<b>(748.41)</b>	<b>-</b>	<b>(200.50)</b>
Loss for the year	-	-	-	(77.98)	-	(77.98)
Other comprehensive income	-	-	-	-	0.16	0.16
Additional payment/repayment during the year	32.11	-	(3.58)	-	-	28.53
Other reserve	-	-	-	0.45	-	0.45
<b>Balance as at March 31, 2022</b>	<b>83.85</b>	<b>498.87</b>	<b>(6.28)</b>	<b>(825.94)</b>	<b>0.16</b>	<b>(249.34)</b>
Profit/(loss) for the year	-	-	-	29.62	-	29.62
Other comprehensive income	-	-	-	-	0.10	0.10
Additional payment/repayment during the year	(67.00)	-	(13.47)	-	-	(80.47)
Other reserve	-	-	-	0.45	-	0.45
<b>Balance as at March 31, 2023</b>	<b>16.85</b>	<b>498.87</b>	<b>(19.75)</b>	<b>(795.87)</b>	<b>0.26</b>	<b>(299.64)</b>

The accompanying notes form an integral part of the standalone financial statements

1-50

As per our report of even date attached

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

For and on behalf of the Board Directors of  
**Duet India Hotels (Hyderabad) Private Limited**

**per Sanjay Vij**  
Partner  
Membership No. 095169

**Sudhir Gupta**  
Director  
DIN: 03102047

**Rahul N Latta**  
Director  
DIN: 07886515

**Nitika Jain**  
Company Secretary  
M. No. 57538

Place: Gurugram  
Date: August 17, 2023

**Duet India Hotels (Hyderabad) Private Limited**  
**Standalone Statement of Cash Flows for the year ended March 31, 2023**  
(Amount in Rs. Millions, unless otherwise stated)

Particulars	For the Year ended March 31, 2023	For the year ended March 31, 2022
<b>Cash flows from operating activities</b>		
Profit/(Loss) before tax	29.59	(78.04)
<b>Adjustments to reconcile profit/(loss) before tax to net cash flows:-</b>		
Depreciation and amortisation expenses	75.47	79.76
Liabilities no longer required written back	(1.77)	(3.49)
Interest income	(1.24)	(1.32)
Unrealised loss on account of foreign exchange fluctuation	5.31	0.05
Loss on disposal of property, plant and equipment	2.25	-
Interest on loans from financial institution	64.97	51.20
Amortisation of non-refundable security deposits	(9.87)	(10.16)
Provision for doubtful-debts	0.76	-
Interest on government grant	24.06	-
Others	0.45	0.45
<b>Operating profit before working capital changes</b>	<b>189.98</b>	<b>38.45</b>
<b>Changes in assets and liabilities:</b>		
Decrease/ (Increase) in non current financial assets	0.01	(0.02)
Decrease/ (Increase) in inventories	(3.37)	(1.34)
Decrease/ (Increase) in trade receivables	(6.30)	(6.93)
Decrease/ (Increase) in current financial assets	0.07	(0.67)
Decrease/ (Increase) in other current assets	2.16	(5.86)
(Decrease)/ Increase in trade payables	18.31	(15.24)
Increase in Contract Liability	0.75	0.04
Increase in other financial liabilities	4.67	0.15
(Decrease)/ Increase in provisions	1.61	(0.89)
(Decrease)/ Increase in other current liabilities	(3.09)	(1.68)
<b>Cash generated from operations</b>	<b>204.80</b>	<b>6.01</b>
Income tax (paid)/refund	0.20	(2.67)
<b>Net cash from operating activities (A)</b>	<b>205.00</b>	<b>3.34</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment, intangible assets and capital work-in-progress	(14.29)	(2.77)
Deemed investment in form of loans	-	-
Intercompany loans given/received back	8.62	(7.81)
Proceeds from redemption of bank deposits	12.81	1.89
Interest received on bank deposits (finance income)	1.23	1.43
<b>Net cash from/(used in) investing activities (B)</b>	<b>8.37</b>	<b>(7.26)</b>
<b>Cash flows from financing activities</b>		
Proceed from short term borrowings from bank	24.66	-
Repayment of Intercompany loan repaid	(9.50)	(3.61)
Proceeds of term loan from financial institutions	-	29.27
Payment of processing fees and other ancillary borrowing cost	(26.80)	-
Distribution on behalf of Ultimate Holding Company	(13.47)	(3.58)
Equity Component of Intercompany borrowings	(67.00)	32.11
Interest paid	(60.95)	(71.15)
<b>Net cash used in financing activities (C)</b>	<b>(153.06)</b>	<b>(16.96)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>60.31</b>	<b>(20.88)</b>
Cash and cash equivalents at the beginning of the year	9.30	30.18
<b>Cash and cash equivalents at year end</b>	<b>69.61</b>	<b>9.30</b>
<b>Components of cash and cash equivalents</b>	<b>For the Year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
<b>Balance with banks</b>		
In current accounts	25.06	9.13
Deposits with less than 3 months of original maturity	44.40	-
Cheques/ drafts on hand	0.15	0.17
<b>Cash and cash equivalents as per note 9(b)</b>	<b>69.61</b>	<b>9.30</b>

Refer note 9(b) for "Changes in liabilities arising from financing activities"

The cash flow statement has been prepared in accordance with the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS) - 7 on "Cash flow Statements"

Summary of significant accounting policies 2

The accompanying notes form an integral part of the standalone financial statements 1-50

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 Directors of  
**Duet India Hotels (Hyderabad) Private Limited**

**per Sanjay Vij**  
Partner  
Membership No. 095169

**Sudhir Gupta**  
Director  
DIN: 03102047

**Rahul N Latta**  
Director  
DIN: 07886515

**Nitika Jain**  
Company Secretary  
M. No. 57538

Place: Gurugram  
Date: August 17, 2023

**Duet India Hotels (Hyderabad) Private Limited**  
**Notes to the Standalone financial statements for the period ended March 31, 2023**  
(Amount in Rs. Millions, unless otherwise stated)

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### 1.1 Corporate information

Duet India Hotels (Hyderabad) Private Limited ('the Company') was incorporated on June 25, 2008 under the Companies Act, 1956. The Company is primarily engaged in acquisition, development, operation and management of Hotels in India.

The Shareholders of the Company ("ACIC Mauritius 1" and "ACIC Mauritius 2") on March 30, 2023 had entered into a Share Subscription and Purchase Agreement with SAMHI Hotels Limited ("SAMHI" or "Acquirer") for conditional sale of their shareholding in the Company to SAMHI Hotels Limited ("SAMHI" or "Acquirer"). Subsequent to year end, the transfer of shareholding has been executed on August 10, 2023, resulting in SAMHI being the holding company of the Company w.e.f. August 10, 2023. The standalone financial statements are approved for issue by the Board of directors on August 17, 2023.

### 1.2 Basis of preparation

The Company has voluntarily adopted Ind As in the financial year ended March 31, 2023 and accordingly these financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rule 2015 and presentation requirement of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the FS.

For all period up to and including the year ended March 31, 2022, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013 ('Act'), read together with Companies (Indian Accounting Standards) Rule 2021 (as amended from time to time) and other relevant provision of the Act ('Indian GAAP' or 'Previous GAAP').

These financial statement as at and for the year ended March 31, 2023 are the first financial statements of the Company prepared in accordance with Ind AS. Refer to note 28 for information on how the Company adopted Ind AS.

### Going concern assumption

The Company has accumulated losses of Rs. 795.87 at the year-end. Further, as at the year end, the Company's current liabilities exceeded its current assets by Rs. 53.63. The management believes that with revived business operations and operational efficiencies achieved along the Company will be able to generate sufficient earnings to settle its obligations as they fall due. Further, during the year, the Company has entered into loan agreement to refinance its existing loan facility with L&T Finance Limited and the rate of interest is reduced from 9.95% to 9.30%. In view of the aforesaid the management believes 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.

### Functional and presentation currency

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

### Basis of Measurement

The standalone financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement Basis
Certain financial assets and liabilities (Including derivatives instruments)	Fair Value

**Significant accounting judgments, estimates and assumptions.**

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The following are the significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the standalone financial statements:

**i) Provisions**

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

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

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

**iii) Impairment testing:**

Property, plant and equipment and intangible assets that are subject to depreciation/amortisation are tested for impairment periodically including when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

**iv) Impairment of investments:**

The Company reviews its carrying value of investments carried at cost or amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

**v) Employee benefit obligations**

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

**vi) Fair value measurement of financial instruments**

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

about these factors could affect the reported fair value of financial instruments. Also, refer note 34 for further disclosures.

**vii) Recognition of deferred tax assets/liabilities**

Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realised. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and thereby the tax charge in the Statement of Profit and Loss.

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case laws and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the Statement of Profit and Loss.

**viii) Litigation**

From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

**ix) Business combinations**

Acquisition of assets along with related input, outputs and processes which qualify as a business combination is accounted for using the acquisition method involving fair valuation of consideration transferred (including contingent consideration) and fair value of the assets acquired and liabilities assumed measured on a provisional basis, if any.

Business combinations of entities under common control are accounted using the "pooling of interests" method and assets and liabilities are reflected at the predecessor carrying values and the only adjustments that are made are to harmonise accounting policies. The figures for the previous periods are restated as if the business combination had occurred at the beginning of the preceding period irrespective of the actual date of the combination.

**x) Current and non-current classification**

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle.
- it is held primarily for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its

settlement by the issue of equity instruments do not affect its classification.

Current assets/liabilities include current portion of non-current financial assets/liabilities respectively. All other assets/liabilities are classified as non-current. Deferred tax assets and liabilities (if any) are classified as non-current assets and liabilities.

**xi) Operating cycle**

Based on the nature of the operations and the time between the acquisition of assets for processing and their realization in cash or cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

**xii) Measurement of fair values**

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.'

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ▶ Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ▶ Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ▶ Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

'For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

'For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

The Company measures financial instruments, such as, investments (other than investment in subsidiaries), at fair value at each reporting date. Also, fair value of financial instruments measured at amortised cost is disclosed in Note 34.

## 2. Summary of significant accounting policies

### 1) Property, plant and equipment

#### Recognition and measurement

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

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

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

#### Subsequent costs and disposal

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

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

#### Depreciation

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

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

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

Asset Category*	Useful Life (Years)	Useful life as per Schedule II (Years)
Building	10-60	60
Computers and accessories	3-6	3-6
Plant and machinery	5-20	15
Furniture and fixtures	3-15	10

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

## 2) Intangible assets

### Recognition and measurement

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

### Amortization

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

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

## 3) Financial instruments

### *i. Recognition and initial measurement*

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

All financial instruments are initially recognized at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of a financial instrument on initial recognition is generally its transaction price (that is, the fair value of the consideration given or received). However, if there is a difference between the transaction price and the fair value of financial instruments whose fair value is based on a quoted price in an active market or a valuation technique that uses only data from observable markets, the Company recognizes the difference as a gain or loss at inception ('day 1 gain or loss'). In all other cases, the entire day 1 gain or loss is deferred and recognized in the income statement over the life of the transaction until the transaction matures or is closed out.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

### *ii. Classification and subsequent measurement*

#### *Financial assets*

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

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

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

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

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

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

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

*Financial assets: Business model assessment*

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

*Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest* for the purposes of this assessment, ‘principal’ is defined as the fair value of the financial asset on initial recognition. ‘Interest’ is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

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

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features;

*Financial assets: Subsequent measurement and gains and losses*

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

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Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

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

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

*iii. Derecognition*

*Financial assets*

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

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

*Financial liabilities*

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

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

*iv. Offsetting*

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

*v. Financial guarantee*

Financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Such guarantees are initially measured at fair value and subsequently at the higher of:

- the expected credit loss allowance determined in accordance with Ind AS 109; and
- the amount recognized initially less, when appropriate, cumulative amortization recognized in accordance with Ind AS.

*vi. Modification of financial assets and liabilities*

*Financial assets:*

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

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

*Financial Liabilities:*

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

*vii. Fully Compulsorily convertible debentures*

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

The remainder of the proceeds is allocated to equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification.

*viii. Not compulsorily convertible preference shares*

The Company has issued not compulsorily convertible preference (NCCPSs). As per the terms of NCCPS agreement, each NCCPS will be redeemed within 36 months from the deemed date of allotment. Accordingly, the same amount has been treated as financial liability in books and carried at amortized cost.

*ix. Compulsorily convertible cumulative preference shares*

The Company has issued Compulsory convertible Cumulative Preference Shares (CCCPS). As per the terms of CCCPS agreement, each CCCPS will be converted into 1 equity share after 10 years, but not exceeding 15 years from the date of issue. These CCCPS are classified as equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification.

#### **4) Impairment**

##### **A. Impairment of financial instruments**

The Company assesses, at each reporting date, whether a financial asset or a group of financial assets is impaired. Ind AS-109 on Financial Instruments, requires expected credit losses to be measured through a loss allowance. For trade receivables only, the Company recognises expected lifetime losses using the simplified approach permitted by Ind AS-109, from initial recognition of the receivables. For other financial assets (not being equity instruments or debt instruments measured subsequently at FVTPL) the expected credit losses are measured at the 12 month expected credit losses or an amount equal to the lifetime expected credit losses if there has been a significant increase in credit risk since initial recognition.

The Company recognizes loss allowances for expected credit losses on financial assets measured at amortized cost. At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities at Fair value through profit and loss (FVTPL) are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses

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

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

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

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

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

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

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or
- the financial asset is 90 days or more past due.

*Measurement of expected credit losses*

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

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

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

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

*Write-off*

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

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

The carrying amounts of assets are reviewed at each reporting date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset (or cash generating unit) exceeds its recoverable amount. The recoverable amount is the greater of the asset's (or cash generating unit's) fair value less cost of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset (or cash generating unit).

These budgets and forecast calculations generally cover a period of ten years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the tenth year.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization, if no impairment loss had been recognized.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI.

**5) Inventories**

Inventories which comprises stock of food and beverages (including liquor), operating supplies and stock-in-trade are carried at the lower of cost and net realisable value. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventory to their present location and condition. In determining the cost, first in first out ("FIFO") method is used. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs to make the sale.

**6) Government grants and subsidies**

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

The Company imports capital goods and avails concession for custom duty under Export Promotion Capital Goods (EPCG) Scheme. Such duty saved is grossed up and recorded as per of property, plant and equipment and correspondingly as deferred income. Further, these grants are classified as income grant and is recognized as income over the periods of related costs, for which it is intended to compensate, which is generally upon earning of foreign currency revenue.

The Company receives benefits in the form of duty credit scrips under the Service Exports from India Scheme (SEIS). The grant is classified as income grant and its recognized as income as and when the condition associated with grant is fulfilled, which is generally upon earning foreign currency revenue.

**7) Provisions**

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

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Provisions are reviewed by the management at each reporting date and adjusted to reflect the current best estimates.

**8) Contingent liabilities**

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

**9) Borrowing Cost**

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

**10) Employee benefits**

**(a) Short-term employee benefits**

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

**(b) Post-employment benefits**

**Defined contribution plan – Provident fund and Employee State Insurance**

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions and has no obligation to pay any further amounts. Provident fund scheme and employee state insurance are defined contribution schemes. The Company makes specified monthly contributions towards these schemes. The Company's contributions are recorded as an expense in the Profit or loss during the period in which the employee renders the related service. If the contribution already paid is less than the contribution payable under the scheme for service received before the balance sheet date, the deficit payable under the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.

