

## Independent Auditor's Report

### To the Members of Barque Hotels Private Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Barque Hotels Private Limited (the "Company") which comprise the balance sheet as at 31 March 2025, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matters

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

#### Revenue recognition

See Note 27 to the financial statements

The key audit matter	How the matter was addressed in our audit
<p>The Company is principally engaged in the business of owning and operating hotels. Its revenue comprises hotel revenue (including room revenue, food and beverage revenue and revenue from recreation and other services) and space rental revenue.</p> <p>The accounting policies for different revenue</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"><li>Tested the design, implementation and operating effectiveness of the key controls over the revenue recognition process.</li><li>Tested the Company's revenue recognition accounting policies are consistent with the</li></ul>

Registered Office:

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

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## Independent Auditor's Report (Continued)

## Barque Hotels Private Limited

<p>streams are set out in Note 2.11 to the financial statements.</p> <p>Revenue is a key performance indicator of the Company and there is risk of overstatement of revenue due to fraud resulting from pressure to achieve targets and earnings expectations.</p> <p>Considering the above, we have identified revenue recognition as a key audit matter.</p>	<p>applicable accounting standards.</p> <ul style="list-style-type: none"> <li>• Using statistical sampling basis, tested the revenue transactions recorded during the year (including year-end cut off testing) with the underlying documents such as invoices, bank collections, and other relevant documents, as applicable.</li> <li>• Tested the journal entries relating to revenue recognised during the year based on specified risk-based criteria, to identify unusual or irregular items.</li> <li>• Evaluated the adequacy of disclosures relating to revenue recognition made in the financial statements in accordance with the applicable accounting standards.</li> </ul>
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**Impairment assessment of property, plant and equipment, capital work in progress, right of use assets and other intangible assets**

See Note 48 to the financial statements

The key audit matter	How the matter was addressed in our audit
<p>As at 31 March 2025, the carrying value of property, plant and equipment, capital work in progress, right of use assets and other intangible assets amounts to INR 3,364.25 million (net of accumulated impairment loss of INR 138.36 million).</p> <p>In accordance with the requirements of Ind AS 36 "Impairment of Assets", the Company periodically assesses whether there is any indication that such property, plant and equipment, capital work in progress, right of use assets and other intangible assets at cash generating unit (CGU) level may require impairment charge or reversal. If any such indication exists, the Company estimates the recoverable amount of these assets. Further the company also periodically assesses whether there are any impairment reversals.</p> <p>To assess the recoverability of the CGU, management is required to make significant estimates and assumptions related to forecast of future revenue, operating margins, exit multiple and discount rate. The recoverable amount of the CGU determined based on</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>• Tested the design, implementation, and operating effectiveness of key controls over the impairment assessment process.</li> <li>• Assessed the indicators of impairment (including impairment reversal) in assets at CGU level based on consideration of external and internal factors affecting the value and performance of CGU.</li> <li>• Obtained management assessment of recoverable amount of CGU where indicator of impairment (including impairment reversal) is identified and performed the following procedures: <ul style="list-style-type: none"> <li>a. Obtained an understanding of the Company's process for projecting the future cash flows for determining the recoverable amount of CGUs.</li> <li>b. Evaluated the key market related assumptions such as discount rate and exit multiple with assistance of our valuation specialist. We also performed sensitivity analysis over these assumptions.</li> <li>c. Assessed the reliability of cash flow forecasts through a retrospective review of actual</li> </ul> </li> </ul>



## Independent Auditor's Report (Continued)

### Barque Hotels Private Limited

value in use, has been derived from discounted cash flow model.

Consequent to such assessment, the Company has recorded an impairment reversal of INR 75.29 million in the current year.

In view of the significance of these assets and involvement of judgements and estimates we have considered the impairment assessment of property, plant and equipment, capital work in progress, right of use assets and other intangible assets as a key audit matter.

performance in comparison to budgets.

- d. Evaluated the reasonableness of the assumptions used in the cash flow forecasts which includes occupancy rate, average room rate and operating margins. To consider forecasting risk we also performed sensitivity analysis over these assumptions.

- Evaluated the adequacy of the disclosures made in the financials statements in accordance with the applicable accounting standards.

#### Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit and other comprehensive loss, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

#### Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

## Independent Auditor's Report (Continued)

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that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

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

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

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

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

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 A. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the following:
    - (i) the back-up of an accounting software used for maintaining general ledger and revenue records which forms part of the 'books of account and other relevant books and papers in electronic mode' has not been kept on servers physically located in India on a daily basis; and
    - (ii) matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.



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

**Barque Hotels Private Limited**

- d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on 10 April 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company has disclosed the impact of pending litigations as at 31 March 2025 on its financial position in its financial statements - Refer Note 36 to the financial statements.
  - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - d (i) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 47 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (ii) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 47 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
  - e. The Company has neither declared nor paid any dividend during the year.
  - f. Based on our examination which included test checks, except the instances mentioned below, the Company has used accounting softwares for maintaining its books of account, which have feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective accounting softwares:
  - i. In the absence of an independent auditor's report from 1 January 2025 to 31 March 2025 in relation to controls at a service organisation for an accounting software used for maintaining the books of account relating to payroll, which is operated by a third party software service provider,



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

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we are unable to comment whether audit trail feature for the said software was enabled and operated from 1 January 2025 to 31 March 2025 for all relevant transactions recorded in the software.

- ii. The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting software used for maintaining the books of account relating to revenue process for the period from 1 April 2024 to 14 September 2024.
- iii. The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting software used for maintaining the books of account relating to general ledger at the hotels.
- iv. The feature of recording audit trail (edit log) facility was not enabled for the accounting softwares used for maintaining the books of account relating to general ledger and procure to pay records.

Further, for the accounting softwares for which audit trail feature is enabled and operated effectively, we did not come across any instance of audit trail feature being tampered with during the course of our audit. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention except for the period where the audit trail was not enabled or operating effectively.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

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

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

*Chartered Accountants*

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

  
**Shweta Kumar**

*Partner*

Place: Gurugram

Date: 28 May 2025

Membership No.: 509822

ICAI UDIN:25509822BMXIBF4519

**Annexure A to the Independent Auditor's Report on the Financial Statements of Barque Hotels Private Limited for the year ended 31 March 2025**

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified once in a period of three years. In accordance with this programme, all property, plant and equipment were physically verified during the year ended 31 March 2023. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable property (other than immoveable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company. However, original title deeds are under lien with banks and financial institutions for the loan facilities availed by the Company. We have obtained independent confirmations from banks.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company is a service company, primarily rendering services related to developing and running hotels. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks and financial institutions on the basis of security of current assets. As informed to us and as per the terms of loan agreement of such limits, there are no requirements on the Company to submit quarterly returns or statements with such banks or financial institutions.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, or provided guarantee or security or secured loans or advances in the nature of loans to companies, firms, limited liability partnership or any other parties during the year. The Company has granted unsecured loan to companies during the year, in respect of which the requisite information is as below. The Company has not granted any loans, unsecured, to firms, limited liability partnership or any other parties during the year.
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans and securities to entities as below:

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**Annexure A to the Independent Auditor's Report on the Financial Statements of Barque Hotels Private Limited for the year ended 31 March 2025 (Continued)**

Particulars	Security (INR in million)	Loans (INR in million)
Aggregate amount during the year		
Subsidiaries*	-	27.50 ^
Holding Company*	-	130.00
Others (fellow Subsidiary)*	-	-
Balance outstanding as at balance sheet date		
Subsidiaries*	-	147.68 ^
Holding Company*	5,698	130.00
Others (fellow Subsidiary)*	-	-

\*As per the Companies Act, 2013

^ Disclosed as deemed investment in the financial statements.

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, the terms and conditions of the grant of loans provided during the year are, prima facie, not prejudicial to the interest of the Company. Interest free loans granted are only to protect its investment in subsidiary company and accordingly, are not prejudicial to the interest of the Company. Further, the Company has not made investments, provided guarantee, given security or advance in the nature of loan to any party during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal is not stipulated for the interest-free loan (as on 31 March 2025) of INR 147.68 million given to Paulmech Hospitality Private Limited (subsidiary of the Company) which is repayable at the option of the borrower. Accordingly, we are unable to comment on the regularity of repayment of principal.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans to its related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):

	Related Parties (INR in million)
Aggregate of loans/advances in nature of loan	



**Annexure A to the Independent Auditor's Report on the Financial Statements of Barque Hotels Private Limited for the year ended 31 March 2025 (Continued)**

	Related Parties (INR in million)
- Repayable on demand (A)	130.00
- Agreement does not specify any terms or period of repayment (B)	27.50
Total (A+B)	157.50
Percentage of loans to the total loans	56.72%

- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security as specified under Section 185 of the Companies Act, 2013 ("the Act"). For the investments made, the Company has complied with Section 186(1) of the Act. According to the information and explanations given to us, the provisions of Section 186 (except for sub-section (1) of the Section 186) of the Companies Act, 2013 are not applicable to the Company since the Company is engaged in the business of providing infrastructural facilities.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services rendered by the Company. Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value Added Tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Services Tax (GST), Provident Fund, Employees State Insurance, Income-Tax, Cess or other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of Income-tax, GST and other statutory dues.