**Defined benefit plan – Gratuity**

The Company's gratuity scheme is a defined benefit plan. The present value of obligations under such defined benefit plans are determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

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

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

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

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The group recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

**11) Revenue recognition**

Revenue is recognised at an amount that reflects the consideration to which the Group expects to be entitled in exchange for transferring the goods or services to a customer i.e. on transfer of control of the goods or service to the customer. Revenue from sales of goods or rendering of services is net of Indirect taxes, returns and discounts.

***Income from operations***

*Rooms, Food and Beverage & Banquets*

*Revenue is recognised at the transaction price that is allocated to the performance obligation. Revenue includes room revenue, food and beverage sale and banquet services which is recognised once the rooms are occupied, food and beverages are sold and banquet services have been provided as per the contract with the customer.*

*Space rentals*

*Rentals basically consists of rental revenue earned from letting of spaces within the property. These contracts for rentals are generally of short term in nature. Revenue is recognized in the period in which services are being rendered.*

*Other Allied services*

*In relation to the, laundry income, communication income, health club income, airport transfers income and other allied services, the revenue has been recognized by reference to the time of service rendered.*

***Interest***

*Interest income is accrued on a time proportion basis using the effective interest rate method.*

**12) Accounting for Foreign Currency Transactions**

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in the profit or loss on net basis.

**13) Income Taxes**

Income tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

**Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

**Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

#### **14) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

##### **Identification of segments:**

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

#### **15) Earnings per share**

Basic earnings per share are calculated by dividing the profit or loss for the period attributable to equity shareholders by the weighted average number of shares outstanding during the period. Ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date the contract is entered into.

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

## 16) Leases

### *Company as a Lessee*

On inception of a contract, the Company (as a lessee) assesses whether it contains a lease. A contract is, or contains a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and do not contain a purchase option or are low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease contracts may contain both lease and non-lease components. The Company allocates payments in the contract to the lease and non-lease components based on their relative stand-alone prices and applies the lease accounting model only to lease components.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for initial direct costs incurred, lease payments made at or before the commencement date, any asset restoration obligation, and less any lease incentives received. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are also adjusted for any re-measurement of lease liabilities. Unless the Company is reasonably certain to obtain ownership of the leased assets or renewal of the leases at the end of the lease term, recognized right-of-use assets are depreciated to a residual value over the shorter of their estimated useful life or lease term.

The lease liability is initially measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments (including 'in-substance fixed' payments) and variable lease payments that depend on an index or a rate, less any lease incentives receivable. 'In-substance fixed' payments are payments that may, in form, contain variability but that, in substance, are unavoidable. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease term includes periods subject to extension options which the Company is reasonably certain to exercise and excludes the effect of early termination options where the Company is not reasonably certain that it will exercise the option. Minimum lease payments include the cost of a purchase option if the Company is reasonably certain it will purchase the underlying asset after the lease term.

Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment if whether it will exercise an extension or a termination option and any lease modification.

Variable lease payments that do not depend on an index or a rate are recognized as an expense in the period over which the event or condition that triggers the payment occurs. In respect of variable leases which guarantee a minimum amount of rent over the lease term, the guaranteed amount is considered to be an 'in-substance fixed' lease payment and included in the initial calculation of the lease liability. Payments which are 'in-substance fixed' are charged against the lease liability.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

*Company as a Lessor*

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognizes lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognized over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

**17) Cash and cash equivalents**

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

**18) Investment in subsidiaries:**

A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over entity.

Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Investments in subsidiaries are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost.

**19) Profit before finance cost, depreciation, amortisation and tax:**

The Company presents EBITDA in the statement of profit and loss; this is not specifically required by Ind AS 1. The terms EBITDA are not defined in Ind AS. Ind AS complaint Schedule III allows companies to present line items, sub-line items and sub-totals shall be presented as an addition or substitution on the face of The standalone financial statements when such presentation is relevant to an understanding of the company's financial position or performance or to cater to industry/sector-specific disclosure requirements or when required for compliance with the amendments to the Companies Act or under the Indian Accounting Standards. Accordingly, the Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss.

Measurement of Profit before finance cost, depreciation, amortisation and tax:

The Company has elected to present earning before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the Statement of Profit and Loss. The Company measured EBITDA on the basis of profit/(loss) from continuing operation. In their measurement, the Company includes interest income but does not include depreciation and amortization expenses, finance cost and tax expense.

**Standard Issued but not yet effective**

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective from April 01, 2023

(I) Definition of Accounting Estimates- Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has been clarified how entities use management techniques and input to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after April 01, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after start of that period.

The amendments are not expected to have a material impact on the Company's financial statements.

(II) Disclosure of Accounting Policies- Amendments to Ind AS 1

The amendments aim help entities to provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosure.

The amendments to Ind AS 1 are applicable for annual period beginning on or after April 01, 2023. Consequential amendments have been made in Ind AS 107. The Company is currently revisiting their accounting policy information disclosure to ensure consistency with the amended requirements.

(III) Deferred Tax related to Assets and Liabilities arising from a Single Transaction- Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and deferred tax liability shall also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after April 01, 2023. The Company is currently assessing the impact of the amendments.

### 3 Property, plant and equipment

	Freehold land	Building	Plant and machinery	Furniture and fixtures	Computers	Total
<b>Gross Carrying amount</b>						
Deemed cost as at April 1, 2021	460.00	635.29	191.51	53.79	5.26	1,345.85
Additions	-	1.03	1.74	-	-	2.77
Disposal/ adjustments	-	-	-	-	-	-
<b>Balance as at March 31, 2022</b>	<b>460.00</b>	<b>636.32</b>	<b>193.25</b>	<b>53.79</b>	<b>5.26</b>	<b>1,348.62</b>
Additions	-	3.92	5.18	3.01	0.35	12.46
Disposal/ adjustments	-	-	(0.66)	(3.19)	-	(3.85)
<b>Balance as at March 31, 2023</b>	<b>460.00</b>	<b>640.24</b>	<b>197.77</b>	<b>53.61</b>	<b>5.61</b>	<b>1,357.23</b>
<b>Accumulated depreciation</b>						
Balance as at April 1, 2021	-	-	-	-	-	-
Depreciation charge for the year (Note 25)	-	27.24	33.18	13.42	4.21	78.05
Disposal/ adjustments	-	-	-	-	-	-
<b>Balance as at March 31, 2022</b>	<b>-</b>	<b>27.24</b>	<b>33.18</b>	<b>13.42</b>	<b>4.21</b>	<b>78.05</b>
Depreciation charge for the year (Note 25)	-	27.47	31.79	13.47	1.08	73.81
Disposal/ adjustments	-	-	(0.21)	(1.39)	-	(1.60)
<b>Balance as at March 31, 2023</b>	<b>-</b>	<b>54.71</b>	<b>64.76</b>	<b>25.50</b>	<b>5.29</b>	<b>150.26</b>
<b>Net carrying amount</b>						
Balance as on April 1, 2021	460.00	635.29	191.51	53.79	5.26	1,345.85
Balance as at March 31, 2022	460.00	609.08	160.07	40.37	1.05	1,270.57
Balance as at March 31, 2023	460.00	585.53	133.01	28.11	0.32	1,206.97

The Company has elected to use fair value of all items of property, plant and equipment on the date of transition and designate the same as deemed cost.  
For details of pledged assets refer Note 40

### 4 Intangible assets

	Computer software	Total
<b>Gross Carrying amount</b>		
Deemed cost as at April 1, 2021	4.57	4.57
Additions	-	-
Disposal/ adjustments	-	-
<b>Balance as at March 31, 2022</b>	<b>4.57</b>	<b>4.57</b>
Additions	0.12	0.12
Disposal/ adjustments	-	-
<b>Balance as at March 31, 2023</b>	<b>4.69</b>	<b>4.69</b>
<b>Amortisation</b>		
Balance as at April 1, 2021	-	-
Amortisation for the year (Refer Note 25)	1.71	1.71
Disposal/ adjustments	-	-
<b>Balance as at March 31, 2022</b>	<b>1.71</b>	<b>1.71</b>
Amortisation for the year (Refer Note 25)	1.66	1.66
Disposal/ adjustments	-	-
<b>Balance as at March 31, 2023</b>	<b>3.37</b>	<b>3.37</b>
<b>Net Carrying amount</b>		
Deemed cost as at April 1, 2021	4.57	4.57
Balance as at March 31, 2022	2.86	2.86
Balance as at March 31, 2023	1.32	1.32

All intangible assets are carried in balance sheet as at April 1, 2021 in accordance with previous GAAP. The Company has elected to regard such carrying value as deemed cost at the date of transition.

**Duet India Hotels (Hyderabad) Private Limited**  
**Notes to the Standalone Financial Statements for the year ended March 31, 2023**  
(Amount in Rs. Millions, unless otherwise stated)

**5 Financial assets- Non-Current**

**5(a) Investment in subsidiaries**

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
<b>Non-current investments : Unquoted</b>			
<b>Investment at cost:</b>			
<b>Investment in equity shares of subsidiaries</b>			
556,688 (March 31, 2022 - 556,688, April 1, 2021 - 556,688) equity shares of Duet India Hotels (Navi Mumbai) Private Limited of Rs.100 each fully paid up	392.84	392.84	392.84
<b>Investment in debentures of subsidiaries</b>			
4,871,581 (March 31, 2022 - 4,871,581, April 1, 2021 - 4,871,581) debentures of Duet India Hotels (Navi Mumbai) Private Limited of Rs.100 each fully paid up	487.16	487.16	487.16
<b>Less: Accumulated Impairment in the value of non current investments</b>			
Provision for investment in equity shares of Duet India Hotels (Navi Mumbai) Private Limited of Rs.100 each fully paid up	(127.50)	(127.50)	(127.50)
<b>Total non-current investments</b>	<b>752.50</b>	<b>752.50</b>	<b>752.50</b>
Current	-	-	-
Non-Current	752.50	752.50	752.50
<b>Aggregate amount of unquoted investments</b>	<b>752.50</b>	<b>752.50</b>	<b>752.50</b>

**5(b) Other non current investments**

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
<b>Investment in equity shares</b>			
1 (March 31, 2022 - 1, April 1, 2021 - 1) equity share of Duet JKM India Hotels (Indore) Private Limited (entity under common control) of Rs.10 each fully paid up	-	-	-
<b>Total Other non-current investments</b>	<b>-</b>	<b>-</b>	<b>-</b>

**5(c) Loans - Non-current**

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
<b>At amortised cost</b>			
<b>To parties other than related parties</b>			
Intercompany loans to others parties (unsecured)	86.70	88.12	86.41
Less: provision for doubtful loans	(86.01)	(86.01)	(86.01)
<b>Total Loans - Non-current</b>	<b>0.69</b>	<b>2.11</b>	<b>0.40</b>
<b>Breakup of Loans receivable</b>			
(i) Loans Receivables considered good - Secured	-	-	-
(ii) Loans Receivables considered good - Unsecured	0.69	2.11	0.40
(iii) Loans Receivables which have significant increase in Credit Risk	-	-	-
(iv) Loans Receivables - credit impaired	86.01	86.01	86.01
<b>Total Loans - Non-current</b>	<b>86.70</b>	<b>88.12</b>	<b>86.41</b>

**5(d) Other non-current financial assets**

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Security deposits at amortised cost (unsecured)	3.85	3.86	3.84
Bank deposits (due to mature after 12 months from the reporting date)*	7.20	20.01	21.90
Interest accrued but not due on bank deposits	0.07	-	-
<b>Total non-current financial assets</b>	<b>11.12</b>	<b>23.87</b>	<b>25.74</b>

\* These fixed deposits includes Rs. 7.20 (March 31, 2022 Rs. 20.01, April 1, 2021 Rs 21.90) which are not available for use by the Company as the same has been placed as fixed deposits with the Pollution Control Board and against bank guarantee issued towards the Director General of Foreign Trade, India.

**Breakup of non-current financial assets measured at amortised cost**

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Investment in subsidiaries (Note 5(a))	752.50	752.50	752.50
Other non current investments (Note 5(b))	-	-	-
Loans - Non-current (Note 5(c))	0.69	2.11	0.40
Other non-current financial assets (Note 5(d))	11.12	23.87	25.74
<b>Total non-current financial assets measured at amortised cost</b>	<b>764.31</b>	<b>778.48</b>	<b>778.64</b>

6 Income taxes

	As at March 31, 2023	As at March 31, 2022
The major components of income tax expense are:		
<b>(i) Amount recognised in statement of profit and loss</b>		
<b>Current tax:</b>		
Current tax on profits for the year	-	-
<b>Total current tax expense</b>	<b>-</b>	<b>-</b>
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	0.03	0.06
<b>Total deferred tax charge</b>	<b>0.03</b>	<b>0.06</b>
<b>Income tax expense reported in the Statement of Profit and Loss</b>	<b>0.03</b>	<b>0.06</b>
<b>(ii) Income tax recognised in other comprehensive income</b>		
<b>Deferred tax charge (credit):</b>		
Income tax effect of re-measurement gains/(losses) on defined benefit plans	(0.03)	(0.06)
<b>Income tax (charged)/credited to other comprehensive income</b>	<b>(0.03)</b>	<b>(0.06)</b>
<b>(iii) Reconciliation of effective tax rate</b>		
<b>Profit/(Loss) before tax</b>	<b>29.59</b>	<b>(78.04)</b>
At Company's statutory income tax rate of 25.168% (March 31, 2022: 25.168%)	7.45	(19.64)
<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</b>		
Deferred tax asset not created on business loss and depreciation		19.64
Utilisation of deferred tax asset not created on carried forward losses in earlier years	(7.45)	-
<b>Total adjustments</b>	<b>(7.45)</b>	<b>19.64</b>
<b>Income tax expense</b>	<b>-</b>	<b>-</b>
<b>(iv) Deferred tax asset/ (liability)</b>		

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
<b>Deferred tax assets</b>			
Carry forward losses and unabsorbed depreciation	192.13	204.65	174.34
Provision for employee benefits	0.82	0.45	0.73
Allowances for doubtful debts and advances	24.98	24.79	24.79
Difference in carrying amount of borrowings as per books of accounts and as per Income Tax Act	0.03	-	-
<b>Total deferred tax assets (A)</b>	<b>217.96</b>	<b>229.89</b>	<b>199.86</b>
<b>Deferred tax liabilities</b>			
Property, plant and equipment and intangible assets.	(124.95)	(137.48)	(143.36)
Difference in carrying amount of borrowings as per books of accounts and as per Income Tax Act	-	(0.17)	(0.15)
<b>Total deferred tax liabilities (B)</b>	<b>(124.95)</b>	<b>(137.65)</b>	<b>(143.51)</b>
<b>Net deferred tax asset / (liability) (A+B)</b>	<b>93.01</b>	<b>92.24</b>	<b>56.35</b>
<b>Deferred tax asset not recognised on carry forward losses and unabsorbed depreciation</b>	<b>93.01</b>	<b>92.24</b>	<b>56.35</b>
<b>Net deferred tax asset / (liability)</b>	<b>-</b>	<b>-</b>	<b>-</b>

(v) Deferred tax movement in Statement of Profit and Loss

Particulars	Statement of Profit and loss		Other comprehensive income	
	For the Year ended March 31, 2023	For the year ended March 31, 2022	For the Year ended March 31, 2023	For the year ended March 31, 2022
Accumulated depreciation and amortisation on property, plant and equipment and intangible assets.	(12.53)	(5.88)	-	-
Carry forward losses	13.29	5.58	-	-
Provision for employee benefits	(0.40)	0.22	(0.03)	(0.06)
Difference in carrying amount of borrowings as per books of accounts and as per Income Tax Act	(0.20)	0.02	-	-
Allowances for doubtful debts and advances	(0.19)	-	-	-
<b>Deferred tax (credit)/ charge</b>	<b>(0.03)</b>	<b>(0.06)</b>	<b>(0.03)</b>	<b>(0.06)</b>

(vi) Reconciliation of opening and closing deferred tax asset / (liability)

Particulars	For the Year ended March 31, 2023	For the year ended March 31, 2022
Opening balance	-	-
Deferred tax income recognised in statement of Profit or Loss	(0.03)	(0.06)
Deferred tax expense recognised in OCI	(0.03)	(0.06)
<b>Closing balance</b>	<b>(0.06)</b>	<b>(0.12)</b>

The Company has tax losses (including unabsorbed depreciation) amounting to Rs. 763.40 (March 31, 2022 - Rs. 813.12, April 1, 2021 - Rs. 692.69) that are available for offsetting for subsequent years in accordance with Income Tax Act, 1961. Substantially all of these losses (excluding unabsorbed depreciation) will expire in March 2031. In the absence of convincing evidence that the sufficient taxable profit will be available against which unused tax losses can be utilized and regulatory limitation in carrying forward business losses in case of change in ownership. The management consider it prudent to recognise deferred tax assets on tax losses and unabsorbed depreciation only to the extent of deferred tax liabilities. If the Company were able to recognise all unrecognised deferred tax assets, the profit and total equity would increase by Rs. 93.01 (March 31, 2022: Rs. 92.24, April 1, 2021 - Rs. 56.35). Further, the Company has not recognized deferred tax asset on provision for impairment in investments considering uncertainty around availability of future taxable income eligible for utilization against such losses.

(vi) Tax Losses and tax credits for which no deferred tax asset was recognised expire as follows:

Expire assessment year	As at March 31, 2023		As at March 31, 2022		As at April 1, 2021	
	Gross Amount	Unrecognised tax effect	Gross Amount	Unrecognised tax effect	Gross Amount	Unrecognised tax effect
<b>Business loss</b>						
2027-28	97.17	24.46	146.90	36.97	146.90	36.97
2029-30	48.67	12.25	48.67	12.25	48.67	12.25
<b>Unabsorbed depreciation</b>						
Indefinite life as per local laws	617.56	155.43	617.56	155.43	497.12	125.12
Total deferred tax asset on brought forward losses and unabsorbed depreciation		192.14		204.65		174.34
Less: Deferred tax asset recognised to the extent of deferred tax liability on other components		99.12		112.41		117.99
Net deferred tax asset not recognised on tax losses and unabsorbed depreciation		93.01		92.24		56.35

**Non-current tax assets (net)**

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
<b>Non-current</b>			
Advance income tax (including TDS Receivable net of provision)	5.90	6.10	3.43
<b>Total non-current tax assets</b>	<b>5.90</b>	<b>6.10</b>	<b>3.43</b>

**7 Other non current assets**

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
<b>Non-current assets</b>			
<i>Unsecured considered good unless stated otherwise</i>			
Capital advances	4.45	2.74	2.74
<b>Total other non-current assets</b>	<b>4.45</b>	<b>2.74</b>	<b>2.74</b>

**8 Inventories (valued at lower of cost or NRV)**

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Food and beverages	0.52	0.20	0.09
Liquor and wine	5.08	3.27	2.60
Stores and operating supplies	2.06	0.81	0.25
<b>Total inventories (valued at lower of cost or NRV)</b>	<b>7.66</b>	<b>4.28</b>	<b>2.94</b>

**9 Financial assets - Current**

**9(a) Trade receivables**

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
<b>Unsecured and considered good, unless otherwise stated</b>			
Considered good (Refer note 32)	25.97	25.16	19.56
Considered doubtful	13.24	12.48	12.48
Unbilled revenue, Considered good	6.81	2.08	0.75
	46.02	39.72	32.79
Less: Allowance for bad and doubtful debts	(13.24)	(12.48)	(12.48)
<b>Total current trade receivables</b>	<b>32.78</b>	<b>27.24</b>	<b>20.31</b>
Current portion	32.78	27.24	20.31
Non-current portion	-	-	-

**Break-up of security details of trade receivables**

Particulars	As at	As at	As at
	March 31, 2023	March 31, 2022	April 1, 2021
Secured, considered good	-	-	-
Unsecured, considered good	32.78	27.24	20.31
Trade receivable which have significant increase in credit risk	-	-	-
Trade receivables - credit impaired	13.24	12.48	12.48
<b>Total</b>	<b>46.02</b>	<b>39.72</b>	<b>32.79</b>
Allowance for bad and doubtful debts	(13.24)	(12.48)	(12.48)
<b>Total trade receivables</b>	<b>32.78</b>	<b>27.24</b>	<b>20.31</b>

- No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person.  
- Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

**Trade receivables Ageing Schedule**  
**As at March 31, 2023**

Unbilled	Outstanding for following periods from date of transaction						Total
	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years		
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
Undisputed Trade Receivables – considered good	-	5.85	16.21	1.25	2.66	-	25.97
Undisputed Trade Receivables – considered doubtful	-	-	-	0.76	-	-	0.76
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – considered doubtful	-	-	-	-	12.48	-	12.48
Unbilled revenue- Considered good	6.81	-	-	-	-	-	6.81
<b>Total</b>	<b>6.81</b>	<b>5.85</b>	<b>16.21</b>	<b>2.01</b>	<b>15.14</b>	<b>-</b>	<b>46.02</b>

**As at March 31, 2022**

Unbilled	Outstanding for following periods from date of transaction						Total
	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years		
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
Undisputed Trade Receivables – considered good	-	17.73	3.18	4.25	-	-	25.16
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – considered doubtful	-	-	-	12.48	-	-	12.48
Unbilled revenue- Considered good	2.08	-	-	-	-	-	2.08
<b>Total</b>	<b>2.08</b>	<b>17.73</b>	<b>3.18</b>	<b>16.73</b>	<b>-</b>	<b>-</b>	<b>39.72</b>

**As at April 1, 2021**

Unbilled	Outstanding for following periods from date of transaction						Total
	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years		
INR	INR	INR	INR	INR	INR	INR	
Undisputed Trade Receivables – considered good	-	7.03	12.53	-	-	-	19.56
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – considered doubtful	-	-	12.48	-	-	-	12.48
Unbilled revenue- Considered good	0.75	-	-	-	-	-	0.75
<b>Total</b>	<b>0.75</b>	<b>7.03</b>	<b>25.01</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>32.79</b>

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

**Set out below is the movement in the allowance for bad and doubtful debt of trade receivables:**

	As at	As at
	March 31, 2023	March 31, 2022
<b>Balance at beginning of the year</b>	12.48	12.48
Movement in bad and doubtful debts on trade receivables.	0.76	-
<b>Balance at end of the year</b>	<b>13.24</b>	<b>12.48</b>

9(b) Cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Balance with banks			
-In current accounts	25.06	9.13	22.44
-Deposits with less than 3 months of original maturity	44.40	-	7.50
Cash on hand	0.15	0.17	0.24
<b>Total cash and cash equivalents</b>	<b>69.61</b>	<b>9.30</b>	<b>30.18</b>

As at March 31, 2023

Changes in liabilities arising from financing activities\*

Particulars	April 1, 2022	Cash flows**	Non Cash Adjustments <sup>#</sup>	other	March 31, 2023
Current borrowing	39.50	15.16	-	0.73	55.39
Loan from financial institution	528.53	-	(528.53)	-	-
Loan from bank	-	(26.80)	536.15	(0.73)	508.62
<b>Total Liability from financing activities</b>	<b>568.03</b>	<b>(11.64)</b>	<b>7.62</b>	<b>-</b>	<b>564.01</b>

As at March 31, 2022

Changes in liabilities arising from financing activities\*

Particulars	April 1, 2021	Cash flows**	Non Cash Adjustments <sup>#</sup>	other	March 31, 2022
Current borrowing	43.11	(3.61)	-	-	39.50
Loan from financial institution	498.53	31.81	(0.74)	(1.07)	528.53
<b>Total Liability from financing activities</b>	<b>541.64</b>	<b>28.20</b>	<b>(0.74)</b>	<b>(1.07)</b>	<b>568.03</b>

\*Refer cash flows from financing activities in statement of cash flow.

# Non cash adjustment related to impact of effective interest rate on loan from financial institution/bank and take over of loan from L&T Finance Limited by Indusind Bank Limited.

\*\* Includes payment of processing fees and other ancillary borrowing cost incurred during the year.

9(c) Loans - Current

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
<b>To related parties</b>			
Intercorporate loans to related parties (unsecured)**# (refer note 32)	0.02	7.23	1.13
<b>Total</b>	<b>0.02</b>	<b>7.23</b>	<b>1.13</b>

\* The Company has given Intercorporate loans which carries interest rate of 12% p.a ( March 31, 2022 14%; April 1, 2021 14%). The loans are repayable as per the mutual consent between both the parties. Interest on Intercorporate loans given has been waived off as per mutual consent and accordingly no interest has been accrued on these loan transactions from FY 2016-17 till March 31, 2023.

# Intercorporate loans to related parties includes the amount of interest receivable on Intercorporate loans amounting to Rs. 0.02 as at March 31, 2023 (March 31, 2022 - Rs. 0.63, April 1, 2021 - Rs. 0.63).

9(d) Other current financial assets

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Loan to employees	0.96	1.02	0.35
Interest accrued but not due on bank deposits	-	0.06	0.16
<b>Total other current financial assets</b>	<b>0.96</b>	<b>1.08</b>	<b>0.51</b>

Breakup of current financial assets measured at amortised cost

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Trade receivables (Note 9(a))	32.78	27.24	20.31
Cash and cash equivalents (Note 9(b))	69.61	9.30	30.18
Loans - Current (Note 9(c))	0.02	7.23	1.13
Other current financial assets (Note 9(d))	0.96	1.08	0.51
<b>Total current financial assets measured at amortised cost</b>	<b>103.37</b>	<b>44.85</b>	<b>52.13</b>

10 Other current assets

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
<b>Unsecured considered good</b>			
Balance with customs, excise and other authorities (Refer note 49)	22.00	27.25	22.34
Prepaid expenses	7.65	4.84	5.11
Advances to suppliers	2.07	1.79	0.57
<b>Total other current assets</b>	<b>31.72</b>	<b>33.88</b>	<b>28.02</b>

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**11 Share capital**

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
<b>Authorised Share Capital</b>			
16,990,000 (March 31, 2022 - 16,990,000, April 1, 2021 - 16,990,000) equity shares of Rs. 10 each	169.90	169.90	169.90
40,010,000 (March 31, 2022 - 40,010,000, April 1, 2021 - 40,010,000) 0.01% compulsorily convertible preference shares (CCPS) of Rs.10 each	400.10	400.10	400.10
	<b>570.00</b>	<b>570.00</b>	<b>570.00</b>

**11(a) Equity share capital**

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
<b>Issued, subscribed and paid up Share Capital</b>			
4,990,000 (March 31, 2022 - 4,990,000, April 1, 2021 - 4,990,000) equity shares of Rs. 10 each	49.90	49.90	49.90
	<b>49.90</b>	<b>49.90</b>	<b>49.90</b>

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

	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2022	As at April 1, 2021	As at April 1, 2021
	No.	Amount	No.	Amount	No.	Amount
<b>Equity shares</b>						
Balance as at the beginning of the year	4,990,000	49.90	4,990,000	49.90	4,990,000	49.90
Add: shares issued during the year	-	-	-	-	-	-
<b>Balance as at the end of the year</b>	<b>4,990,000</b>	<b>49.90</b>	<b>4,990,000</b>	<b>49.90</b>	<b>4,990,000</b>	<b>49.90</b>

**b) Terms/rights attached to equity shares:**

The Company has a 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 subject to payment of dividend to preference shareholders. 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, 2023, March 31, 2022 and April 1, 2021, the Company has not declared any dividend to equity shareholders.

**Equity shares held by the Holding Company/entity having significant influence**

	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2022	As at April 1, 2021	As at April 1, 2021
	No.	Amount	No.	Amount	No.	Amount
<b>Equity shares of Rs. 10 each fully paid up held by</b>						
ACIC Mauritius 1, the holding company	3,792,400	37.92	3,792,400	37.92	3,792,400	37.92
ACIC Mauritius 2, entity having significant influence	1,197,600	11.98	1,197,600	11.98	1,197,600	11.98
	<b>4,990,000</b>	<b>49.90</b>	<b>4,990,000</b>	<b>49.90</b>	<b>4,990,000</b>	<b>49.90</b>

**Details of shareholders holding more than 5% shares of the Company**

	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2022	As at April 1, 2021	As at April 1, 2021
	No.	% holding in the class	No.	% holding in the class	No.	% holding in the class
<b>Equity shares of Rs. 10 each fully paid up held by</b>						
ACIC Mauritius 1, the holding company	3,792,400	76%	3,792,400	76%	3,792,400	76%
ACIC Mauritius 2, entity having significant influence	1,197,600	24%	1,197,600	24%	1,197,600	24%

**Details of shares held by promoters as at March 31, 2023**

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
ACIC Mauritius 1, the holding company	3,792,400	-	3,792,400	76%	-
ACIC Mauritius 2, entity having significant influence	1,197,600	-	1,197,600	24%	-
<b>Total</b>	<b>4,990,000</b>	<b>-</b>	<b>4,990,000</b>		

**Details of shares held by promoters as at March 31, 2022**

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
ACIC Mauritius 1, the holding company	3,792,400	-	3,792,400	76%	-
ACIC Mauritius 2, entity having significant influence	1,197,600	-	1,197,600	24%	-
<b>Total</b>	<b>4,990,000</b>	<b>-</b>	<b>4,990,000</b>		

**11(b) Instruments entirely equity in nature**

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
38,112,902 (March 31, 2022 - 38,112,902, April 1, 2021 - 38,112,902) 0.01% compulsorily convertible preference shares (CCPS) of Rs.10 each	381.13	381.13	381.13
124,538,827 (March 31, 2022 - 124,538,827, April 1, 2021 - 124,538,827) fully compulsorily convertible debenture (FCCDs) of Rs.10 each	1,245.39	1,245.39	1,245.39
	<b>1,626.52</b>	<b>1,626.52</b>	<b>1,626.52</b>

**a) Reconciliation of compulsorily convertible preference shares (CCPS) and fully compulsorily convertible debenture (FCCDs) outstanding at the beginning and at the end of the reporting year:**

	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2022	As at April 1, 2021	As at April 1, 2021
	No.	Amount	No.	Amount	No.	Amount
<b>Compulsorily convertible preference shares (CCPS) of Rs.10 each</b>						
Balance as at the beginning of the year	38,112,902	381.13	38,112,902	381.13	38,112,902	381.13
Add: shares issued during the year	-	-	-	-	-	-
Balance as at the end of the year	<b>38,112,902</b>	<b>381.13</b>	<b>38,112,902</b>	<b>381.13</b>	<b>38,112,902</b>	<b>381.13</b>
<b>Fully Compulsorily Convertible Debentures (FCCDs) of Rs 10 each#</b>						
Balance at the beginning of the year	124,538,827	1,245.39	124,538,827	1,245.39	124,538,827	1,245.39

**b) Rights, preferences and restrictions attached to Compulsorily Convertible Preference Shares (CCPS)**

Cumulative Dividend @ 0.01% per annum. Each CCPS shall get converted at the option of the Company at any time in each case into one equity share of Rs. 10 each (subject to the applicable valuation guidelines prevailing at the time of conversion) after 10 years but not exceeding 15 years from the date of issue and any accumulated unpaid dividend shall be paid at the time of conversion.