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

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Cess or other statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable, except as mentioned below:

Name of the statute	Nature of the dues	Amount (INR million)	Period to which the amount relates	Due date	Date of payment
The Employees' Provident	Provident Fund	0.18	March 2019	15 April 2019	Not paid yet



**Annexure A to the Independent Auditor's Report on the Financial Statements of Barque Hotels Private Limited for the year ended 31 March 2025 (Continued)**

Name of the statute	Nature of the dues	Amount (INR million)	Period to which the amount relates	Due date	Date of payment
Funds and Miscellaneous Provisions Act, 1952	(Additional liability due to Supreme Court Judgement)				
Central Goods and Services Tax Act, 2017 and State Goods and Services Tax Act, 2017	Interest liability on Goods and Service Tax	0.56	April 2021 to March 2022	#	Not paid yet

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

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

Name of the statute	Nature of the dues	Amount (INR million)	Period to which the amount relates (Financial Year)	Forum where dispute is pending
Income Tax Act, 1961	Penalty u/s 271C	1.01	2016-17	Income Tax Appellate Tribunal
Income Tax Act, 1961	Addition to the taxable income	296.97*	2016-17	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Penalty u/s 271C	0.12	2015-16	Commissioner of Income Tax (Appeals)

\*Amount represents additions to taxable income

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

**Annexure A to the Independent Auditor's Report on the Financial Statements of Barque Hotels Private Limited for the year ended 31 March 2025  
(Continued)**

- of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
  - (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
  - (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the balance sheet of the Company, we report that the Company has used funds raised on short-term basis aggregating to INR 207.12 million for long-term purposes.
  - (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary as defined under the Act.
  - (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary (as defined under the Act).
  - (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
  - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
  - (xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
  - (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
  - (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
  - (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
  - (xiii) The Company is a wholly owned subsidiary of public limited company and accordingly the requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
  - (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
  - (b) We have considered the internal audit reports of the Company issued till date for the period under audit.



**Annexure A to the Independent Auditor's Report on the Financial Statements  
of Barque Hotels Private Limited for the year ended 31 March 2025  
(Continued)**

- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

*Chartered Accountants*

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



**Shweta Kumar**

*Partner*

Place: Gurugram

Date: 28 May 2025

Membership No.: 509822

ICAI UDIN:25509822BMXIBF4519



**Annexure B to the Independent Auditor's Report on the financial statements of Barque Hotels Private Limited for the year ended 31 March 2025**

**Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

**(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Opinion**

We have audited the internal financial controls with reference to financial statements of Barque Hotels Private Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

**Management's and Board of Directors' Responsibilities for Internal Financial Controls**

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

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

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

**Annexure B to the Independent Auditor's Report on the financial statements of Barque Hotels Private Limited for the year ended 31 March 2025 (Continued)**

statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

*Chartered Accountants*

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



**Shweta Kumar**

*Partner*

Place: Gurugram

Date: 28 May 2025

Membership No.: 509822

ICAI UDIN:25509822BMXIBF4519

Barque Hotels Private Limited  
CIN U55101DL2008PTC175957  
Balance Sheet as at 31 March 2025  
(All amounts are in Rupees millions, unless otherwise stated)

	Note	As at 31 March 2025	As at 31 March 2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	2,858.78	2,656.42
Capital work-in-progress	3	166.27	103.30
Right of use assets	3	303.90	323.33
Other intangible assets	4	35.30	9.81
Financial assets			
Investment in subsidiary	5	218.68	366.18
Other financial assets	6	156.99	133.50
Income tax assets	7	11.70	26.56
Other non-current assets	9	12.57	16.98
<b>Total non-current assets</b>		<b>3,764.19</b>	<b>3,636.08</b>
<b>Current assets</b>			
Inventories	10	-	2.77
Financial assets			
Trade receivables	11	67.17	80.85
Cash and cash equivalents	12	23.37	48.51
Loans	13a	130.00	-
Other financial assets	13b	11.69	0.04
Other current assets	14	93.50	77.44
<b>Total current assets</b>		<b>325.73</b>	<b>209.61</b>
<b>TOTAL ASSETS</b>		<b>4,089.92</b>	<b>3,845.69</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	15	383.75	383.75
Other equity	16	741.40	543.34
<b>Total equity</b>		<b>1,125.15</b>	<b>927.09</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	17	2,162.72	1,971.37
Lease liabilities	18	107.97	125.59
Provisions	19	8.79	7.55
Other non-current liabilities	20	66.72	71.95
<b>Total non-current liabilities</b>		<b>2,346.20</b>	<b>2,176.46</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	21	346.57	386.96
Lease liabilities	22	33.47	45.81
Trade payables	23		
- total outstanding dues of micro enterprises and small enterprises; and		8.86	6.50
- total outstanding dues of creditors other than micro enterprises and small enterprises		152.73	215.18
Other financial liabilities	24	42.14	59.09
Other current liabilities	25	28.51	23.16
Provisions	26	6.29	5.44
<b>Total current liabilities</b>		<b>618.57</b>	<b>742.14</b>
<b>Total liabilities</b>		<b>2,964.77</b>	<b>2,918.60</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,089.92</b>	<b>3,845.69</b>

The notes from Note 1 to Note 48 form an integral part of these financial statements.

As per our report of even date attached

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

  
Shweta Kumar  
Partner  
Membership No.: 509822

Place: Gurugram  
Date: 28 May 2025

For and on behalf of Board of Directors of  
Barque Hotels Private Limited

  
Rajat Mehra  
Director  
DIN: 06813081

Place: Gurugram  
Date: 28 May 2025

  
Manish Bhagat  
Director  
DIN: 08092409

Place: Gurugram  
Date: 28 May 2025

  
Rinki Agarwal  
Company Secretary  
Membership No.: A42344

Place: Gurugram  
Date: 28 May 2025

**Barque Hotels Private Limited**  
**CIN U55101DL2008PTC175957**  
**Statement of Profit and Loss for the year ended 31 March 2025**  
*(All amounts are in Rupees millions, unless otherwise stated)*

	Note	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>Income</b>			
Revenue from operations	27	1,702.26	1,583.65
Other income	28	21.61	19.61
<b>Total income</b>		<b>1,723.87</b>	<b>1,603.26</b>
<b>Expenses</b>			
Cost of materials consumed	29	99.64	103.91
Employee benefits expense	30	246.70	224.75
Other expenses	33	835.83	822.78
		<b>1,182.17</b>	<b>1,151.44</b>
<b>Earnings before finance costs, depreciation and amortisation, tax and exceptional items</b>		<b>541.70</b>	<b>451.82</b>
Finance costs	31	238.35	329.12
Depreciation and amortisation expense	32	178.83	185.75
		<b>417.18</b>	<b>514.87</b>
<b>Profit / (loss) before tax and exceptional items</b>		<b>124.52</b>	<b>(63.05)</b>
Exceptional items	34	(75.29)	(36.18)
<b>Profit / (loss) before tax</b>		<b>199.81</b>	<b>(26.87)</b>
<b>Tax expense</b>	8		
Current tax		-	-
Deferred tax		-	-
<b>Profit / (loss) for the year</b>		<b>199.81</b>	<b>(26.87)</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
- Re-measurement loss on defined benefit obligations	30	(1.75)	(0.88)
- Income tax relating to item mentioned above		-	-
<b>Other comprehensive loss, net of tax</b>		<b>(1.75)</b>	<b>(0.88)</b>
<b>Total comprehensive profit / (loss) for the year</b>		<b>198.06</b>	<b>(27.75)</b>
<b>Earnings/(loss) per equity share, (face value of INR 10 each)</b>	35		
Basic (INR)		5.21	(0.70)
Diluted (INR)		5.21	(0.70)

The notes from Note 1 to Note 48 form an integral part of these financial statements.

As per our report of even date attached

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

  
**Shweta Kumar**  
Partner  
Membership No.: 509822

Place: Gurugram  
Date: 28 May 2025

For and on behalf of Board of Directors of  
**Barque Hotels Private Limited**

  
**Rajat Mehra**  
Director  
DIN: 06813081

Place: Gurugram  
Date: 28 May 2025

  
**Manish Bhagat**  
Director  
DIN: 08092409

Place: Gurugram  
Date: 28 May 2025

  
**Rinki Agarwal**  
Company Secretary  
Membership No.: A42344

Place: Gurugram  
Date: 28 May 2025



Barque Hotels Private Limited  
CIN U55101DL2008PTC175957  
Statement of Cash Flows for the year ended 31 March 2025  
(All amounts are in Rupees millions, unless otherwise stated)

	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>A. Cash flows from operating activities</b>		
Profit / (loss) before tax	199.81	(26.87)
Adjustments for:		
Depreciation and amortisation expense	178.83	185.75
Provision for bad and doubtful debts	0.55	1.49
Finance costs	238.35	329.12
Interest income	(4.07)	(2.49)
Amortisation of income received in advance	(5.23)	(5.23)
Reversal of provision for impairment in value of property, plant and equipment, right of use asset and intangible assets	(75.29)	(31.18)
Gain on fair valuation of land held for sale	-	(5.00)
Provision / liabilities no longer required written back	-	(2.38)
Unwinding of discount on security deposits	(9.05)	(7.99)
<b>Operating cash flows before movement in assets and liabilities</b>	<b>523.90</b>	<b>435.22</b>
Decrease in inventories	2.77	0.29
(Increase) / decrease in trade receivables	13.13	(19.98)
(Increase) in other financial assets	(14.46)	(0.35)
(Increase) in other assets	(14.85)	(1.80)
Increase / (decrease) in trade payables	(60.09)	76.78
Increase / (decrease) in other liabilities	5.35	(3.42)
Increase in provisions	0.34	3.36
Increase / (decrease) in other financial liabilities	(0.98)	2.74
<b>Cash generated from operating activities</b>	<b>455.11</b>	<b>492.84</b>
Income taxes (paid) / refund (net)	16.36	(16.66)
<b>Net cash generated from operating activities</b>	<b>471.47</b>	<b>476.18</b>
<b>B. Cash flows from investing activities</b>		
Purchase of property, plant and equipment and capital work-in progress	(390.10)	(77.81)
Proceeds from sale of property, plant and equipment	-	0.74
Loan given to holding company	(130.00)	-
Loan provided to subsidiary	(27.50)	-
Loan repaid by subsidiary	175.00	(27.50)
Bank deposits matured	103.01	256.88
Bank deposits made	(114.45)	(253.63)
Interest received	2.39	3.19
<b>Net cash generated / used in investing activities</b>	<b>(381.65)</b>	<b>(98.13)</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from non-current borrowing (net of upfront fees)	278.62	-
Repayment of borrowings during the year	(52.39)	(708.13)
(Repayment)/Proceeds of current borrowings (net)	(93.68)	(32.87)
Current borrowings - Interest free loan from Holding Company received	1,575.50	-
Current borrowings - Interest free loan from Holding Company repaid	(1,555.10)	-
Lease payments	(45.81)	(49.65)
Interest free loans received from holding company	-	733.00
Finance costs paid	(222.10)	(319.66)
<b>Net cash generated / used in financing activities</b>	<b>(114.96)</b>	<b>(377.31)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(25.14)</b>	<b>0.74</b>
Cash and cash equivalents at the beginning of the year	48.51	47.77
<b>Cash and cash equivalents at the end of the year</b>	<b>23.37</b>	<b>48.51</b>
<b>Notes to Statement of Cash Flows</b>		
<b>i. Components of Cash and cash equivalents</b>	<b>As at 31 March 2025</b>	<b>As at 31 March 2024</b>
Cash on hand	1.04	1.03
Balances with banks:		
- on current accounts	22.33	32.67
Bank deposits with original maturity of less than 3 months	-	14.81
	<b>23.37</b>	<b>48.51</b>



Barque Hotels Private Limited  
CIN U55101DL2008PTC175957  
Statement of Cash Flows for the year ended 31 March 2025  
(All amounts are in Rupees millions, unless otherwise stated)

ii. Movement in financial liabilities- Borrowings including interest accrued

	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening Balance	2,359.36	3,094.31
Changes from financing cash flows		
Proceeds from non-current borrowings	278.62	Rinki Aggarwal
Repayment of non-current borrowings	(52.39)	(708.13)
Current borrowings - Interest free loan from Holding Company received	1,575.50	-
Current borrowings - Interest free loan from Holding Company repaid	(1,555.10)	-
(Repayment)/Proceeds of current borrowings (net)	(93.68)	(32.87)
Finance cost paid	(222.10)	(319.66)
Other non cash changes		
Finance cost expense	222.50	325.71
Closing Balance	<u>2,512.71</u>	<u>2,359.36</u>

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

iv. Movement in lease liabilities is as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	171.40	191.63
Additions	-	10.73
Amounts recognized in Statement of Profit and Loss as interest expense	15.85	18.69
Payment of lease liabilities	(45.81)	(49.65)
Closing Balance (Refer Note 18 and 22)	<u>141.44</u>	<u>171.40</u>

The notes from Note 1 to Note 48 form an integral part of these financial statements.

As per our report of even date attached

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

  
Shweta Kumar  
Partner  
Membership No.: 509822

Place: Gurugram  
Date: 28 May 2025

For and on behalf of Board of Directors of  
Barque Hotels Private Limited

  
Rajat Mehra  
Director  
DIN: 06813081

Place: Gurugram  
Date: 28 May 2025

  
Manish Bhagat  
Director  
DIN: 08092409

Place: Gurugram  
Date: 28 May 2025

  
Rinki Aggarwal  
Company Secretary  
Membership No.: A42344

Place: Gurugram  
Date: 28 May 2025

a. Equity share capital (refer note 15)

Particulars	Number of shares	Amount
As at 1 April 2023	38,375,080	383.75
Changes in equity share capital during the year	-	-
As at 31 March 2024	38,375,080	383.75
As at 1 April 2024	38,375,080	383.75
Changes in equity share capital during the year	-	-
As at 31 March 2025	38,375,080	383.75

b. Other equity (refer note 16)

Particulars	Equity component of Fully Compulsorily Convertible Debentures (FCCD's)	Equity component of concessional overdraft facility	Equity component of interest free loan from holding company	Equity component of convertible PK obligation	Reserves and surplus	Total
					Securities premium	Retained earnings
Balance as at 1 April 2023	179.17	18.69	2,467.33	710.06	1,546.11	(5,083.27)
Loss for the year	-	-	-	-	-	(26.87)
Other comprehensive loss (net of tax)	-	-	-	-	-	(0.88)
Total comprehensive loss	-	-	-	-	-	(27.75)
Equity component of interest free loan from holding company	-	-	733.00	-	-	733.00
Balance as at 31 March 2024	179.17	18.69	3,200.33	710.06	1,546.11	(5,111.02)
Profit for the year	-	-	-	-	-	199.81
Other comprehensive loss (net of tax)	-	-	-	-	-	(1.75)
Total comprehensive profit	-	-	-	-	-	198.06
Equity component of interest free loan from holding company	-	-	-	-	-	-
Balance as at 31 March 2025	179.17	18.69	3,200.33	710.06	1,546.11	(4,912.96)
						741.40


The notes from Note 1 to Note 48 form an integral part of these financial statements.

As per our report of even date attached

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

For: and on behalf of Board of Directors of  
Barque Hotels Private Limited

  
Shweta Kumar  
Partner  
Membership No.: 509822

  
Rajat Mehra  
Director  
DIN: 06813081

  
Manish Bhagat  
Director  
DIN: 08092409

  
Rinki Agarwal  
Company Secretary  
Membership No.: A42344

Place: Gurugram  
Date: 28 May 2025

Place: Gurugram  
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Place: Gurugram  
Date: 28 May 2025

## **1.1 Corporate information**

Barque Hotels Private Limited ('the Company') is a Company domiciled in India. The Company was incorporated in India on 27 March 2008 as per the provisions of Indian Companies Act and is limited by shares.

The Company is a hotel development and investment company with focus on operating internationally branded hotels across key cities in the Indian sub-continent. The registered office of the Company is at Caspia Hotels Delhi, District Centre Crossing, Opp. Galaxy Toyota Outer Ring Road, Haider Pur, Shalimar Bagh, New Delhi, India, 110088.

## **1.2 Basis of preparation**

### **A. Statement of compliance**

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

The financial statements were approved for issue in accordance with the resolution of the Company's Board of Directors on 28 May 2025.

Details of the Company's accounting policies, including changes thereto, are included in Note 2 and Note 2.1.

### **B. Functional and presentation currency**

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

### **C. Basis of measurement**

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

<b>Items</b>	<b>Measurement Basis</b>
Financial assets and liabilities i.e., derivative instruments	Fair Value





**D. Use of estimates and judgments**

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

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

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

**i) Provisions and contingencies**

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

**ii) Useful lives and impairment assessment of property, plant and equipment, capital work-in progress, right to use assets and other intangible assets**

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

**iii) Employee benefit obligations**

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

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

The fair values of financial instruments recorded in the balance sheet in respect of which quoted prices in active markets are not available are measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values.

Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Also, refer Note 42 for further disclosures.