**Compulsorily convertible preference shares (CCPS) held by Fellow subsidiary/ Entity having significant influence**

	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2022	As at April 1, 2021	As at April 1, 2021
	No.	Amount	No.	Amount	No.	Amount
<b>Compulsorily convertible preferences shares (CCPS) of Rs.10 each held by</b>						
Duet India Hotels (Pune) Private Limited, fellow subsidiary	24,487,096	244.87	24,487,096	244.87	24,487,096	244.87
ACIC Mauritius 2, entity having significant influence	13,625,806	136.26	13,625,806	136.26	13,625,806	136.26
	<b>38,112,902</b>	<b>381.13</b>	<b>38,112,902</b>	<b>381.13</b>	<b>38,112,902</b>	<b>381.13</b>

**Details of shareholders holding more than 5% Compulsorily convertible preference shares (CCPS) of the Company**

	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2022	As at April 1, 2021	As at April 1, 2021
	No.	% holding in the class	No.	% holding in the class	No.	% holding in the class
<b>Compulsorily convertible preferences shares (CCPS) of Rs.10</b>						
Duet India Hotels (Pune) Private Limited, fellow subsidiary	24,487,096	64.25%	24,487,096	64.25%	24,487,096	64.25%
ACIC Mauritius 2, entity having significant influence	13,625,806	35.75%	13,625,806	35.75%	13,625,806	35.75%

**Details of Compulsorily convertible preferences shares (CCPS) held by promoters as at March 31, 2023**

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Duet India Hotels (Pune) Private Limited	24,487,096	-	24,487,096	64.25%	-
ACIC Mauritius 2, entity having significant influence	13,625,806	-	13,625,806	35.75%	-
<b>Total</b>	<b>38,112,902</b>	<b>-</b>	<b>38,112,902</b>		

**Details of Compulsorily convertible preferences shares (CCPS) held by promoters as at March 31, 2022**

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Duet India Hotels (Pune) Private Limited	24,487,096	-	24,487,096	64.25%	-
ACIC Mauritius 2, entity having significant influence	13,625,806	-	13,625,806	35.75%	-
<b>Total</b>	<b>38,112,902</b>	<b>-</b>	<b>38,112,902</b>		

**Fully Compulsory Convertible Debentures (FCCDs) held by Holding Company/ Entity having significant influence**

	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2022	As at April 1, 2021	As at April 1, 2021
	No.	Amount	No.	Amount	No.	Amount
<b>Fully Compulsory Convertible Debentures (FCCDs) of Rs.10 each held by</b>						
ACIC Mauritius 1, the holding company	113,656,027	1,136.56	113,656,027	1,136.56	113,656,027	1,136.56
ACIC Mauritius 2, entity having significant influence	10,882,800	108.83	10,882,800	108.83	10,882,800	108.83
	<b>124,538,827</b>	<b>1,245.39</b>	<b>124,538,827</b>	<b>1,245.39</b>	<b>124,538,827</b>	<b>1,245.39</b>

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

	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2022	As at April 1, 2021	As at April 1, 2021
	No.	% holding in the class	No.	% holding in the class	No.	% holding in the class
<b>Fully Compulsory Convertible Debentures (FCCDs) of Rs.10 each</b>						
ACIC Mauritius 1, the holding company	113,656,027	91.26%	113,656,027	91.26%	113,656,027	91.26%
ACIC Mauritius 2, entity having significant influence	10,882,800	8.74%	10,882,800	8.74%	10,882,800	8.74%
	<b>124,538,827</b>		<b>124,538,827</b>		<b>124,538,827</b>	

**Duet India Hotels (Hyderabad) Private Limited**  
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(Amount in Rs. Millions, unless otherwise stated)

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

Promoter Name	No. of FCCDs at the beginning of the year	Change during the year	No. of FCCDs at the end of the year	% of Total Shares	% change during the year
ACIC Mauritius 1, the holding company	113,656,027	-	113,656,027	91.26%	-
ACIC Mauritius 2, entity having significant influence	10,882,800	-	10,882,800	8.74%	-
<b>Total</b>	<b>124,538,827</b>		<b>124,538,827</b>		

**Details of Fully Compulsory Convertible Debentures (FCCDs) held by promoters as at March 31, 2022**

Promoter Name	No. of FCCDs at the beginning of the year	Change during the year	No. of FCCDs at the end of the year	% of Total Shares	% change during the year
ACIC Mauritius 1, the holding company	113,656,027	-	113,656,027	91.26%	-
ACIC Mauritius 2, entity having significant influence	10,882,800	-	10,882,800	8.74%	-
<b>Total</b>	<b>124,538,827</b>		<b>124,538,827</b>		

**# Details of Fully Compulsorily Convertible Debentures (FCCDs) as on March 31, 2023**

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
<b>Fully Compulsorily Convertible Debentures (FCCDs)</b>			
<b>- Fully Compulsory Convertible Debentures (FCCDs) issued to Holding Company - ACIC Mauritius 1</b>			
34,462,200 (March 31, 2022 - 34,462,200, April 1, 2021 - 34,462,200) of Rs.10 each (unsecured) (Note 1)	344.62	344.62	344.62
5,473,234 (March 31, 2022 - 5,473,234, April 1, 2021 - 5,473,234) of Rs.10 each (unsecured) (Note 2)	54.73	54.73	54.73
14,973,683 (March 31, 2022 - 14,973,683, April 1, 2021 - 14,973,683) of Rs.10 each (unsecured) (Note 3)	149.74	149.74	149.74
46,949,760 (March 31, 2022 - 46,949,760, April 1, 2021 - 46,949,760) of Rs.10 each (unsecured) (Note 4)	469.50	469.50	469.50
10,942,700 (March 31, 2022 - 10,942,700, April 1, 2021 - 10,942,700) of Rs.10 each (unsecured) (Note 5)	109.43	109.43	109.43
854,450 (March 31, 2022 - 854,450, April 1, 2021 - 854,450) of Rs.10 each (unsecured) (Note 5)	8.54	8.54	8.54
<b>- Fully Compulsory Convertible Debentures (FCCDs) issued to Entity having significant influence - ACIC Mauritius 2</b>			
10,882,800 (March 31, 2022 - 10,882,800, April 1, 2021 - 10,882,800) of Rs.10 each (unsecured) (Note 1)	108.83	108.83	108.83
	<b>1,245.39</b>	<b>1,245.39</b>	<b>1,245.39</b>

- FCCD of Rs. 10 each having a coupon rate of SBI PLR plus 300 basis points per annum were allotted on April 17, 2010 to DIH (Cyprus) SPV (No.6) Limited. Each FCCD shall get converted into one equity share of Rs. 10 each on maturity before 15 years from the date of issue. During the earlier years, 34,462,200 FCCD were transferred to ACIC Mauritius 1 and 10,882,800 FCCD were transferred to ACIC Mauritius 2. 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, 2023. These FCCD's were transferred by DIH (Cyprus) SPV (No.6) Limited to ACIC Mauritius 1 on March 31, 2017.
- FCCD of Rs. 10 each having a coupon rate of SBI base rate plus 300 basis points per annum were allotted on April 6, 2017 to Asiya Asset Management Cayman Ltd. 2.8 FCCD shall get converted into one equity share of Rs. 10 each on maturity before 10 years from the date of issue. During the earlier years, 5,473,234 FCCD were transferred to ACIC Mauritius 1. 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, 2023. These FCCD's were transferred by Asiya Asset Management Cayman Limited to ACIC Mauritius 1 on December 29, 2018.
- 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. 2.9 FCCD shall get converted into one equity share of Rs.10 each on maturity on or before September 30, 2028. 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, 2023.
- 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. 3 FCCD shall get converted into one equity share of Rs. 10 each on maturity on or before 30th April, 2029. 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, 2023.
- 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. 3 FCCD shall get converted into one equity share of Rs. 10 each on maturity on or before 30th April, 2029. 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, 2023.

**12 Other equity**

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Securities premium	498.87	498.87	498.87
Distribution on behalf of Ultimate Holding Company	(19.75)	(6.28)	(2.70)
Equity component of intercompany borrowings	16.85	83.85	51.74
Retained earnings	(795.87)	(825.94)	(748.41)
Other comprehensive income - Remeasurements of defined benefit liability	0.26	0.16	-
	<b>(299.64)</b>	<b>(249.34)</b>	<b>(200.50)</b>

**(a) Securities premium**

Balance at the beginning of the year	498.87	498.87	498.87
Additions made during the year	-	-	-
<b>Balance at the year end</b>	<b>498.87</b>	<b>498.87</b>	<b>498.87</b>

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

**(b) Distribution on behalf of Ultimate Holding Company**

Balance at the beginning of the year	(6.28)	(2.70)	(2.70)
Add : (Additions)/recovery during the year (refer note 32)	(13.47)	(3.58)	-
<b>Balance at the year end</b>	<b>(19.75)</b>	<b>(6.28)</b>	<b>(2.70)</b>

Distribution on behalf of Ultimate Holding Company represents difference between fair value and carrying value of loans given to fellow subsidiaries

**(c) Equity component of intercompany borrowings**

Balance at the beginning of the year	83.85	51.74	-
Additions/deletions made during the year (refer note 32)	(67.00)	32.11	51.74
<b>Balance at the year end</b>	<b>16.85</b>	<b>83.85</b>	<b>51.74</b>

Equity component of borrowings from related party represents difference between fair value and carrying value of borrowings from fellow subsidiaries.

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
<b>(d) Retained earnings</b>			
Balance at the beginning of the year	(825.94)	(748.41)	(748.41)
Profit/(loss) for the year	29.62	(77.98)	-
Other adjustment	0.45	0.45	-
<b>Balance at the year end</b>	<b>(795.87)</b>	<b>(825.94)</b>	<b>(748.41)</b>

Retained earnings as at March 31, 2022 include gain of Rs. 484.90 (April 1, 2021 Rs. 506.63) on fair valuation of property plant and equipment recorded by the Company.

<b>(e) Other comprehensive income - Remeasurements of defined benefit liability</b>			
Balance at the beginning of the year	0.16	-	-
Remeasurement of defined benefit liability (net of tax)	0.10	0.16	-
<b>Balance at the year end</b>	<b>0.26</b>	<b>0.16</b>	<b>-</b>

Remeasurements of defined benefit liability comprises actuarial gains and losses.

### 13 Financial liabilities- Non Current

#### 13 Borrowings

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
<b>Secured</b>			
Loans from bank*	509.35	-	-
Loans from financial institutions	-	528.53	498.53
Less: current maturities of long term borrowings, amount disclosed under the head Short term borrowings (refer note 17(a))	(0.73)	-	-
<b>Total non-current borrowings</b>	<b>508.62</b>	<b>528.53</b>	<b>498.53</b>

Aggregate secured loans

Aggregate unsecured loans

\* During the year, the Company has entered into a loan agreement with Indusind Bank Limited ("New Facility") to avail loan amounting to Rs. 22.10 under the Guaranteed Emergency Credit Line scheme and Rs. 513.63 towards the term loan facility, to refinance its existing loan arrangement with L&T Finance Limited. The interest for these loan arrangements are linked to 3 month T- Bill to be restated every 3 months. The effective interest rate for the Company is 9.30% (March 31, 2022 9.95%; April 1, 2021 9.95%).  
"The borrowings is repayable as follows:

- (i) Rs. 22.10 is payable in 48 structured monthly instalments with first instalment due on November 30, 2023 and last instalment falling on October 31, 2027;
- (ii) Rs. 475.96 is payable in 21 structured quarterly instalments with first instalment due on June 30, 2025 and last instalment falling on September 30 2030;
- (iii) Rs. 37.67 is payable in bullet payment on September 30, 2030."

A. The borrowing is amounting to Rs. 513.63 Covered in (ii) and (iii) is secured by.

1. First mortgage and charge on all immovable properties of the Borrower together with all the structures and appurtenances thereon and thereunder, whether owned or leased (both present and future).
2. First Charge by way of hypothecation on all the current and tangible movable assets of the Borrower, including but not limited to cash flows, receivables, movable plant and machinery, machinery spares, tools, and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future.
3. Assignment by way of /security of all present and future rights, title, interest, benefit, claims and demand whatsoever of the Borrower, as per applicable law, in (i) all the project documents; (ii) in the clearances, (iii) in any letter of credit, guarantee including contractor guarantees and liquidated damages, consent agreements, side letters and performance bond provided by any party to the project documents and (iv) in all insurance contracts and insurance proceeds pertaining to the project.
4. First charge by way of hypothecation over all accounts of the Borrower, including but not limited to the Account and the Sub-Accounts (including the DSRA) (or any account in substitution thereof) that may be opened in accordance with the Transaction Documents and in all funds from time to time deposited therein (including the reserves), all non-fund based reserves maintained by way of letters of credit/bank guarantees or otherwise including DSR Instrument, and the Permitted Investments (excluding the investments made by the Borrower in DIH Navi Mumbai ("Excluded Investments")) or other securities representing all amounts credited to the Account;
5. A non-disposal undertaking over 21 % (twenty-one percent) of the Equity' Share Capital, Preference Share Capital and the CCDs held by the ACIC Mauritius 1 and ACIC Mauritius 2 ("NDU Securities"), free from any Security Interest, in form and manner satisfactory to the lenders/lender agent.
6. Pledge over the Equity Share Capital and the CCDs held by ACIC Mauritius 1 and the Preference Share Capital held by the ACIC Mauritius 2, free from any Security Interest, so as to maintain the required cover.
7. The Corporate Guarantee for an aggregate amount of Rs. 25,00,00,000/- (Rupees Twenty Five Crores only) by the Ultimate Holding Company, which shall be for securing the Facilities and the Other Borrowers Facilities on an aggregate basis cross-collateralized for the benefit of the Lender.

B. The borrowing for the GECL facility amounting to Rs. 22.10 covered in of para (i) above is secured by way of a second charge over the security mentioned in para A above.

#### 14 Other non current liabilities

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Non refundable security deposits	50.79	60.66	70.82
Less: current maturities of security deposits, amount disclosed under the head "other current liabilities"	(9.87)	(9.88)	(10.19)
<b>Total other non-current liabilities</b>	<b>40.92</b>	<b>50.78</b>	<b>60.63</b>

#### 15 Non current provisions

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Provision for employee benefits			
- Provision for gratuity (refer note 30)	1.09	0.64	0.77
- Provision for compensated absences	1.91	1.02	1.91
<b>Total non-current provision</b>	<b>3.00</b>	<b>1.66</b>	<b>2.68</b>

**16 Contract liabilities**

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Contract liabilities*	1.10	0.35	0.31
<b>Total contract liabilities</b>	<b>1.10</b>	<b>0.35</b>	<b>0.31</b>

\*Contract liabilities represents amounts received from the guests for future events/ bookings.

**17 Financial liabilities-Current**

**17(a) Borrowings**

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
<b>Secured</b>			
Bank overdraft*	24.66	-	-
Current maturities of long term borrowings (refer note 13)*	0.73	-	-
<b>Unsecured</b>			
Loan from other fellow subsidiaries (refer note 32)	-	9.50	13.11
Intercompany loan from other parties (unsecured) (refer note 29A)	30.00	30.00	30.00
<b>Total current borrowings</b>	<b>55.39</b>	<b>39.50</b>	<b>43.11</b>
Aggregate secured loans	25.39	-	-
Aggregate unsecured loans	30.00	39.50	43.11

\* Refer note 13 for related terms and conditions.