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

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

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

**vi) Leases**

*Critical judgements in determining the lease period:*

Ind AS 116 required lessees to determine the lease term as the non-cancellable period of a lease adjusted with an option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in the future possible periods are reassessed to ensure that the lease term reflects the current economic circumstances.

*Critical judgements in determining the discount rate:*

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for the portfolio of leases with similar characteristics.

**vii) Measurement of expected credit loss allowance for trade receivables**

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

**E. Current and non-current classification**

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

**F. Measurement of fair values**

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. The finance team has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Holding Company's Chief Financial Officer.



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

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

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

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

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

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

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

Further information about the assumptions made in measuring fair values is included in Note 39.

## **2. Material accounting policies**

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

#### **Recognition and measurement**

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

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

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

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



### **Subsequent costs and disposal**

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

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

### **Depreciation**

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

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

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

<b>Asset Category*</b>	<b>Management estimate of Useful Life</b>	<b>Useful life as per Schedule II to the Companies Act, 2013</b>
Building	5-60 years	60 years
Computers and accessories	3-10 years	3-6 years
Plant and machinery	5-30 years	15 years
Furniture and fixtures	3-8 years	10 years
Vehicles	8 years	8 years

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

Freehold land is not depreciated.

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

## **2) Intangible assets**

### **Recognition and measurement**

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

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





### **Amortisation**

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

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

### **3) Financial instruments**

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

#### *i. Recognition and initial measurement*

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

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

#### *ii. Classification and subsequent measurement*

##### *Financial assets*

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

- Amortised cost
- Debt investment measured at fair value through other comprehensive income (FVOCI)
- Fair value through profit or loss (FVTPL)
- Equity investments measured at fair value through other comprehensive income (FVOCI)

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

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

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

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



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

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

*Financial assets: Business model assessment*

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

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

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

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

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

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

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features;
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).



*Financial assets: Subsequent measurement and gains and losses*

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

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

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

**iii. Derecognition**

*Financial assets*

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

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

*Financial liabilities*

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

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



*iv. Offsetting*

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

*v. Compound financial instruments*

Compound financial instruments issued by the Company comprise compulsorily convertible debentures denominated in INR that can be converted to equity shares at the option of the holder, when the number of shares to be issued is fixed and does not vary with changes in fair value.

The liability component of a compound financial instrument is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured subsequently.

Interest related to the financial liability is recognised in profit or loss (unless it qualifies for inclusion in the cost of an asset). In case of conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognised.

*vi. Interest free loans*

The Company has obtained interest free loans from its holding company. Such interest free loans are measured at fair values determined using a present value technique with inputs that include future cash flows and discount rates that reflect assumptions that market participants would apply in pricing such loans. The difference between the transaction price and the fair value of such loans have been recognised as equity component in the books of the Company. The loan component is subsequently measured at amortised costs and interest expense is recognised using effective interest rate method. On modification in the terms of such loans wherein they became repayable at the option of the borrower resulting in it becoming perpetual debt such loans including accrued interest up to the date of modification have been treated as other equity.

*vii. Non-convertible debentures*

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

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





*viii. Modification of financial assets and liabilities*

*Financial assets:*

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

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

*Financial liabilities:*

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

*ix. Concessional overdraft facility*

The Company has availed overdraft facility from banks at an interest rate lower than the market rate, because its holding company has pledged fixed deposit with the banks for this overdraft facility. This difference between the interest rate charged by the bank and market rate is treated as deemed equity provided by the holding company, with a corresponding debit to the Statement of Profit and Loss.

**4) Impairment**

**A. Impairment of financial instruments**

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

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

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

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





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

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

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

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

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

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

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

#### *Measurement of expected credit losses*

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

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

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

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

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

#### *Write-off*

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



to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

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

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

The recoverable amount is the greater of the asset's (or cash generating unit's) fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset (or cash generating unit (CGU)).

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

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

## **5) Inventories**

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

## **6) Government grants and subsidies**

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

## **7) Provisions (other than employee benefits)**

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



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

## **8) Contingent liabilities**

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

## **9) Borrowing costs**

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

## **10) Employee benefits**

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

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

### **(b) Post-employment benefits**

#### **Defined contribution plan – Provident fund and Employee state insurance**

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



**Defined benefit plan – Gratuity**

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

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

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

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

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

**11) Revenue recognition**

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

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

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

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





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

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

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

*Space rental*

Space rental income comprise amount earned for use of hotel premises space by other parties. The income is recognised when services are rendered as per the terms of the contract and no significant uncertainty exists regarding collection of consideration.

**12) Recognition of dividend income, interest income or expense**

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

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

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

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

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

**13) Foreign currency translation**

**Transactions and balances**

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

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

**14) Income taxes**

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





### **Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

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

### **Deferred tax**

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

Deferred tax is not recognised for

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

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans of the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

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

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

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

### **15) Segment reporting**

An operating segment is a component of the Company that engages in business activities from which it may earn revenue and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). In accordance with Ind AS 108, "Operating Segments", the



operating segments used to present segment information are identified on the basis of information reviewed by the CODM to allocate resources to the segments and assess their performance.

#### **16) Earnings per share**

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

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

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

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

#### **18) Non-current assets held for sale**

Non-current assets held for sale comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Company's other accounting policies.

Impairment losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognized in profit or loss.

Once classified as held for sale, property, plant and equipment are no longer depreciated.

#### **19) Measurement of earnings before earnings before finance costs, depreciation and amortisation, tax and exceptional items**

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

#### **20) Exceptional items**

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly, disclosed in the financial statements.



## **21) Leases: Transition to Ind AS 116**

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, had issued Ind AS 116 "Leases" which replaced the existing lease standard, Ind AS 17 and other interpretations. Ind AS 116 sets out the principles, for the recognition, measurement, presentation and disclosure of leases for both lessors and lessees. It introduces a single, on- balance sheet leases accounting model for 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 recognises 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 low value leases. For these short-term and low value leases, the Company recognises 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 recognised 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, recognised 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 recognised 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 recognises 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 recognised 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.

**22) Investment in subsidiary**

Investment in subsidiary is carried at cost, less any impairment in the value of investment, in these separate financial statements.

**23) Expenditure**

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

**2.1. Changes in material accounting policies**

**1) Material accounting policy information**

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

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





**2) Deferred tax related to asset and liabilities arising from a single transaction**

The Company has adopted Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to Ind AS 12) from 1 April 2023. The amendments narrow the scope of the initial recognition exemption to exclude transactions that give rise to equal and offsetting differences e.g., leases and decommissioning liabilities. For leases and decommissioning liabilities, an entity is required to recognise the associated deferred tax assets and liabilities from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. For all other transactions, an entity applies the amendments to transactions that occur on or after the beginning of the earliest period presented.

The Company has not recognized deferred tax asset in books considering the significant carry forward unabsorbed losses (Refer Note 9).

The Company has previously disclosed the deferred tax on leases by applying the 'integrally linked' approach, resulting in a similar outcome as under the amendments, except that the deferred tax asset or liability was disclosed on a net basis. Following the amendments, the Company has disclosed a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-to-use assets as at 1 April 2022 and thereafter.





3 Property, plant and equipment, Right of use assets and Capital work-in-progress

Reconciliation of carrying amount

	Freehold land	Buildings	Furniture and fixtures	Plant and machinery	Vehicles	Computers and accessories	Office equipment	Total Property, plant and equipment	Right-of-use-assets	Capital work-in-progress
<b>Gross carrying amount</b>										
Balance as at 01 April 2023	797.40	1,902.94	243.96	1,023.70	2.41	80.58	42.78	4,093.77	409.01	14.89
Additions during the year <sup>a</sup>	-	4.76	0.38	8.82	-	0.69	0.71	15.36	10.73	90.33
Reclassification from asset held for sale <sup>a</sup>	75.00	-	-	-	-	-	-	75.00	-	-
Deletions during the year	-	2.33	-	-	-	-	-	2.33	-	1.92
Balance as at 31 March 2024	872.40	1,905.37	244.34	1,032.52	2.41	81.27	43.49	4,181.80	419.74	103.30
Additions during the year <sup>a</sup>	-	109.65	58.18	90.51	-	17.19	8.93	284.46	-	325.13
Capitalised during the year	-	-	-	-	-	-	-	-	-	262.16
Balance as at 31 March 2025	872.40	2,015.02	302.52	1,123.03	2.41	98.46	52.42	4,466.26	419.74	166.27
<b>Accumulated depreciation/amortisation and impairment losses <sup>a*</sup></b>										
Balance as at 01 April 2023	-	664.97	159.55	469.27	1.61	66.38	23.93	1,385.70	84.87	-
Depreciation charge for the year	-	83.24	15.46	61.58	0.29	2.08	2.62	165.27	18.63	-
Deletions during the year <sup>a</sup>	-	1.59	-	-	-	-	-	1.59	-	-
Reversal of impairment loss <sup>a*</sup>	-	14.49	0.26	9.11	-	0.09	0.06	24.01	7.09	-
Balance as at 31 March 2024	-	732.43	174.75	531.74	1.90	68.37	26.49	1,525.37	96.41	-
Depreciation charge for the year <sup>a</sup>	-	82.00	16.46	51.97	0.29	3.42	3.01	157.15	19.43	-
Deletions during the year	-	-	-	-	-	-	-	-	-	-
Reversal of impairment loss <sup>a*</sup>	-	55.62	1.04	17.40	-	0.35	0.64	75.05	-	-
Balance as at 31 March 2025	-	758.51	198.17	556.31	2.19	71.44	29.86	1,607.47	115.84	-
<b>Net carrying amount</b>										
Balance as at 31 March 2024	872.40	1,172.94	69.59	500.78	0.51	12.90	17.09	2,656.42	323.33	103.30
Balance as at 31 March 2025	872.40	1,256.51	112.35	566.72	0.22	27.02	23.56	2,858.78	303.90	166.27

<sup>a</sup> Information on property, plant and equipment pledged as security by the Company, refer to Note 17 and Note 21.