**17(b) Trade payables**

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Trade payables			
- total outstanding dues to micro and small enterprises (refer note 37)	0.73	-	-
- total outstanding dues to creditors other than micro and small enterprises (refer note 32 for dues toward related party)	52.97	30.08	48.75
<b>Total trade payables</b>	<b>53.70</b>	<b>30.08</b>	<b>48.75</b>

**Trade payables Ageing schedule**

As at March 31, 2023

	Outstanding for following periods from date of transaction					Total
	Not Dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	0.73	-	-	-	0.73
Total outstanding dues of creditors other than micro enterprises and small enterprises	22.07	26.85	0.40	0.77	2.88	52.97
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	<b>22.07</b>	<b>27.58</b>	<b>0.40</b>	<b>0.77</b>	<b>2.88</b>	<b>53.70</b>

As at March 31, 2022

	Outstanding for following periods from date of transaction					Total
	Not Dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	12.51	12.16	1.09	3.41	0.91	30.08
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	<b>12.51</b>	<b>12.16</b>	<b>1.09</b>	<b>3.41</b>	<b>0.91</b>	<b>30.08</b>

As at April 1, 2021

	Outstanding for following periods from date of transaction					Total
	Not Dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	21.47	5.41	20.37	1.50	-	48.75
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	<b>21.47</b>	<b>5.41</b>	<b>20.37</b>	<b>1.50</b>	<b>-</b>	<b>48.75</b>

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

**17(c) Other financial liabilities**

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Creditors for capital expenditure	5.19	6.96	6.96
Employee related payables	8.35	3.68	3.53
Interest accrued and due on borrowing from related parties (refer note 32)	-	3.60	24.28
Interest accrued and due on borrowing from other parties	0.93	0.93	0.93
<b>Total other financial liabilities</b>	<b>14.47</b>	<b>15.17</b>	<b>35.70</b>

**18 Other current liabilities**

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Deferred revenue on government grant (refer note 49)	21.93	21.93	21.93
Statutory dues payable	2.17	5.25	4.42
Current maturities of non refundable security deposit (refer Note 14)	9.87	9.88	10.19
Other current liability	0.20	0.20	2.71
<b>Total other current liabilities</b>	<b>34.17</b>	<b>37.26</b>	<b>39.25</b>

**19 Current provisions**

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Provision for employee benefits			
- Provision for gratuity (refer note 30)	0.03	0.01	-
- Provision for compensated absences	0.24	0.12	0.22
Provision for contingency (Refer note 29B and 49)	37.28	13.22	13.22
<b>Total current provisions</b>	<b>37.55</b>	<b>13.35</b>	<b>13.44</b>

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**Duet India Hotels (Hyderabad) Private Limited**  
**Notes to the Standalone Financial Statements for the year ended March 31, 2023**  
(Amount in Rs. Millions, unless otherwise stated)

**20 Revenue from operations**

	For the Year ended March 31, 2023	For the year ended March 31, 2022
<b>Revenue from contracts with customers</b>		
Room rentals	406.57	162.24
Food and beverages	56.83	39.80
Liquor and wine	42.30	27.03
Other operating revenue	17.46	10.67
<b>Total Revenue from operations</b>	<b>523.16</b>	<b>239.74</b>

**21 Other income**

	For the Year ended March 31, 2023	For the year ended March 31, 2022
<b>a) Interest Income</b>		
Interest income from bank deposits	1.24	1.32
<b>b) Other gain or losses</b>		
Liabilities no longer required written back	1.77	3.49
Amortisation of non-refundable security deposits	9.87	10.16
Miscellaneous income	0.29	1.20
<b>Total Other income</b>	<b>13.17</b>	<b>16.17</b>

**22 Food and beverages consumed**

	For the Year ended March 31, 2023	For the year ended March 31, 2022
<b>Opening inventory</b>		
Food and beverages	0.20	0.09
Liquor and wine	3.27	2.60
	<b>3.47</b>	<b>2.69</b>
<b>Add: Purchases</b>		
Food and beverages	35.04	16.53
Liquor and wine	13.03	8.56
	<b>48.07</b>	<b>25.09</b>
<b>Less: Closing inventory</b>		
Food and beverages	0.52	0.20
Liquor and wine	5.08	3.27
	<b>5.60</b>	<b>3.47</b>
<b>Food and beverages consumed</b>		
Food and beverages	34.72	16.42
Liquor and wine	11.22	7.89
<b>Total Food and beverages consumed</b>	<b>45.94</b>	<b>24.31</b>

**23 Employee benefit expense**

	For the Year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	46.99	28.00
Gratuity (refer note 30)	0.60	0.37
Contribution to provident fund and other funds (refer note 30(b))	2.74	1.79
Staff welfare expenses	11.38	7.57
<b>Total Employee benefit expense</b>	<b>61.71</b>	<b>37.73</b>

**Duet India Hotels (Hyderabad) Private Limited**  
**Notes to the Standalone Financial Statements for the year ended March 31, 2023**  
(Amount in Rs. Millions, unless otherwise stated)

**24 Other expenses**

	For the Year ended March 31, 2023	For the year ended March 31, 2022
Consumption of stores and operating supplies	20.39	13.49
Rates and taxes	19.15	27.64
Brand, license and marketing fees	74.74	38.14
Insurance	1.62	1.54
Power, fuel and water	32.14	26.81
Printing and stationery	2.01	1.65
Communication	2.22	2.01
Travelling and conveyance	8.63	1.78
Management fees	9.00	4.95
Legal and professional (refer note 47)	12.34	5.50
Payment to statutory auditors* (refer note 47)	5.84	1.36
Repairs and maintenance of:		
- building	2.78	1.19
- plant and machinery	7.31	4.21
- others	10.82	3.44
Provision for doubtful loans	-	1.80
Security services	3.26	2.16
Contractual labour	4.93	1.68
Net Loss on account of foreign exchange fluctuation	5.31	0.05
Loss on discard of assets	2.25	-
Provision for doubtful debts (refer note 9(a))	0.76	-
Miscellaneous expenses	2.86	0.34
<b>Total Other expenses</b>	<b>228.36</b>	<b>139.74</b>
<b>*Payment to statutory auditor (excluding GST):</b>		
Statutory audit fees	1.95	1.36
Other services	3.82	-
Reimbursement of expenses	0.07	-
<b>Total</b>	<b>5.84</b>	<b>1.36</b>

**25 Depreciation and amortisation expenses**

	For the Year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on property, plant and equipment (refer note 3)	73.81	78.05
Amortisation of intangible assets (refer note 4)	1.66	1.71
<b>Total Depreciation and amortisation expenses</b>	<b>75.47</b>	<b>79.76</b>

**26 Finance costs**

	For the Year ended March 31, 2023	For the year ended March 31, 2022
Interest on loans from financial institution/bank		
- on term loans	64.86	51.20
- on overdraft	0.11	-
Bank charges	3.64	1.21
Interest cost on government grant (Refer note 49)	24.06	-
Interest on GST liability on deferred security deposits	2.59	-
<b>Total Finance costs</b>	<b>95.26</b>	<b>52.41</b>

**Duet India Hotels (Hyderabad) Private Limited**  
**Notes to the Standalone Financial Statements for the year ended March 31, 2023**  
(Amount in Rs. Millions, unless otherwise stated)

**27 Earning per share**

	For the Year ended March 31, 2023	For the year ended March 31, 2022
Net profit/(loss) attributable to equity shareholders (A)	29.62	(77.98)
Weighted average of number of equity shares used in computing basic earnings per share (B)	115,148,271	115,148,271
Weighted average of number of equity shares used in computing diluted earnings per share (C)	115,148,271	115,148,271
Basic earnings/ (loss) per share (A/B) (absolute Rs.)	0.26	(0.68)
Diluted earnings/ (loss) per share (A/C)* (absolute Rs.)	0.26	(0.68)

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

	For the Year ended March 31, 2023	For the year ended March 31, 2022
Net profit/(loss) after tax as per Statement of profit and loss	29.62	(77.98)
Net profit/(loss) attributable to equity shareholders	<u>29.62</u>	<u>(77.98)</u>

**Calculation of weighted average number of shares for basic and diluted earnings per share for the year ended March 31, 2023**

	Number	Weighted Average
Equity shares as on April 1, 2022	4,990,000	4,990,000
<b>Instruments entirely equity in nature</b>		
Compulsorily convertible preference share as on April 1, 2022	38,112,902	38,112,902
Fully compulsory convertible debentures (FCCDs) as on April 1, 2022	72,045,369	72,045,369
	<u>115,148,271</u>	<u>115,148,271</u>

**Calculation of weighted average number of shares for basic and diluted earnings per share for the year ended March 31, 2022**

	Number	Weighted Average
Equity shares as on April 1, 2021	4,990,000	4,990,000
<b>Instruments entirely equity in nature</b>		
Compulsorily convertible preference share as on April 1, 2021	38,112,902	38,112,902
Fully compulsory convertible debentures (FCCDs) as on April 1, 2021	72,045,369	72,045,369
	<u>115,148,271</u>	<u>115,148,271</u>

## **28 Key accounting changes**

### **A - Impact of First time adoption of Ind AS**

#### **28.1 First-time adoption of Ind-AS**

- a. The Standalone Financial Statements of the Company have been prepared in accordance with recognition and measurement principles prescribed under Section 133 of the Companies Act, 2013 read with the rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) issued thereunder and other accounting principles generally accepted in India ("IndAS").
- b. The Company's management ('the management') had issued Financial Statements of the Company for the year ended March 31, 2022 and March 31, 2021 on September 30, 2022 and November 8, 2021 respectively that were prepared in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2021 ('Indian GAAP').
- c. The transition to IndAS was carried out from the accounting principles generally accepted in India ('Indian GAAP') which is considered as "Previous GAAP" as defined in IndAS 101, "First Time Adoption of Indian Accounting Standards". An explanation of how the transition to IndAS has impacted the Company's equity and profits/loss is provided in the Standalone Reconciliation of Equity as at April 1, 2021 and March 31, 2022 and Standalone Reconciliation of profit/loss for the year ended March 31, 2022. The preparation of these Standalone Financial Statements resulted in changes to the accounting policies as compared to most recent annual financial statements prepared under Indian GAAP. The accounting policies have been applied consistently to all period presented in these Standalone Financial Statements. They have also been applied in preparing the IndAS opening Balance Sheet as at April 1, 2021 (date of transition) for the purpose of transition to IndAS required by IndAS 101. The impact arising from the adoption of IndAS on the date of transition has been adjusted against other equity.
- d. The items in the Standalone Financial Statements have been classified considering the principles under IndAS 1, "Presentation of Financial Statements". The Management of the Company has prepared the Standalone Financial Statements which comprise the Balance Sheet as at April 1, 2021 and as at March 31, 2022, the Statement of Profit and loss, Statement of Cash Flows and Statement of Changes in Equity for the year ended March 31, 2022 and Reconciliation of Equity as at April 1, 2021 and as at March 31, 2022, Reconciliation of Profit and Loss for the year ended March 31, 2022, Notes to First-time adoption, Notes to Reconciliation and Significant Accounting Policies.
- e. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 1, 2021 and the financial statements as at and for the year ended March 31, 2022.

## **28.2 Exemptions and exceptions applied**

### **A.Exemptions**

Ind AS 101 First-Time Adoption of Ind AS allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. For transition to Ind AS, the Company has applied the following exemptions:

#### **(i) Deemed cost for property, plant and equipment**

IndAS 101 permits a first time adopter to measure the carrying value for all of its Property Plant and equipment at fair value in the financial statements as at the date of transition to IndAS and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure all of its property, plant and equipment at fair value at the date of transition. Further, the Company has elected to continue with the carrying value for all of its intangible assets as recognised in its Indian GAAP financial statements as deemed cost as at transition date.

#### **(ii) Deemed cost investment in subsidiaries**

IndAS 101 permits a first time adopter to choose the previous GAAP carrying amount at the entity's date of transition to Ind AS to measure the investment in subsidiary at the deemed cost. Accordingly, the Company has opted to measure its investment in subsidiary at deemed cost i.e. previous GAAP carrying amount less accumulated impairment.

### **B. Exceptions**

Ind AS 101 First-Time Adoption of Indian Accounting Standards provides first-time adopters certain exceptions from the retrospective application of certain requirements under Ind AS. For transition to Ind AS, the Company has applied the following

#### **(i) Derecognition of financial assets and financial liabilities**

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2021 (the transition date).

#### **(ii) Classification of debt instruments**

The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTPL criteria based on the facts and circumstances that existed as of the transition date.

#### **(iii) Classification and measurement of financial assets**

Ind AS 101 requires that an entity should assess the classification of its financial assets on the basis of facts and circumstances exist on the date of transition. Accordingly, in its Opening Ind AS Balance Sheet, the company has classified all the financial assets on basis of facts and circumstances that existed on the date of transition, i.e. April 1, 2021.

#### **(iv) Impairment of financial assets**

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

#### **(v) Estimates**

The entity's estimates in accordance with IndAS at the date of transition to IndAS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

28.3 First time Ind AS adoption reconciliations - Effect of Ind AS adoption on the balance sheet as at March 31, 2022

	Notes	-			
		Indian GAAP	Other adjustments	Effect of transition to Ind AS	As per Ind AS
<b>ASSETS</b>					
<b>I. Non-current assets</b>					
(a) Property, plant and equipment	28.6 (1)	785.67	-	484.90	1,270.57
(b) Intangible assets		2.86	-	-	2.86
(c) Financial assets					
(i) Investment in subsidiaries	29C	880.00	(127.50)	-	752.50
(ii) Other investments		-	-	-	-
(iii) Loans		2.11	-	-	2.11
(iv) Other financial assets		23.87	-	-	23.87
(d) Non-current tax assets (net)		6.10	-	-	6.10
(e) Other non-current assets		8.44	-	(5.70)	2.74
<b>Total non-current assets</b>	28.6 (2)	<b>1,709.05</b>	<b>(127.50)</b>	<b>479.20</b>	<b>2,060.75</b>
<b>II. Current assets</b>					
(a) Inventories		4.28	-	-	4.28
(b) Financial assets					
(i) Trade receivables		27.24	-	-	27.24
(ii) Cash and cash equivalents		9.30	-	-	9.30
(iii) Loans	28.6 (7) & 29A	11.81	1.70	(6.28)	7.23
(iv) Other financial assets		1.08	-	-	1.08
(c) Other current assets	28.6 (2)	34.71	-	(0.83)	33.88
<b>Total current assets</b>		<b>88.42</b>	<b>1.70</b>	<b>(7.11)</b>	<b>83.01</b>
<b>Total Assets</b>		<b>1,797.47</b>	<b>(125.80)</b>	<b>472.09</b>	<b>2,143.76</b>
<b>EQUITY AND LIABILITIES</b>					
<b>I. Equity</b>					
(a) Equity share capital	28.6 (4)	431.03	-	(381.13)	49.90
(b) Instruments entirely equity in nature	28.6 (3 & 4)	-	-	1,626.52	1,626.52
(c) Other equity					
(i) Securities premium		498.87	-	-	498.87
(ii) Distribution on behalf of Ultimate Holding Company	28.6 (7)	-	-	(6.28)	(6.28)
(iii) Equity component of intercorporate borrowings	28.6 (8)	-	-	83.85	83.85
(iv) Retained earnings	28.6 (1, 2, 5, 7, 9) & 29A, 29B & 29C	(1,120.55)	(168.88)	463.49	(825.94)
(v) Other comprehensive income - Remeasurements of defined benefit liability	28.6 (5)	-	-	0.16	0.16
<b>Total equity</b>		<b>(190.65)</b>	<b>(168.88)</b>	<b>1,786.61</b>	<b>1,427.08</b>
<b>II. Non-current liabilities</b>					
(a) Financial liabilities					
(i) Borrowings	28.6 (2, 3, 8) & 29A	1,866.05	(1.07)	(1,336.45)	528.53
(b) Other non-current liabilities		50.78	-	-	50.78
(c) Non-current provisions		1.66	-	-	1.66
<b>Total Non current liabilities</b>		<b>1,918.49</b>	<b>(1.07)</b>	<b>(1,336.45)</b>	<b>580.97</b>
<b>III. Current liabilities</b>					
(a) Contract liabilities		0.35	-	-	0.35
(b) Financial liabilities					
(i) Borrowings	29A	9.50	30.00	-	39.50
(ii) Trade payables					
- Total outstanding dues of micro enterprises and small enterprises		-	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		30.08	-	-	30.08
(iii) Other financial liabilities	29A	14.24	0.93	-	15.17
(c) Other current liabilities	28.6 (9)	15.33	-	21.93	37.26
(d) Short-term provisions	29B	0.13	13.22	-	13.35
<b>Total current liabilities</b>		<b>69.63</b>	<b>44.15</b>	<b>21.93</b>	<b>135.71</b>
<b>Total Equity and Liabilities</b>		<b>1,797.47</b>	<b>(125.80)</b>	<b>472.09</b>	<b>2,143.76</b>