<sup>a\*</sup> The Company reclassified a parcel of land and capital work-in-progress as asset held for sale in the year ended 31 March 2019 and the same was measured at fair value less cost to sell of INR 70.00. The fair value less cost to sell was determined by an independent valuer basis the market approach by reference to sales in the number of comparable properties. This asset has been reclassified to property, plant and equipment (freehold land) during the previous year since the Company believes that the land is not actively marketable. Further, the difference between the recoverable value (INR 75.00) on date of reclassification and carrying value (INR 5.00) has been recognized as an exceptional item in the Statement of Profit and Loss (Also refer note 34).

<sup>a</sup> Accumulated depreciation includes impairment loss of INR 137.62 (31 March 2024 - INR 251.87). Also, refer note 48.

<sup>a</sup> Refer to note 48 for disclosure in relation to impairment reversal of property, plant and equipment and right of use assets.

<sup>a</sup> The Company has discarded and sold certain items of property plant and equipment in previous year. The Company has charged accelerated depreciation of INR 13.77 in this respect during the year 2023-24.

<sup>a</sup> During the year the Company has capitalized operating expenses in capital work in progress amounting INR 7.52 (31 March 2024 - INR 18.82).



Property, plant and equipment, Right of use assets and Capital work-in-progress (continued)

Capital Work-in Progress (CWIP) - Disclosure of ageing schedule

a) CWIP ageing schedule

Ageing for capital work in progress as on 31 March 2025

CWIP	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	More than 3 years	
Projects in progress	145.23	17.88	1.53	164.77
Projects temporarily suspended	-	-	-	-

Ageing for capital work in progress as on 31 March 2024

CWIP	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	More than 3 years	
Projects in progress	90.33	2.35	10.35	103.30
Projects temporarily suspended	-	-	-	-

(b) CWIP completion schedule

For capital work-in progress, whose completion is overdue compared to its original plan, the project-wise details of when the project is expected to be completed as of 31 March 2025 and 31 March 2024 are as follows:

As at 31 March 2025

CWIP	To be completed in			Total
	Less than 1 year	1-2 years	More than 3 years	
Project 1	166.27	-	-	166.27
Total	166.27	-	-	166.27

As at 31 March 2024

CWIP	To be completed in			Total
	Less than 1 year	1-2 years	More than 3 years	
Project 1	54.80	-	-	54.80
Project 2	47.40	-	-	47.40
Project 3	0.87	-	-	0.87
Project 4	0.23	-	-	0.23
Total	103.30	-	-	103.30

The Company does not have any capital work in progress where cost has exceeded from its original plan.



4 Other intangible assets

Reconciliation of carrying amount	Computer software	Total
Gross carrying amount		
Balance as at 01 April 2023	26.13	26.33
Additions during the year	-	-
Balance as at 31 March 2024	26.33	26.33
Additions during the year	27.51	27.51
Deletions during the year	-	-
Balance as at 31 March 2025	53.84	53.84
Accumulated amortisation *		
Balance as at 01 April 2023	14.75	14.75
Amortisation expense for the year	1.86	1.85
Reversal of impairment loss	0.08	0.08
Balance as at 31 March 2024	16.52	16.52
Amortisation expense for the year	2.25	2.25
Reversal of impairment loss	0.23	0.23
Balance as at 31 March 2025	18.54	18.54
Net carrying amount		
Balance as at 31 March 2024	9.81	9.81
Balance as at 31 March 2025	35.30	35.30

\* Accumulated amortisation includes impairment loss of INR 0.74 (31 March 2024 - INR 1.33)

(i) Refer to note 48 for disclosure in relation to impairment reversal of other intangible assets.



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Notes to the financial statements for the year ended 31 March 2025  
(All amounts are in Rupees millions, unless otherwise stated)

5 Investment in subsidiary

Investments in equity instruments - at cost (unquoted)

Paulmech Hospitality Private Limited, a fully owned subsidiary  
1,997,552 (31 March 2024 - 1,997,552) equity shares of INR 10 each, fully paid-up

Deemed investment in subsidiary (At cost)

Interest free loans extended to Paulmech Hospitality Private Limited\*

Less : Provision for impairment in value of investment in subsidiary

As at 31 March 2025	As at 31 March 2024
120.72	120.72
147.68	295.18
(49.72)	(49.72)
<u>218.68</u>	<u>366.18</u>
120.72	120.72

Aggregate amount of unquoted investments

\* These are interest free loans extended by the Company to its subsidiary and are repayable at the option of the subsidiary (perpetual debt). The loans are provided for business requirements of subsidiary.

6 Non-current financial assets - Others

(Unsecured considered good)

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

As at 31 March 2025	As at 31 March 2024
62.80	51.54
94.19	81.96
<u>156.99</u>	<u>133.50</u>

\* Includes bank deposits under lien amounting to INR 62.20 (31 March 2024 - INR 51.14)

# including interest accrued on bank deposits INR 0.60 (31 March 2024 - INR 0.40)

7 Other tax assets

Tax deducted at source

As at 31 March 2025	As at 31 March 2024
11.70	26.56
<u>11.70</u>	<u>26.56</u>



8 Income tax

For the year ended  
31 March 2025

For the year ended  
31 March 2024

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

Recognised in profit or loss

Current tax

Deferred tax

Recognised directly in Other comprehensive income

Income tax on other comprehensive income

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

	For the year ended 31 March 2025		For the year ended 31 March 2024	
	%	Amount	%	Amount
Loss before tax		199.81		(26.87)
Tax using the Company's domestic tax rate	25.17	50.29	25.17	(6.76)
Tax effect of:				
Non recognition of deferred taxes on temporary differences	(35.09)	(70.12)	331.73	(89.14)
Non-deductible differences	-	-	(0.22)	0.06
Others	9.92	19.83	(356.68)	95.84
Effective tax rate	-	-	-	-

C. Deferred tax assets / liabilities

	As at 31 March 2025	As at 31 March 2024
<b>Deferred tax assets</b>		
Unabsorbed business losses and depreciation	1,228.68	1,262.00
Provision for employee benefits	8.00	7.52
Loss allowance for doubtful debts	0.85	0.71
Impairment in value of investments	12.51	12.51
Lease liabilities	35.60	43.14
Others	29.15	31.38
	<b>1,314.79</b>	<b>1,357.26</b>
<b>Deferred tax liabilities</b>		
Property, plant and equipment, capital work-in-progress and other intangible assets	163.58	131.04
Right of use assets	76.49	81.38
	<b>240.07</b>	<b>212.42</b>
<b>Deferred tax assets (net)</b>	<b>1,074.72</b>	<b>1,144.84</b>
<b>Deferred tax (assets)/ liabilities recognized *</b>	-	-

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





8 Income tax (continued)

D. Movement in temporary differences  
31 March 2025

Particulars	Balance as at 1 April 2024 (A)	Deferred tax differences generated but not recognised during FY 2024-25 (B)	Balance as at 31 March 2025 (C=A+B)
Property, plant and equipment, capital work-in-progress and other intangible assets	(131.04)	(32.54)	(163.58)
Right of use assets	(81.38)	4.89	(76.49)
Lease liabilities	43.14	(7.54)	35.60
Impairment in value of investments	12.51	0.00	12.51
Unabsorbed business losses and depreciation	1,262.00	(33.32)	1,228.68
Loss allowance for doubtful debts	0.71	0.14	0.85
Provision for employee benefits	7.52	0.48	8.00
Others	31.38	(2.23)	29.15
<b>Total</b>	<b>1,144.84</b>	<b>(70.12)</b>	<b>1,074.72</b>