28.4 First time Ind AS adoption reconciliations - Effect of Ind AS adoption on the balance sheet as at April 1, 2021

	Notes	-			
		As per IGAAP	Other adjustments	Effect of transition to Ind AS	As per Ind AS
<b>ASSETS</b>					
<b>I. Non-current assets</b>					
(a) Property, plant and equipment	28.6 (1)	839.22	-	506.63	1,345.85
(b) Intangible assets		4.57	-	-	4.57
(c) Financial assets		-	-	-	-
(i) Investment in subsidiaries	29C	880.00	(127.50)	-	752.50
(ii) Other investments		-	-	-	-
(iii) Loans	28.6 (7) & 29A	2.00	1.10	(2.70)	0.40
(iv) Other financial assets		25.74	-	-	25.74
(d) Non-current tax assets (net)		3.43	-	-	3.43
(e) Other non-current assets	28.6 (2)	9.27	-	(6.53)	2.74
<b>Total non-current assets</b>		<b>1,764.23</b>	<b>(126.40)</b>	<b>497.40</b>	<b>2,135.23</b>
<b>II. Current assets</b>					
(a) Inventories		2.94	-	-	2.94
(b) Financial assets		-	-	-	-
(i) Trade receivables		20.31	-	-	20.31
(ii) Cash and cash equivalents		30.18	-	-	30.18
(iii) Loans		1.13	-	-	1.13
(iv) Other financial assets		0.51	-	-	0.51
(c) Other current assets	28.6 (2)	28.85	-	(0.83)	28.02
<b>Total current assets</b>		<b>83.92</b>	<b>-</b>	<b>(0.83)</b>	<b>83.09</b>
<b>Total Assets</b>		<b>1,848.15</b>	<b>(126.40)</b>	<b>496.57</b>	<b>2,218.32</b>
<b>EQUITY AND LIABILITIES</b>					
<b>I. Equity</b>					
(a) Equity share capital	28.6 (4)	431.03	-	(381.13)	49.90
(b) Instruments entirely equity in nature	28.6 (3 & 4)	-	-	1,626.52	1,626.52
(c) Other equity		-	-	-	-
(i) Securities premium		498.87	-	-	498.87
(ii) Distribution on behalf of Ultimate Holding Company	28.6 (7)	-	-	(2.70)	(2.70)
(iii) Equity component of intercorporate borrowings	28.6 (8)	-	-	51.74	51.74
(iv) Retained earnings	28.6 (1, 2, 7, 9) & 29A, 29B & 29C	(1,066.61)	(167.08)	485.28	(748.41)
(v) Other comprehensive income - Remeasurements of defined benefit liability		-	-	-	-
<b>Total equity</b>		<b>(136.71)</b>	<b>(167.08)</b>	<b>1,779.71</b>	<b>1,475.92</b>
<b>II. Non-current liabilities</b>					
(a) Financial liabilities		-	-	-	-
(i) Borrowings	28.6 (2, 3, 8) & 29A	1,807.07	(3.47)	(1,305.07)	498.53
(b) Other non-current liabilities		60.63	-	-	60.63
(c) Non-current provisions		2.68	-	-	2.68
<b>Total non-current liabilities</b>		<b>1,870.38</b>	<b>(3.47)</b>	<b>(1,305.07)</b>	<b>561.84</b>
<b>III. Current liabilities</b>					
(a) Contract liabilities		0.31	-	-	0.31
(b) Financial liabilities		-	-	-	-
(i) Borrowings	29A	13.11	30.00	-	43.11
(ii) Trade payables		-	-	-	-
- Total outstanding dues of micro enterprises and small enterprises		-	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		48.75	-	-	48.75
(iii) Other financial liabilities	29A	34.77	0.93	-	35.70
(c) Other current liabilities	28.6 (9)	17.32	-	21.93	39.25
(d) Short-term provisions	29B	0.22	13.22	-	13.44
<b>Total current liabilities</b>		<b>114.48</b>	<b>44.15</b>	<b>21.93</b>	<b>180.56</b>
<b>Total equity and liabilities</b>		<b>1,848.15</b>	<b>(126.40)</b>	<b>496.57</b>	<b>2,218.32</b>

28.5 Effect of Ind AS adoption on the statement of profit and loss for the year ended March 31, 2022

	Notes	For the year ended March 31, 2022			
		Indian GAAP	Other adjustments	Effect of transition to Ind AS	As per Ind AS
<b>I. INCOME</b>					
(a) Revenue from operations		239.74	-	-	239.74
(b) Other income		16.17	-	-	16.17
<b>Total income (I)</b>		<b>255.91</b>	<b>-</b>	<b>-</b>	<b>255.91</b>
<b>II. EXPENSES</b>					
(a) Food and beverages consumed		24.31	-	-	24.31
(b) Employee benefits expense	28.6 (5)	37.51	-	0.22	37.73
(c) Other expenses	29A	137.94	1.80	-	139.74
		<b>199.77</b>	<b>1.80</b>	<b>0.22</b>	<b>201.78</b>
<b>III. Profit before finance cost, depreciation, amortisation and tax (I-II)</b>		<b>56.14</b>	<b>(1.80)</b>	<b>(0.22)</b>	<b>54.13</b>
<b>IV. Depreciation and amortisation expenses</b>	28.6 (1)	58.03	-	21.73	79.76
<b>V. Finance costs</b>	28.6 (2)	52.02	-	0.39	52.41
		<b>110.05</b>	<b>-</b>	<b>22.12</b>	<b>132.17</b>
<b>VI. (Loss) before taxes (III-IV-V)</b>		<b>(53.91)</b>	<b>(1.80)</b>	<b>(22.33)</b>	<b>(78.04)</b>
<b>VII. Tax expense</b>					
- Current tax		-	-	-	-
- Deferred tax charge /(credit)		-	-	(0.06)	(0.06)
<b>Total tax expense</b>		-	-	<b>(0.06)</b>	<b>(0.06)</b>
<b>VIII. Loss after tax (VI-VII)</b>		<b>(53.91)</b>	<b>(1.80)</b>	<b>(22.27)</b>	<b>(77.98)</b>
<b>IX. Other comprehensive income</b>					
Items that will not be reclassified to profit or loss					
(i) Re-measurement gains on defined benefit plans	28.6 (5)	-	-	0.22	0.22
(ii) Income tax effect of re-measurement gains/(losses) on defined benefit plans		-	-	(0.06)	(0.06)
<b>Total other comprehensive income</b>		-	-	<b>0.16</b>	<b>0.16</b>
<b>X. Total comprehensive income for the year (VIII+IX)</b>		<b>(53.91)</b>	<b>(1.80)</b>	<b>(23.91)</b>	<b>(77.82)</b>

## **28.6 Note on key reconciliation Ind AS adjustments**

1. As permitted under IndAS 101 permits an entity to elect to measure an item of property, plant and equipment at the date of transition to IndAS at its fair value and use that fair value as its deemed cost at that date. Accordingly, the Company has elected to use the fair value of all the items of property, plant and equipment on the date of transition and designate the same as deemed cost. Fair value has been determined, by obtaining an external third party valuation, a level 3 valuation technique. Accordingly as at April 1, 2021, the net carrying value of property, plant and equipment has increased by Rs. 506.63 with a corresponding adjustment to retained earnings. The loss for the year ended March 31, 2022 has increased on account of additional depreciation by Rs. 21.73. Consequently, the property plant and equipment and total equity as at March 31, 2022 has increased by Rs. 484.90 . In view of the unabsorbed tax depreciation available with the Company, no deferred tax liability has been recognised on the above fair value gain recorded by the Company.

2. Under Indian GAAP, transaction cost incurred in connection with borrowings were recorded under Other Assets and were amortised on straight-line basis and charged to statement of profit and loss for the period. Under IndAS transaction cost/fees that are directly related to the origination of the borrowings and are an integral part of the Effective Interest Rate (EIR) are included in the carrying amount of the loan and charged to profit or loss using the EIR method. Accordingly, borrowings as at March 31, 2022 have been reduced by Rs. 7.13 (April 1, 2021 Rs. 7.94) with a corresponding credit to Other Non current assets by Rs. 5.70 (April 1, 2021 Rs. 6.53), Other current assets by Rs. 0.83 (April 1, 2021 Rs. 0.83) and retained earnings by Rs. 0.59 (April 1, 2021 Rs. 0.59). The profit for the year ended March 31, 2022 has increased by Rs. 0.09 as a result of decrease in finance cost due to accretion of liability by applying the effective interest rate method.

3. The Company has issued Fully Compulsory Convertible Debentures (FCCDs) amounting to Rs. 1,245.39. Under previous GAAP these were classified as part of non-current borrowings whereas under IndAS these have been accounted for as compound financial instruments and have been recognised as instruments entirely equity in nature, equity component of FCCDs and debt component of FCCDs depending upon the terms of the agreement. Accordingly, the Company at transition date has recorded FCCDs amounting to Rs. 1,245.39 (March 31, 2022 1,245.39) as instruments entirely equity in nature,.

4. The Company has issued Compulsory Convertible Cumulative Preference Shares (CCCPS) amounting to Rs. 381.13. Under previous GAAP these were classified as part of Share Capital. Under Ind AS, these have recognised as part of Instruments entirely equity in nature in accordance with the terms of the agreement. Accordingly the, the Company at transition date has recorded CCCPS amounting to Rs. 381.13 as instruments entirely equity in nature.

5. Both under Indian GAAP and IndAS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under IndAS, remeasurements (comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability) are recognised in Other Comprehensive Income. Due to this, for the year ended March 31, 2022 remeasurement gain on defined benefit plans amounting to Rs. 0.22 has been recognised in the OCI and the employee benefit cost is increased by same amount.

6. Under Indian GAAP, the Company has not presented Other Comprehensive Income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or loss as per IndAS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per IndAS.

7. The Company, as at March 31, 2022, had given inter corporate loans to its fellow subsidiary companies amounting to Rs. 6.28 (April 1, 2021 Rs. 2.70). Since earlier years the Company had been waiving interest recoverable on such loans in light of the cash flow constraints of these Group companies. Under the previous GAAP these were recorded as long term loans to related parties. Considering the substance of the agreement, these loans have been accounted for as non refundable interest free loans and accordingly have been recognized and measured at fair values determined using present value technique with inputs that include future cash flows and discount rates that reflect assumptions that market participants would apply in pricing such loans. The difference between the transaction price and the fair value of such loans given to fellow subsidiaries has been recognized as a distribution on behalf of ultimate holding company amounting to Rs. 2.70 as at the transition date and Rs. 6.28 as at March 31, 2022 with a debit to other equity.

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8. The Company has availed inter corporate borrowings from its fellow subsidiary companies. Over the past years the fellow subsidiary companies have been waiving interest on such borrowings payable by the Company. Under the previous GAAP these loans were recorded as long term borrowings from related parties. Considering the substance of the agreement, these borrowings have been regarded as non refundable interest free borrowings by the management and accordingly have recognised the same as equity component of inter company borrowings. Accordingly, the Company has recognized equity component of borrowings as at March 31, 2022 amounting to Rs. 83.85 (April 1, 2021 Rs. 51.74).

9. The Company under the EPCG scheme has received grants from the Government in form of waiver of import duty on purchase of capital goods. These, however are conditional on the Company achieving specified future export obligations. Under previous GAAP, the Company recognised its property, plant and equipment at the net cost i.e. the import duty was excluded from the cost of the property, plant and equipment and adjusted directly with the export benefits. Under Ind AS the custom duty waiver is accounted for as government grant and recorded as deferred revenue and booked as income as and when obligation is met. Accordingly, deferred revenue of Rs. 21.93 has been recognised as at March 31, 2022 (April 1, 2021 - Rs. 21.93) with a corresponding debit to other equity as at March 31, 2022.

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- 29A** The Company in earlier years had adjusted the debt payable to a SARE group company of Rs. 30.92 with the loans receivable from another SARE group company which were assigned to the Company by Duet India Hotels (BCC) Private Limited of Rs. 1.80, by Duet India Hotels (Chennai) Private Limited of Rs. 0.60, by Duet India Hotels (Chennai) Private Limited of Rs. 1.07, by Duet India Hotels (Pune) Private Limited of Rs. 26.36 and by Duet India Hotels (Chennai OMR) of Rs. 1.10. The Company had also received a demand letter for recovery of debt payable of Rs. 30.00 from the Insolvency Resolution Professional of SARE group Company.

The above accounting treatment was qualified by the statutory auditors in their audit report for the said year. Considering the matter is sub-judice the Company has reversed the impact of above assignment and adjustment done in earlier years resulting in net reduction retained earnings as at transition date of Rs. 26.53 (Rs. 25.43 as at March 31, 2022), reduction long term borrowing of Rs. 3.47 as at transition date (Rs. 3.47 as at March 31, 2022) and increase in short term borrowings of Rs. 30 as at transition date (Rs. 30 as at March 31, 2022) and increase in Rs. 1.10 in non-current loans.

- 29B** In an earlier year, the Company had engaged with a service provider for assisting in hotel renovations at an agreed value of Rs 10.79 (design fees and Project Management fees) and a further incentive at a proportion of saving from the budgeted renovation cost. Till the end of FY 19-20, the service provider raised invoices of Rs 5.53 for services rendered, and Rs 4.78 for construction services and Rs 2.04 for incentives representing saving from budgeted renovation cost. The service provider initiated arbitration proceedings for recovery of above amounts and the management filed a counter claim disputing service provider's claims on account of delay and lack of submission of cost details and saving arising out of the efforts of service provider. The management had not recorded the above amounts claimed by the service provider in its books of account and the matter was qualified by the statutory auditors in their audit report for the said year. Considering the matter is sub-judice the management believes it is prudent to record the contractual claims made by the service provider in the financial statements and accordingly has recorded a provision for contingency of Rs. 13.22 (March 31, 2022 Rs. 13.22) with a corresponding debit to other equity as at transition date.

- 29C** During the year ended March 31, 2021, the operations of the Company were severely impacted by COVID 19. However the Company had not determined the impact of the same on the carrying value of its investment in subsidiaries pursuant to which the recoverability of the carrying value of investments was qualified by the statutory auditors in that year. The management has involved an external third party valuation expert to determine the recoverable value of these investments as at March 31, 2021 based on the economic conditions prevalent during that period and has recorded a provision for impairment of Rs. 127.50 with a corresponding debit to other equity as at transition date.

The net carrying value of the investments after the above impairment has been taken as the deemed cost of such investments as at transition date in accordance with Ind AS 101 and has been carried at such deemed cost in subsequent periods.