31 March 2024

Particulars	Balance as at 1 April 2023 (A)	Deferred tax differences generated but not recognised during FY 2023-24 (B)	Balance as at 31 March 2024 (C=A+B)
Property, plant and equipment, capital work-in-progress and other intangible assets	(119.94)	(11.10)	(131.04)
Right of use assets	(81.58)	0.20	(81.38)
Lease liabilities	48.23	(5.09)	43.14
Impairment in value of investments	12.51	-	12.51
Unabsorbed business losses and depreciation	1,334.05	(72.05)	1,262.00
Loss allowance for doubtful debts	0.36	0.35	0.71
Provision for employee benefits	6.94	0.58	7.52
Others	33.41	(2.03)	31.38
<b>Total</b>	<b>1,233.98</b>	<b>(89.14)</b>	<b>1,144.84</b>

E. Tax losses and unabsorbed depreciation carried forward

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

	As at 31 March 2025	
	Amount	Expiry Date (Financial Year)
Business loss	224.30	2025-26
Business loss	494.41	2026-27
Business loss	261.74	2027-28
Business loss	445.30	2028-29
Business loss	579.26	2029-30
Business loss	679.02	2030-31
Unabsorbed depreciation	2,197.89	Never expire

	As at 31 March 2024	
	Amount	Expiry Date (Financial Year)
Business loss	127.30	2024-25
Business loss	224.30	2025-26
Business loss	494.41	2026-27
Business loss	261.74	2027-28
Business loss	445.30	2028-29
Business loss	579.26	2029-30
Business loss	679.02	2030-31
Unabsorbed depreciation	2,197.89	Never expire



	As at 31 March 2025	As at 31 March 2024
<b>9 Other non-current assets</b> (Unsecured, considered good)		
Capital advances	7.34	10.54
Advances other than capital advances		
Prepaid expenses	5.23	6.44
	<u>12.57</u>	<u>16.98</u>
<b>10 Inventories</b> (valued at lower of cost and net realisable value)		
Food and beverages	-	2.77
	<u>-</u>	<u>2.77</u>
<b>11 Current financial assets - Trade receivables</b> (Unsecured)		
Trade receivables		
- considered good	57.23	68.68
- credit impaired	1.88	1.83
Unbilled revenue		
- considered good	11.45	13.18
	<u>70.56</u>	<u>83.69</u>
Less: Loss allowance	(3.39)	(2.84)
	<u>67.17</u>	<u>80.85</u>

a) The Company's exposure to credit risk and loss allowances related to trade receivables are disclosed in Note 39.

b) For receivables pledged against borrowings, refer to Note 17 and Note 21.

c) Refer to note 38 for receivables from related parties.

Trade receivables ageing schedule

As at 31 March 2025

Particulars	Outstanding for following periods from date of transaction						Total
	Unbilled Revenue	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables - considered good	11.45	51.18	4.57	1.48	-	-	68.68
Undisputed Trade receivables - credit impaired	-	-	-	-	1.23	0.65	1.88
Total	11.45	51.18	4.57	1.48	1.23	0.65	70.56

As at 31 March 2024

Particulars	Outstanding for following periods from date of transaction						Total
	Unbilled Revenue	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables - considered good	13.18	64.46	3.21	0.93	0.08	-	81.86
Undisputed Trade receivables - credit impaired	-	-	-	0.90	0.07	0.86	1.83
Total	13.18	64.46	3.21	1.83	0.15	0.86	83.69

The Company does not have any disputed receivables and any receivables which have significant increase in credit risk as at 31 March 2025 and 31 March 2024.



**12 Current financial assets - Cash and cash equivalents**

	As at 31 March 2025	As at 31 March 2024
Cash on hand	1.04	1.03
Balances with banks :		
- on current accounts	22.33	32.67
- in deposit accounts (with original maturity of less than 3 months)*	-	14.81
	<u>23.37</u>	<u>48.51</u>

\* including interest accrued on bank deposits amounting to Nil (31 March 2024 - INR 0.04)

**13a Current financial assets - Loans**

**To related parties**

Intercompany loan to holding company \*

	As at 31 March 2025	As at 31 March 2024
Intercompany loan to holding company *	130.00	-
	<u>130.00</u>	<u>-</u>

\* The Company has provided loan to SAMHI Hotels Limited, the holding company. The loan is repayable on demand and carries an interest rate of 10% p.a. (31 March 2024 - Nil).

**13b Current financial assets - Others**

(Unsecured, considered good)

Bank deposits (due to mature within 12 months from the reporting date) \*

Other receivables (refer note 38)

	As at 31 March 2025	As at 31 March 2024
Bank deposits (due to mature within 12 months from the reporting date) *	0.41	0.04
Other receivables (refer note 38)	11.28	-
	<u>11.69</u>	<u>0.04</u>

\* includes interest accrued on bank deposits amounting to INR 0.03 (31 March 2024 - INR 0.01)

**14 Other current assets**

(Unsecured, considered good)

Balance with government authorities

Advance to suppliers

Prepaid expenses \*

Staff advance

	As at 31 March 2025	As at 31 March 2024
Balance with government authorities	55.57	46.86
Advance to suppliers	21.47	13.04
Prepaid expenses *	15.36	16.75
Staff advance	1.10	0.79
	<u>93.50</u>	<u>77.44</u>

\*Includes current portion of non-current prepaid expenses amounting to INR 2.59 (31 March 2024 - INR 1.96)



15 Equity share capital

	As at 31 March 2025		As at 31 March 2024	
	Number of shares	Amount	Number of shares	Amount
Authorised share capital				
Equity shares of INR 10 each	38,378,975	383.79	38,378,975	383.79
	<u>38,378,975</u>	<u>383.79</u>	<u>38,378,975</u>	<u>383.79</u>
Issued, subscribed and fully paid up				
Equity shares of INR 10 each	38,375,080	383.75	38,375,080	383.75
	<u>38,375,080</u>	<u>383.75</u>	<u>38,375,080</u>	<u>383.75</u>

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

	For the year ended 31 March 2025		For the year ended 31 March 2024	
	Number of shares	Amount	Number of shares	Amount
Authorised share capital				
At the beginning of the year	38,378,975	383.79	38,378,975	383.79
Balance at the end of the year	<u>38,378,975</u>	<u>383.79</u>	<u>38,378,975</u>	<u>383.79</u>
Issued, subscribed and fully paid up				
At the beginning of the year	38,375,080	383.75	38,375,080	383.75
Balance at the end of the year	<u>38,375,080</u>	<u>383.75</u>	<u>38,375,080</u>	<u>383.75</u>

b) Rights, preferences and restrictions attached to equity shares

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

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

Name of shareholder

	As at 31 March 2025		As at 31 March 2024	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares on INR 10 each				
SAMHI Hotels Limited, Holding Company *	38,375,080	100%	38,375,080	100%

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

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

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

e) Details of promoters shareholding as at year end :

As at 31 March 2025

S.no	Promoter	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
1	SAMHI Hotels Limited (Holding Company)	38,375,080	-	38,375,080	100%	-

As at 31 March 2024

S.no	Promoter	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
1	SAMHI Hotels Limited (Holding Company)	38,375,080	-	38,375,080	100%	-





16 Other equity

	As at 31 March 2025	As at 31 March 2024
Securities premium	1,546.11	1,546.11
Retained earnings	(4,912.96)	(5,111.02)
Equity component of concessional overdraft facility	18.69	18.69
Equity component of interest free loans from Holding company	3,200.33	3,200.33
Equity component of convertible PIK obligation	710.06	710.06
Equity component of fully compulsorily convertible debentures	179.17	179.17
	<u>741.40</u>	<u>543.34</u>

a) Securities premium

Balance at the beginning of the year	1,546.11	1,546.11
Balance at the end of the year	<u>1,546.11</u>	<u>1,546.11</u>

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

b) Retained earnings

Balance at the beginning of the year	(5,111.02)	(5,083.27)
Profit / (loss) for the year	199.81	(26.87)
Transferred from other comprehensive income	(1.75)	(0.88)
Balance at the end of the year	<u>(4,912.96)</u>	<u>(5,111.02)</u>

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

c) Other comprehensive income - Remeasurement of defined benefit plans (net of tax)

Balance at the beginning of the year	-	-
Remeasurements of defined benefit liability / asset (net of tax)	(1.75)	(0.88)
Transferred to retained earnings	1.75	0.88
Balance at the end of the year	<u>-</u>	<u>-</u>

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

d) Equity component of concessional overdraft facility

Balance at the beginning of the year	18.69	18.69
Balance at the end of the year	<u>18.69</u>	<u>18.69</u>

This represents the impact of overdraft facility availed by the Company at an interest rate lower than the market interest rate from the holding company.

e) Equity component of fully compulsorily convertible debentures

Balance at the beginning of the year	179.17	179.17
Balance at the end of the year	<u>179.17</u>	<u>179.17</u>

This represents the fair value of equity component of fully compulsorily convertible debentures.

f) Equity component of convertible PIK obligation

Balance at the beginning of the year	710.06	710.06
Balance at the end of the year	<u>710.06</u>	<u>710.06</u>

This represents the fair value of convertible PIK obligation of non-convertible debentures. In earlier years, the Holding company has settled convertible PIK obligation through issue of equity shares of SAMHI Hotels Limited (Holding Company).

g) Equity component of interest free loans from Holding company

Balance at the beginning of the year	3,200.33	2,467.33
Add : Loan from Holding Company received - recognized directly in other equity	-	733.00
Balance at the end of the year	<u>3,200.33</u>	<u>3,200.33</u>

This represents the equity component of the interest free loan received from SAMHI Hotels Limited, the Holding Company. Below are the terms of unsecured loan from Holding Company :

- Loan to be considered as perpetual debt
- Nil rate of interest
- Repayable at the option of the Company.



Barque Hotels Pvt. Ltd. Limited  
 CIN: 750001/SH/2005/PT/02950  
 Notes to the financial statements for the year ended 31 March 2025  
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17. Non-current financial liabilities - borrowings:

as at 31 March 2025

(in Lakhs)

As at 31 March 2025

(in Lakhs)

As at 31 March 2024

(in Lakhs)

As at 31 March 2024

(in Lakhs)

As at 31 March 2025

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As at 31 March 2024

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As at 31 March 2025

(in Lakhs)

As at 31 March 2024

(in Lakhs)

As at 31 March 2025

(in Lakhs)

As at 31 March 2024

(in Lakhs)

As at	As at	As at
31 March 2025	31 March 2025	31 March 2024
1,500.35	1,662.69	
345.09	354.43	
(5.43)	(1.03)	
(82.30)	(89.41)	
1,667.72	1,926.68	

Particulars	Carrying Amount as on 31 March 2025 (including interest accrued) (INR Millions)	Carrying Amount as on 31 March 2024 (including interest accrued) (INR Millions)	Surrendered Amount (INR Millions)	Interest rate charged per annum		Repayment Terms	Security details
				As at 31 March 2025	As at 31 March 2024		
1. Term Loan - N.A.	135.36	441.01	2,232.00	3 months T-bill rate + Margin (3.75%) i.e. 9.18%	3 months T-bill rate + Margin (3.75%) i.e. 10.77%	The loan is repayable in 48 scheduled quarterly installments starting from 12 months from the date of disbursement i.e. 27 February 2025. During the previous year, loan from CIL Bank N.A. was sold down under: 1. NIDPC Bank Limited - INR 468.00 2. Federal Bank Limited - INR 725.00 3. IDFC First Bank Limited - INR 751.00	(i) First exclusive mortgage on the Assets of borrower and Assets of Co-Borrowers (SAMHI JV Business Hotels Private Limited and Agave Hotels Private Limited), including mortgage over leasehold rights for leased assets. (ii) First exclusive mortgage on the Assets of borrower and Assets of Co-Borrowers (SAMHI JV Business Hotels Private Limited and Agave Hotels Private Limited), including mortgage over leasehold rights for leased assets. (iii) Corporate Guarantee of SAMHI Hotels Limited.
2. Term Loan - N.A.	990.47	664.57	715.00	Repo + Margin (3.75%) i.e. 9.25%	Repo + Margin (3.75%) i.e. 10.25%	The loan is repayable in 48 scheduled quarterly installments starting from 21 March 2024.	(i) First exclusive mortgage on the Assets of borrower and Assets of Co-Borrowers (SAMHI JV Business Hotels Private Limited and Agave Hotels Private Limited), including mortgage over leasehold rights for leased assets. (ii) First exclusive mortgage on the Assets of borrower and Assets of Co-Borrowers (SAMHI JV Business Hotels Private Limited and Agave Hotels Private Limited), including mortgage over leasehold rights for leased assets. (iii) Corporate Guarantee of SAMHI Hotels Limited.
3. Term Loan - N.A.	141.26	354.35	466.00	3 months T-bill rate + Margin (3.75%) i.e. 9.25%	3 months T-bill rate + Margin (3.75%) i.e. 10.77%	The loan is repayable in 48 scheduled quarterly installments starting from 21 March 2024.	(i) First exclusive mortgage on the Assets of borrower and Assets of Co-Borrowers (SAMHI JV Business Hotels Private Limited and Agave Hotels Private Limited), including mortgage over leasehold rights for leased assets. (ii) First exclusive mortgage on the Assets of borrower and Assets of Co-Borrowers (SAMHI JV Business Hotels Private Limited and Agave Hotels Private Limited), including mortgage over leasehold rights for leased assets. (iii) Corporate Guarantee of SAMHI Hotels Limited.
4. Term Loan - N.A.	270.01	-	300.00	Repo + Margin (3.75%) i.e. 9.25%	-	The loan is repayable in 48 scheduled quarterly installments starting from 21 March 2025.	(i) First exclusive mortgage on the Assets of borrower and Assets of Co-Borrowers (SAMHI JV Business Hotels Private Limited and Agave Hotels Private Limited), including mortgage over leasehold rights for leased assets. (ii) First exclusive mortgage on the Assets of borrower and Assets of Co-Borrowers (SAMHI JV Business Hotels Private Limited and Agave Hotels Private Limited), including mortgage over leasehold rights for leased assets. (iii) Corporate Guarantee of SAMHI Hotels Limited.
5. Term Loan - N.A.	261.21	269.65	274.80	Repo + Margin (3.75%) i.e. 9.25%	Repo + Margin (3.75%) i.e. 10.25%	The loan is repayable in 48 scheduled quarterly installments starting from 31 March 2024.	(i) First exclusive mortgage on the Assets of borrower and Assets of Co-Borrowers (SAMHI JV Business Hotels Private Limited and Agave Hotels Private Limited), including mortgage over leasehold rights for leased assets. (ii) First exclusive mortgage on the Assets of borrower and Assets of Co-Borrowers (SAMHI JV Business Hotels Private Limited and Agave Hotels Private Limited), including mortgage over leasehold rights for leased assets. (iii) Corporate Guarantee of SAMHI Hotels Limited.



Barque Hotels Private Limited  
CIN: 5530010230001120005  
Notes to the financial statements for the year ended 31 March 2024  
(All amounts are in Rupees, unless otherwise stated)

192 From loan from financial institutions

Particulars	Outstanding amount as on 31 March 2025 (including interest accrued thereon) (INR Millions)	Outstanding amount as on 31 March 2024 (including interest accrued thereon) (INR Millions)	Interest rate charged per annum		Repayment Terms	Security details
			As at 31 March 2025	As at 31 March 2024		
Unsecured loan from Bank of India Ltd	157.37	157.28	3 months T-bill rate + 3 months T-bill rate + 10.00% Margin (3.60%) 9.25%	3 months T-bill rate + 3 months T-bill rate + 10.00% Margin (3.60%) 10.00%	The loan is repayable in 48 sequential quarterly installments starting from 12 months from the first disbursement date i.e. 27 February 2023.	1) First exclusive mortgage on the Assets of borrower and Assets of Co-Borrowers (SAMIH JV Business Hotels Private Limited and Arpan Hotels Private Limited), including mortgage over leasehold rights for leased assets. 2) Hypothecation on the receivables and bank accounts. 3) First exclusive mortgage on the Assets of borrower and Assets of Co-Borrowers (SAMIH JV Business Hotels Private Limited and Arpan Hotels Private Limited), including mortgage over leasehold rights for leased assets. 4) Hypothecation on the receivables and bank accounts. 5) Corporate Guarantee of SAMIH Hotels Limited
Aditya Birla Finance Limited	191.92	190.84	3 months T-bill rate + 3 months T-bill rate + 10.00% Margin (3.60%) 10.00%	3 months T-bill rate + 3 months T-bill rate + 10.00% Margin (3.60%) 10.00%	The loan is repayable in 48 sequential quarterly installments starting from 31 March 2024.	1) First exclusive mortgage on the Assets of borrower and Assets of Co-Borrowers (SAMIH JV Business Hotels Private Limited and Arpan Hotels Private Limited), including mortgage over leasehold rights for leased assets. 2) Hypothecation on the receivables and bank accounts. 3) First exclusive mortgage on the Assets of borrower and Assets of Co-Borrowers (SAMIH JV Business Hotels Private Limited and Arpan Hotels Private Limited), including mortgage over leasehold rights for leased assets. 4) Corporate Guarantee of SAMIH Hotels Limited

The Company did not have any outstanding defaults on the repayment of loans and interest. There has been no loan covenant default and there has been no information from the lender financial institutions for recalling any loan facility.