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**30 Gratuity and other post employment benefit plans**

**(a) Defined benefit plan**

**(i) Gratuity**

The Company has a defined benefit plan for gratuity which provides for a lumpsum payment to vested employees on departure i.e. at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service except death while in employment. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Company provides for the liability in its books of accounts based on an actuarial valuation carried out by a qualified independent actuary.

The following tables summarize the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet for the respective plans.

The principal assumptions used in determining gratuity benefit obligations for the Company's plan are shown below:

	As at March 31, 2023	As at March 31, 2022
Discount rate	7.39%	7.26%
Increase in compensation cost	10.00%	10.00%
Retirement Age (years)	60	60

**Withdrawal rates: Age related and past experience**

Age	% Withdrawal	
	As at March 31, 2023	As at March 31, 2022
Upto 30 years	15%	15%
Between 31 and 44 years	15%	15%
Above 44 years	20%	20%
Mortality rates inclusive of provision for disability	100% of IALM (2012-14)	100% of IALM (2012-14)

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

Changes in the present value of the defined benefit obligation are as follows:	As at March 31, 2023	As at March 31, 2022
Opening defined benefit obligation	0.65	0.76
Interest cost	0.05	0.05
Current service cost	0.55	0.32
Benefits paid	-	(0.26)
Actuarial loss/ (gain)	(0.13)	(0.22)
<b>Closing defined benefit obligation</b>	<b>1.12</b>	<b>0.65</b>

Balance sheet	As at March 31, 2023	As at March 31, 2022
Present value of defined benefit obligation	(1.12)	(0.65)
<b>Plan liability</b>	<b>(1.12)</b>	<b>(0.65)</b>

Expenses recognized in Statement of Profit and Loss	For the Year ended March 31, 2023	For the year ended March 31, 2022
Interest cost on benefit obligation	0.05	0.05
Current service cost	0.55	0.32
<b>Net benefit expense</b>	<b>0.60</b>	<b>0.37</b>

Actuarial (gains) / losses recognised in other comprehensive income	For the Year ended March 31, 2023	For the year ended March 31, 2022
Actuarial loss/ (gain) arising from change in demographic assumption	-	-
Actuarial loss arising from change in financial assumption	(0.01)	(0.02)
Actuarial loss/ (gain) arising from experience adjustment	(0.12)	(0.20)
<b>Total expense/ (income) recognised in other comprehensive income</b>	<b>(0.13)</b>	<b>(0.22)</b>

A quantitative sensitivity analysis for significant assumption as at March 31, 2023 is as shown below:

Sensitivity level	Discount rate		Salary growth rate	
	0.50% decrease	0.50% increase	0.50% decrease	0.50% increase
Increase/ (decrease) in defined benefit obligation	0.04	-0.04	-0.04	0.04

A quantitative sensitivity analysis for significant assumption as at March 31, 2022 is as shown below:

Sensitivity level	Discount rate		Salary growth rate	
	0.50% decrease	0.50% increase	0.50% decrease	0.50% increase
Increase/ (decrease) in defined benefit obligation	0.03	-0.02	-0.02	0.03

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

Sensitivities due to mortality and withdrawals rate are not material and hence impact of change not calculated.

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

	As at March 31, 2023	As at March 31, 2022
Within next 12 months	0.03	0.01
Between 1 and 5 years	0.41	0.24
Beyond 5 years	0.68	0.40

The Company's best estimate of expense for the next annual reporting period is Rs. 0.91.

The average duration of the defined benefit plan obligation at the end of the reporting period is 30.58 years (March 31, 2022: 30.56 years, April 1, 2021: 29.35 years)

**(b) Defined contribution plan**

Contribution to Defined Contribution Plan, recognised as expenses during the period as under:

	As at March 31, 2023	As at March 31, 2022
Employers' contribution to employees' provident fund	2.46	1.40
Employers' contribution to employees' state insurance	0.28	0.39
	<b>2.74</b>	<b>1.79</b>

**(c) Code on Social Security, 2020**

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

**31 Commitments and contingencies**

**a. Capital and other commitments**

The Company has Rs. 1.71 (March 31, 2022: Rs. Nil, April 1, 2021: Rs. Nil) amount of contracts remaining to be executed on capital account and not provided for (net of advances) as at year end.

- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**32 Related party transactions**

**(i) Names of related parties and related party relationship**

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

**Ultimate holding company**

Asiya Capital Investments Company, Kuwait

**Holding Company**

ACIC Mauritius 1

**Subsidiaries**

Duet India Hotels (Navi Mumbai) Private Limited

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

**Fellow subsidiaries**

Duet India Hotels (Pune) Private Limited  
Duet JKM India Hotels (Indore) Private Limited  
Duet India Hotels (Jaipur) Private Limited  
Duet India Hotels (Chennai) Private Limited  
Duet India Hotels (Bangalore) Private Limited  
Duet India Hotels (Ahmedabad) Private Limited  
Duet India Hotels (Chennai OMR) Private Limited  
ACIC Advisory Private Limited

**Entity having significant influence**

ACIC Mauritius 2

**Enterprise in which key management personnel (KMP) exercise significant influence**

Duet India Hotels (Mumbai) Private Limited ( till February 22, 2021)  
Duet India Hotels (Bengaluru Cybercity) Private Limited ( till February 22, 2021)

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**Duet India Hotels (Hyderabad) Private Limited**  
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c) Transactions with related parties during the year	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Management fees expenses</b>		
-ACIC Advisory Private Limited	9.00	2.25
<b>Legal &amp; professional fees</b>		
-ACIC Advisory Private Limited	2.80	-
<b>Other operating revenue</b>		
-Duet India Hotels (Bangalore) Private Limited	1.20	1.20
<b>Staff welfare expenses</b>		
-Duet India Hotels (Bangalore) Private Limited	7.40	3.77
<b>Food and beverages consumed</b>		
-Duet India Hotels (Bangalore) Private Limited	32.76	15.49
<b>Borrowings Current</b>		
<b>Intercorporate loan taken from related parties</b>		
-Duet India Hotels (Jaipur) Private Limited	-	11.00
<b>Intercorporate loan repaid to related parties</b>		
-Duet India Hotels (Pune) Private Limited	-	9.40
-Duet India Hotels (Jaipur) Private Limited	9.50	1.51
-Duet India Hotels (Bangalore) Private Limited	-	3.70
<b>Equity component of Intercorporate loan received</b>		
-Duet India Hotels (Pune) Private Limited	12.00	32.91
<b>Repayment equity component of Intercorporate loan</b>		
-Duet India Hotels (Pune) Private Limited	43.00	-
-Duet India Hotels (Bangalore) Private Limited	36.00	0.80
<b>Short term loans and advances</b>		
<b>Intercorporate loan given to related parties (net)</b>		
-Duet India Hotels (Chennai) Private Limited	-	6.60
<b>Intercorporate loan repaid by related parties (net)</b>		
-Duet India Hotels (Chennai) Private Limited	6.60	-
-Duet India Hotels (Ahmedabad) Private Limited	-	0.50
<b>Interest re-paid on intercompany loan by related parties</b>		
-Duet India Hotels (Chennai) Private Limited	0.52	-
-Duet India Hotels (Ahmedabad) Private Limited	0.09	-
<b>Distribution on behalf of Ultimate Holding Company - given</b>		
-Duet India Hotels (Chennai) Private Limited	13.60	3.90
-Duet India Hotels (Chennai OMR) Private Limited	10.31	15.08
<b>Distribution on behalf of Ultimate Holding Company - received back</b>		
-Duet India Hotels (Chennai) Private Limited	10.16	-
-Duet India Hotels (Chennai OMR) Private Limited	-	15.40
<b>Other current liabilities</b>		
<b>Interest paid on Intercorporate loan from related parties</b>		
-Duet India Hotels (Navi Mumbai) Private Limited	0.47	
-Duet India Hotels (Bangalore) Private Limited	3.13	
-Duet India Hotels (Pune) Private Limited	-	7.22
-Duet JKM India Hotels (Indore) Private Limited	-	12.58
-Duet India Hotels (Mumbai) Private Limited	-	0.87
<b>Reimbursement of expenses incurred by the company on behalf of another company</b>		
-Duet India Hotels (Bangalore) Private Limited	6.60	-

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d) Balances outstanding at the end of the year	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
<b>Distribution on behalf of Ultimate Holding Company</b>			
-Duet India Hotels (Chennai OMR) Private Limited	12.69	2.38	2.70
-Duet India Hotels (Chennai) Private Limited	7.06	3.90	-
<b>Equity component of Intercompany borrowing</b>			
-Duet India Hotels (Pune) Private Limited	6.85	37.85	4.94
-Duet India Hotels (Bangalore) Private Limited	10.00	46.00	46.80
<b>Trade receivable</b>			
-Duet India Hotels (Bangalore) Private Limited	0.13	33.82	16.19
<b>Trade payable</b>			
-Duet India Hotels (Bangalore) Private Limited	-	25.77	16.17
<b>Advance to suppliers</b>			
-ACIC Advisory Private Limited	1.10	0.43	-
<b>Fully Compulsory Convertible Debentures (FCCDs)</b>			
-ACIC Mauritius 2	108.83	108.83	108.83
-ACIC Mauritius 1	1,136.56	1,136.56	1,136.56
<b>Short term borrowings</b>			
-Duet India Hotels (Pune) Private Limited	-	-	9.40
-Duet India Hotels (Jaipur) Private Limited	-	9.50	0.01
-Duet India Hotels (Bangalore) Private Limited	-	-	3.70
<b>Short term loans and advances*</b>			
-Duet India Hotels (Chennai) Private Limited	0.02	7.14	0.54
-Duet India Hotels (Ahmedabad) Private Limited	-	0.09	0.59
<b>Other current liabilities</b>			
<b>Interest accrued on Intercompany loan</b>			
-Duet India Hotels (Navi Mumbai) Private Limited	-	0.47	0.47
-Duet India Hotels (Bangalore) Private Limited	-	3.13	3.13
-Duet India Hotels (Pune) Private Ltd	-	-	7.22
-Duet JKM India Hotels (Indore) Private Limited	-	-	12.58
-Duet India hotels (Mumbai) Private Ltd	-	-	0.87
<b>Non-current investments</b>			
<b>Investment in equity shares#</b>			
Duet India Hotels (Navi Mumbai) Private Limited	392.84	392.84	392.84
<b>Investment in debentures</b>			
Duet India Hotels (Navi Mumbai) Private Limited	487.16	487.16	487.16

\*Short term loans and advances includes accrued interest receivable

# Excluding provision for impairment of Investment of Rs. 127.50 (March 31, 2022: Rs.127.50, April 1, 2021: Rs.127.50)

Note: The Ultimate Holding company, Asiya Capital Investments Company, Kuwait, has given corporate guarantee to the lenders of the Company against a borrowing facility taken by the Company and its fellow subsidiary companies. The maximum exposure of the ultimate holding company is Rs. 250.00.

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**33 Operating segments**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Director of the Company who is responsible for allocating resources and assessing performance of the operating segments, have been identified as the chief operating decision-maker. From the internal organisation of the Company's activities and consistent with the internal reporting provided to the chief operating decision-maker and after considering the nature of its services, the ultimate customer availing those services and the methods used by it to provide those services, "Hotel Services" has been identified to be the Company's sole operating segment. The Company's management reporting and controlling systems principally use accounting policies that are the same as those described in Note 2 in the summary of significant accounting policies under Ind AS.

**A. Information about products and services**

Since the company has only one hotel and has similarity in terms of products and services, customer classes, method of providing services and the regulatory environment, the individual hotels qualify for aggregation, the management has considered all the hotels operations as one reportable operating segment. Accordingly, the figures appearing in these financial statements relate to the Company's single operating segment.

**B. Information about geographical areas**

The Company operates in India and therefore caters to the needs of the domestic market. Therefore, there is only one geographical segment and hence, geographical segment information is not required to be disclosed.

**34 Fair value measurement**

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:-

	Note	Carrying value			Fair value		
		As at March 31, 2023	As at March 31, 2022	As at April 1, 2021	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
<b>FINANCIAL ASSETS</b>							
<b>Financial assets measured at amortised cost</b>							
(i) Trade receivables	9(a)	32.78	27.24	20.31	32.78	27.24	20.31
(ii) Cash and cash equivalents	9(b)	69.61	9.30	30.18	69.61	9.30	30.18
(iii) Loans	9(c) & 5(c)	0.71	9.34	1.53	0.71	9.34	1.53
(iv) Other financial assets	9(d) & 5(d)	12.08	24.95	26.25	12.08	24.95	26.25
<b>Financial assets measured at cost</b>							
(v) Investment in subsidiaries	5(a)	752.50	752.50	752.50	752.50	752.50	752.50
<b>Total</b>		<b>867.68</b>	<b>823.33</b>	<b>830.77</b>	<b>867.68</b>	<b>823.33</b>	<b>830.77</b>
<b>FINANCIAL LIABILITIES</b>							
<b>Financial liabilities measured at amortised cost</b>							
(i) Borrowings	13 & 17(a)	564.01	568.03	541.64	564.01	568.03	541.64
(ii) Trade payables	17(b)	53.70	30.08	48.75	53.70	30.08	48.75
(iii) Other financial liabilities	17(c)	14.47	15.17	35.70	14.47	15.17	35.70
		<b>632.18</b>	<b>613.28</b>	<b>626.09</b>	<b>632.18</b>	<b>613.28</b>	<b>626.09</b>

The management assessed that the fair value of cash and cash equivalents, other bank balances, trade receivables, security deposits, margin money deposits, unbilled revenue, retention money, trade and other payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

**35 Fair value hierarchy**

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

**Specific valuation techniques used to value financial instruments include:**

- (i) the fair value of Fully Compulsorily Convertible Debentures (FCCDs) was calculated based on cash flows discounted using current lending rate
- (ii) the fair value of non-current investments were calculated based on cash flows discounted using current lending rate.
- (iii) the fair value of long term loans were calculated based on cash flows discounted using current lending rate.

**Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at March 31, 2023**

	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial assets</b>					
Financial investments at FVTPL	March 31, 2023	-	-	-	-
<b>Financial assets for which fair values are disclosed</b>					
Financial asset measured at amortised cost	March 31, 2023	-	-	-	-
<b>Financial Liabilities</b>					
Financial liabilities measured at amortised cost	March 31, 2023	-	-	-	-

There have been no transfers among level 1 and level 2 during the current year.

**Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at March 31, 2022**

	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial assets</b>					
Financial investments at FVTPL	March 31, 2022	-	-	-	-
<b>Financial assets for which fair values are disclosed</b>					
Financial asset measured at amortised cost	March 31, 2022	-	-	-	-
<b>Financial Liabilities</b>					
Financial liabilities measured at amortised cost	March 31, 2022	-	-	-	-

There have been no transfers among level 1 and level 2 during the previous year.

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at April 1, 2021

	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
<b>Financial assets</b>					
Financial investments at FVTPL	April 1, 2021	-	-	-	-
<b>Financial assets for which fair values are disclosed</b>					
Financial asset measured at amortised cost	April 1, 2021	-	-	-	-
<b>Financial Liabilities</b>					
Financial liabilities measured at amortised cost	April 1, 2021	-	-	-	-

There have been no transfers among level 1 and level 2 during the previous year.

**36 Financial risk management objectives and policies**

The Company's financial liabilities comprise borrowings, retention money, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include security deposits, trade receivables, cash and cash equivalents and other financial assets that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks. The Company's management reviews and agrees policies for managing each of these risks, which are summarized below.

**1. Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. The financial instruments affected by market risk are its term loans from banks and financial institutions.

The sensitivity analyses in the following sections relates to the position as at March 31, 2023 and March 31, 2022.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt are constant.

Assumptions made in calculating the sensitivity analyses - The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial liabilities held at March 31, 2023 and March 31, 2022.

The following assumptions have been made in calculating the sensitivity analyses:

- a. The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2023 and 31 March 2022.

**a. Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's term loan with floating interest rates. As at March 31, 2023 and March 31, 2022 the Company's borrowings are at floating rate of interest. (refer note 13)

**Interest rate sensitivity**

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

Particulars	Increase/ decrease in basis points	Effect on profit (loss) before tax
<b>March 31, 2023</b>		
Term loans from banks and financial institutions	50	(2.67)
Term loans from banks and financial institutions	(50)	2.67
<b>March 31, 2022</b>		
Term loans from financial institutions	50	(3.43)
Term loans from financial institutions	(50)	3.43

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

**b. Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

**Foreign currency sensitivity**

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities:

	Change in USD rate	Effect on profit (loss) before tax
<b>March 31, 2023</b>	+5%	(0.98)
	-5%	0.98
<b>March 31, 2022</b>	+5%	(0.49)
	-5%	0.49

**2. Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and contract assets) and from its financing activities, including deposits with banks, security deposits and other financial instruments.

**Trade receivables**

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before entering into contract. Credit limits are established for each customer, reviewed regularly and any sales exceeding those limits require approval from the appropriate authority. There are no significant concentrations of credit risk within the Company.

**Financial instruments and cash deposits**

Credit risk from balances with banks are managed by the Company's management in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties. Counterparty credit limits are reviewed by the management on an annual basis. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the Balance Sheet March 31, 2023, March 31, 2022 and April 1, 2021 is the carrying amounts given in Notes 9(b), 9(c) and 9(d).

The Company considers that its cash and cash equivalents have low credit risk.

Allowance for bad and doubtful debts on trade receivables

Particulars	As at	As at	As at
	March 31, 2023	March 31, 2022	April 1, 2021
Gross carrying amount	46.02	39.72	32.79
Allowance for bad and doubtful debts	(13.24)	(12.48)	(12.48)
<b>Carrying amount of trade receivables</b>	<b>32.78</b>	<b>27.24</b>	<b>20.31</b>

3. Liquidity risk

Liquidity risks are managed by the Company's management in accordance with Company's policy. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and equity shares. The company attempts to ensure that there is a balance between the timing of outflow and inflow of funds. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low since company has access to a sufficient variety of sources of funding.

The Company is not subject to any restrictions on the use of its capital that could significantly impact its operations. In light of these facilities, the Company is not exposed to any liquidity risk.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	Carrying Amount	Contractual cash flows	On demand Amount	< 3 months Amount	3 to 12 months Amount	1 to 5 years Amount	> 5 years Amount
<b>Year ended March 31, 2023</b>							
Loans from bank	509.35	535.73	-	-	0.73	164.99	370.01
Current borrowings	54.66	54.66	54.66	-	-	-	-
Trade payables	53.70	53.70	-	53.70	-	-	-
Non refundable security deposits	40.92	40.92	-	-	9.87	31.05	-
Interest accrued and due on borrowing from related parties	0.93	0.93	-	0.93	-	-	-
Employee related payables	8.35	8.35	-	8.35	-	-	-
Creditors for capital expenditure	5.19	5.19	-	5.19	-	-	-
	<b>672.37</b>	<b>698.75</b>	<b>54.66</b>	<b>68.17</b>	<b>10.60</b>	<b>196.04</b>	<b>6,369.28</b>

Particulars	Carrying Amount	Contractual cash flows	On demand Amount	< 3 months Amount	3 to 12 months Amount	1 to 5 years Amount	> 5 years Amount
<b>Year ended March 31, 2022</b>							
Loans from financial institution*	528.53	535.73	-	-	-	93.35	442.38
Current borrowings	39.50	39.50	39.50	-	-	-	-
Trade payables	30.08	30.08	-	30.08	-	-	-
Non refundable security deposits	50.78	50.78	-	-	-	-	50.78
Interest accrued and due on borrowing from related parties	4.53	4.53	-	4.53	-	-	-
Employee related payables	3.68	3.68	-	3.68	-	-	-
Creditors for capital expenditure	6.96	6.96	-	6.96	-	-	-
	<b>673.56</b>	<b>680.76</b>	<b>39.50</b>	<b>45.25</b>	<b>-</b>	<b>93.35</b>	<b>502.66</b>

Particulars	Carrying Amount	Contractual cash flows	On demand Amount	< 3 months Amount	3 to 12 months Amount	1 to 5 years Amount	> 5 years Amount
<b>Year ended April 1, 2021</b>							
Loans from financial institution*	498.53	535.73	-	-	-	36.14	499.59
Current borrowings	43.11	43.11	43.11	-	-	-	-
Trade payables	48.75	48.75	-	48.75	-	-	-
Non refundable security deposits	60.63	60.63	-	-	-	-	60.63
Interest accrued and due on borrowing from related parties	25.21	25.21	-	25.21	-	-	-
Employee related payables	3.53	3.53	-	3.53	-	-	-
Creditors for capital expenditure	6.96	6.96	-	6.96	-	-	-
	<b>696.22</b>	<b>733.42</b>	<b>43.11</b>	<b>84.45</b>	<b>-</b>	<b>36.14</b>	<b>569.72</b>

\*As per expected repayment schedule considering moratorium period exercised by the Company

37 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year			
-Principal amount due to micro and small enterprises	0.73	-	-
-Interest due on above	-	-	-
b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-	-

38 Corporate Social Responsibility Expenditure

The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year.

39 Capital management

For the purpose of the Company's capital management, capital includes issued equity share capital, securities premium and all other reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings (including current maturities) less cash and cash equivalents.

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Borrowings (refer note 13 and 17(a))	564.94	572.56	566.85
Less: Cash and cash equivalents including other bank balances (refer note 9(b))	69.61	9.30	30.18
<b>Net debt (A)</b>	<b>495.33</b>	<b>563.26</b>	<b>536.67</b>
Total Capital (refer note 11(a), 11(b) and 12)	1,376.78	1,427.08	1,475.92
<b>Capital and net debt (B)</b>	<b>1,872.11</b>	<b>1,990.34</b>	<b>2,012.59</b>
<b>Gearing ratio [(A)/(B)]</b>	<b>26%</b>	<b>28%</b>	<b>27%</b>

In order to achieve this overall objective, the company capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements.

Duet India Hotels (Hyderabad) Private Limited  
Notes to the Standalone Financial Statements for the year ended March 31, 2023  
(Amount in Rs. Millions, unless otherwise stated)

40 Assets pledged as security

The carrying amounts of assets pledged as security for borrowings are:

	Note	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
<b>Current</b>				
<b>Financial assets</b>				
First charge				
Trade receivables	9(a)	32.78	27.24	20.31
Cash and cash equivalents	9(b)	69.61	9.30	30.18
Loans	9(c)	0.02	7.23	1.13
Other financial assets	9(d)	0.96	1.08	0.51
		<b>103.37</b>	<b>44.85</b>	<b>52.13</b>
<b>Non-financial assets</b>				
First charge				
Inventories	8	7.66	4.28	2.94
Other current assets	10	31.72	33.88	28.02
		<b>39.38</b>	<b>38.16</b>	<b>30.96</b>
<b>Total current assets pledged as security</b>		<b>142.75</b>	<b>83.01</b>	<b>83.09</b>
<b>Non-current</b>				
<b>First charge</b>				
Property, plant and equipment	3	1,206.97	1,270.57	1,345.85
Intangible assets	4	1.32	2.86	4.57
Non-current tax assets (net)	6	5.90	6.10	3.43
Other non-current assets	7	4.45	2.74	2.74
<b>Financial assets</b>				
Investment in subsidiaries	5(a)	752.50	752.50	752.50
Other investments	5(b)	-	-	-
Loans	5(c)	0.69	2.11	0.40
Other financial assets	5(d)	11.12	23.87	25.74
<b>Total non-currents assets pledged as security</b>		<b>1,982.95</b>	<b>2,060.75</b>	<b>2,135.23</b>
<b>Total assets pledged as security</b>		<b>2,125.70</b>	<b>2,143.76</b>	<b>2,218.32</b>

41 Detail of loans to promoters, directors, KMP and related parties

Type of Borrower	As at March 31, 2023		As at March 31, 2022		As at April 1, 2021	
	Amount of loan or advance in the nature of loan outstanding	% of total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	% of total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	% of total Loans and Advances in the nature of loans
Loan to Related parties	0.02	3%	7.23	77%	1.13	74%
<b>Total</b>	<b>0.02</b>	<b>3%</b>	<b>7.23</b>	<b>77%</b>	<b>1.13</b>	<b>74%</b>

Loans given to related parties represents loans to fellow subsidiaries for meeting working capital requirements.

42 Ratio analysis and its elements

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	Variance	% Change	Reason for variance
Current ratio	Current Assets	Current Liabilities	0.73	0.61	0.12	18.84%	NA
Debt - Equity Ratio	Total Debt	Shareholder's Equity	0.41	0.40	0.01	2.92%	NA
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	1.71	(0.23)	1.94	-841%	The Company's operations were impacted by Covid 19 in previous year. During current period, business has improved significantly resulting in higher earnings and improved DSCR.
Return on Equity ratio	Net profit/(loss) after taxes - Preference Dividend	Average Shareholder's Equity	2.12%	-5.36%	7.48%	140%	The Company's operations were impacted by Covid 19 in previous year. However, in current year with the revival of operations the performance has been improved significantly leading to reduction in net loss during the year.
Inventory Turnover ratio	Food and beverages consumed	Average Inventory	7.70	6.73	0.96	14.27%	
Trade Receivable Turnover Ratio	Net revenue from operations on credit	Average Trade Receivable	16.85	9.63	7.22	74.90%	The Company's operations were impacted by Covid 19 in previous year. However, in current year with the revival of operations the Company is able to collect its receivables efficiently. Accordingly, the trade receivables turnover ratio has improved during the year.
Trade Payable Turnover Ratio	Net credit purchases	Average Trade Payables	6.60	4.18	2.42	57.80%	With improvement in operations post Covid, the purchase has increased however, trade payables have not increased in same ratio due to better cash flows, resulting in higher ratio.
Net Capital Turnover Ratio	Net revenue from operations	Average working capital	(9.43)	(4.35)	(5.08)	-116.93%	The Company's operations were impacted by Covid 19 in previous year. However, in current year with the revival of operations the performance has been improved significantly leading to higher revenues generated by the Company during the year and overall improvement in the ratio.
Net Profit ratio	Net profit/(loss) after taxes	Net revenue from operations	5.88%	-33.97%	0.40	117.30%	The Company's operations were impacted by Covid 19 in previous year. However, in current year with the revival of operations the performance has been improved significantly leading to improvement in the revenue of the company and higher earnings during the year resulting in improvement in ratio.
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	4.44%	-1.45%	0.06	406.21%	Return on capital employed has been improved due to increase in operating margin during the year.
Return on Investment	Interest (Finance Income)	Investment	0.15%	0.17%	(0.00)	11.44%	

- 43 Impact of COVID-19**  
The operations of the Company for the year ended March 31, 2021 and March 31, 2022 were significantly impacted due to COVID 19. However, with vaccination programs being implemented in India and across the globe, domestic air travel improved and international flights resumed. Consequently, both business and leisure travel resumed, resulting in improved revenue and business conditions during the year ended March 31, 2023. The management has made a detailed assessment of its liquidity position and believes that it has sufficient financing arrangements including funds expected to be generated from the operating activities to fulfil its working capital requirements. Further, the Company has considered internal and external sources of information and has performed sensitivity analysis on the assumptions used and based on current estimates, expects to recover the carrying amount of property, plant & equipment, investment, trade receivables, inventories, and other current assets appearing in the financial statements of the Company.
- 44 Subsequent events**  
All events or transactions that have taken place between March 31, 2023 and date of signing of the financial statements and for which the Indian Accounting Standard 10 – ‘Events after the Reporting Period’ (“Ind AS 10”) requires disclosure/adjustment are disclosed and/or adjusted in the financial Statements.
- 45** The Group is currently taking back-up of its books of accounts and other relevant books and papers maintained in electronic mode on an electronic tape-based storage device on daily basis. The Group is in the process of developing the necessary infrastructure to take back-up of books of accounts and relevant books and papers on servers located in India to comply with the notification issued by the Ministry of Corporate Affairs on August 05, 2022 amending the Companies (Accounts) Rules, 2014.
- 46** During the year, the management has re-evaluated its payable to creditors and assessed that certain creditors aggregating Rs. 1.77 have become time barred and accordingly these creditors have been written back and recorded as Liabilities no longer required written back in these financial statements.
- 47** As explained in Note 1.2, the shareholders of the Company (“ACIC Mauritius 1” and “ACIC Mauritius 2”) on March 30, 2023 had entered into a Share Subscription and Purchase Agreement with SAMHI Hotels Limited (“SAMHI” or “Acquirer”) for conditional sale of their shareholding in the Company to SAMHI Hotels Limited (“SAMHI” or “Acquirer”) and SAMHI is in the process of obtaining regulatory approvals for raising funds through Initial Public Offering. To enable execution of this transaction, the Company has incurred certain legal & professional expenses of Rs. 2.49 and auditor’s remuneration amounting to Rs. 3.82 for special audit of Company’s financial statements.
- 48** The management has an agreement with a third party for the purpose of operation, direction, management and supervision of the Company’s hotel property. During the year, the Company entered into a settlement with the third party to pay certain charges disputed in earlier years amounting of Rs. 2.25 which have been recorded as Brand and Marketing fees in these financial statements.
- 49** The Company in earlier years had availed custom duty exemptions under the Export Promotion Capital Goods Scheme (EPCG) of Ministry of Commerce and Industry, Government of India. Under the Scheme, the Company was required to fulfil an export obligation over a period of six to eight years from the date of availing the benefit. During FY 2019-20, the department had revoked Fixed deposits amounting to Rs. 26.92 given as bank guarantee against duty saved by the Company as it did not fulfil the required export obligation. The Company has received back Rs. 6.08 during the year ended March 31, 2021 and the management believes that considering the export revenue earned by the Company and its fellow subsidiaries is sufficient to discharge the export obligations required to be fulfilled by the Company, it will recover back the balance amount of Rs. 20.84.

For the licenses, where the Company fulfils its export obligations after considering export revenues of group companies, it unwinds deferred government grant revenue pursuant to receiving the Export Obligation Discharge Certificates and accordingly is carrying a deferred government grant revenue of Rs. 21.93 as at reporting date

Also considering the delays in filing requisite documents by the Company with the department and non receipt of Export Obligation Discharge Certificates (EODCs), the management considers it prudent to accrue interest on all utilised EPCG licenses against which the Company has not filed or received EODCs from the department. Accordingly the Company has accrued an interest of Rs. 24.06 during the year ended March 31, 2023 (Previous year Rs. Nil) and has recorded the same as provision for contingency as at March 31, 2023.

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

**50 Other Statutory Information**

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) The Company has not been declared as willful defaulter by any bank or financial Institution or other lender.
- (iii) The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (iv) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (v) There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.
- (vi) There are no funds which have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vii) There are no funds which have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- (viii) The Company is not a CIC as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016.
- (ix) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (x) The company has complied with the number of layers prescribed under section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017”.

As per our report of even date attached

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

For and on behalf of the Board Directors of  
**Duet India Hotels (Hyderabad) Private Limited**

**per Sanjay Vij**  
Partner  
Membership No. 095169

**Sudhir Gupta**  
Director  
DIN: 03102047

**Rahul N Latta**  
Director  
DIN: 07886515

**Nitika Jain**  
Company Secretary  
M. No. 57538

Place: Gurugram  
Date: August 17, 2023

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