18 Non-current financial liabilities - Lease liabilities

	As at 31 March 2025	As at 31 March 2024
Lease liabilities (refer note 43)	107.97	125.59
	<u>107.97</u>	<u>125.59</u>

19 Non-current provisions

	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits		
Gratuity (Refer note 30)	3.96	2.97
Compensated absences (Refer note 30)	4.83	4.58
	<u>8.79</u>	<u>7.55</u>

20 Other non-current liabilities

	As at 31 March 2025	As at 31 March 2024
Income received in advance	66.72	71.95
	<u>66.72</u>	<u>71.95</u>

21 Current financial liabilities - Borrowings  
(Secured)

	As at 31 March 2025	As at 31 March 2024
Current maturities of long-term borrowings (Refer note 17)	82.30	49.41
Cash credit and overdraft facilities from bank (secured) *	243.87	337.55
<i>Unsecured, repayable on demand</i>		
Interest free loan from Holding Company (refer note 38)	20.40	-
	<u>346.57</u>	<u>386.96</u>

\*Includes interest accrued amounting to INR 0.35 (31 March 2024 - INR 2.88)

Particulars	Sanctioned Amount (INR Millions)	Interest rate charged per annum		Repayment Terms	Security details
		As at 31 March 2025	As at 31 March 2024		
Citibank, N.A.	400.00	3 months T-bill rate - Margin (3.75%) i.e. 9.69%	3 months T-bill rate - Margin (3.75%) i.e. 9.69%	Repayable on demand.	i) First exclusive mortgage on the Assets of borrower and Assets of Co-Borrowers (SAMHI JV Business Hotels Private Limited and Argon Hotels Private Limited), including mortgage over leasehold rights for leased assets. ii) Hypothecation on the receivables and Bank accounts iii) 99% of share pledge of the borrowers shares and Non disposal undertaking on the balance un- pledged from SAMHI Hotels Limited. iv) Corporate Guarantee of SAMHI Hotels Limited.

22 Current financial liabilities - Lease liabilities

	As at 31 March 2025	As at 31 March 2024
Lease liabilities (refer note 43)	33.47	45.81
	<u>33.47</u>	<u>45.81</u>



**23 Current financial liabilities - Trade payables**

	As at 31 March 2025	As at 31 March 2024
Trade payables		
- total outstanding dues of micro enterprises and small enterprises; and	8.86	6.50
- total outstanding dues of creditors other than micro enterprises and small enterprises	152.73	215.18
	<u>161.59</u>	<u>221.68</u>

a) Refer note 38 for dues to related parties

b) The Company's exposure to liquidity risks related to trade payables is disclosed in Note 39.

c) Refer note 42 for disclosures under Micro, Small and Medium Enterprises Development Act 2006 (MSMED)

**Trade payables Ageing Schedule**

As at 31 March 2025

Particulars	Outstanding for following periods from due date of transaction					Total
	Accrued expenses	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	7.82	0.29	0.25	0.50	8.86
Others	84.84	66.10	1.14	0.65	-	152.73
Total	84.84	73.92	1.43	0.90	0.50	161.59

As at 31 March 2024

Particulars	Outstanding for following periods from due date of transaction					Total
	Accrued expenses	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	5.75	0.25	0.50	-	6.50
Others	62.90	151.40	0.68	0.20	-	215.18
Total	62.90	157.15	0.93	0.70	-	221.68

**24 Current financial liabilities - Others**

	As at 31 March 2025	As at 31 March 2024
Employee related payables	20.72	22.35
Payable for capital assets	17.35	35.71
Other payable (refer note 38)	0.65	-
Interest accrued but not due on borrowings (refer note 17)	3.42	1.03
	<u>42.14</u>	<u>59.09</u>

**25 Other current liabilities**

	As at 31 March 2025	As at 31 March 2024
Advance from customers	8.86	6.72
Income received in advance	5.23	5.23
Statutory dues payable	14.42	11.21
	<u>28.51</u>	<u>23.16</u>

**26 Current provisions**

	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits		
Gratuity (refer note 30)	2.57	1.83
Compensated absences (refer note 30)	3.72	3.61
	<u>6.29</u>	<u>5.44</u>





**27 Revenue from operations**

	For the year ended 31 March 2025	For the year ended 31 March 2024
<i>Sale of products and services</i>		
- Room revenue	1,536.66	1,408.63
- Food and beverage revenue	144.35	155.67
- Recreation and other services	18.57	16.05
	<u>1,699.58</u>	<u>1,580.35</u>
<i>Other operating revenues</i>		
- Space rentals	2.68	3.30
	<u>2.68</u>	<u>3.30</u>
	<u>1,702.26</u>	<u>1,583.65</u>

The contract liabilities primarily relate to the advance consideration received from customers for which revenue is recognized when the performance obligation is over/ services delivered. Advance collection is recognised when payment is received before the related performance obligation is satisfied. This includes advances received from the customer towards rooms/restaurant. Revenue is recognised once the performance obligation is met i.e. on room stay/ sale of food and beverage. Excess of revenue over invoicing is recorded as unbilled revenue. Revenue recognised in the Statement of Profit and Loss is same as the contracted price.

	As at 31 March 2025	As at 31 March 2024
<b>Contract liabilities</b>		
Advance from customers	8.86	6.72

The amount of revenue of INR 5.49 (31 March 2024 INR 4.42) recognised in the reporting period was included in advance from customer balance at the beginning of the period.

<b>Trade Receivables</b>	67.17	80.85
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Note: Considering the nature of business of the Company, the above trade receivables is converted into cash within the same operating cycle.

**28 Other income**

	For the year ended 31 March 2025	For the year ended 31 March 2024
<i>Interest income from financial assets at amortised cost</i>		
- bank deposits	2.57	2.32
Unwinding of discount on security deposit	9.05	7.99
Interest on income tax refund	1.50	-
Interest on advance recoverable	-	0.17
Provision / liabilities no longer required written back	-	2.38
Amortisation of income received in advance	5.23	5.23
Insurance income	3.26	1.35
Miscellaneous income	-	0.17
	<u>21.61</u>	<u>19.61</u>

**29 Cost of materials consumed**

	For the year ended 31 March 2025	For the year ended 31 March 2024
<i>Consumption of food and beverages</i>		
Inventory at the beginning of the year	2.77	3.06
Add: Purchases	96.87	103.62
Inventory at the end of the year	-	(2.77)
	<u>99.64</u>	<u>103.91</u>

**30 Employee benefits expense**

	For the year ended 31 March 2025	For the year ended 31 March 2024
<i>Salaries, wages and bonus</i>		
Contribution to provident fund and other funds (refer 'a' below)	200.60	181.68
Compensated absences (refer 'b' below)	14.02	12.55
Staff welfare expenses	3.61	5.77
	<u>28.47</u>	<u>24.75</u>
	<u>246.70</u>	<u>224.75</u>

**a. Defined Contribution plans**

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, Labour Welfare Fund and Employees' State Insurance, which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to profit or loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund, Labour Welfare Fund and Employees' State Insurance for the year aggregated to INR 14.02 (31 March 2024 - INR 12.55). Also refer note 36.



**b. Compensated absences**

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

Particulars	For the year ended 31 March 2025 %	For the year ended 31 March 2024 %
Discounting rate (p.a.)	6.49	7.15
Future salary increase (p.a.)	5.50	5.50

**c. Defined Benefit Plan**

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

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

**Investment risk**

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

**Inherent interest rate risk**

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

**Longevity risk**

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

**Salary risk**

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

The following tables summarise the components of net benefit expense recognized in profit or loss and amounts recognized in the Balance Sheet for the said plan:

**a) Expense recognised in statement of profit and loss**

	For the year ended 31 March 2025	For the year ended 31 March 2024
Current service cost	1.09	0.89
Interest cost	0.34	0.23
<b>Total included in 'Employee benefits expense'</b>	<b>1.43</b>	<b>1.12</b>

**b) Remeasurements recognized directly in other comprehensive income**

	For the year ended 31 March 2025	For the year ended 31 March 2024
Net actuarial (gain)/loss recognized in the year from:		
- changes in demographic assumptions	(0.70)	(1.03)
- changes in financial assumptions	0.75	(0.10)
- changes in experience adjustments	1.70	2.01
<b>Amount recognized in other comprehensive income</b>	<b>1.75</b>	<b>0.88</b>

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

	For the year ended 31 March 2025	For the year ended 31 March 2024
Present value of obligation as at the beginning of the year	4.80	3.31
Current service cost	1.09	0.89
Interest cost	0.34	0.23
Remeasurements of defined benefit liability / asset (net of tax)	1.75	0.88
Benefits paid	(1.46)	(0.51)
<b>Present value of obligation as at the end of the year</b>	<b>6.53</b>	<b>4.80</b>

**d) Amounts to be recognized in Balance Sheet**

	As at 31 March 2025	As at 31 March 2024
Present value of the defined benefit obligation at the end of the year	6.53	4.80
Funded status	-	-
<b>Net liability recognized in the Balance Sheet</b>	<b>6.53</b>	<b>4.80</b>
Non-current	3.96	2.97
Current	2.57	1.83



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

	As at 31 March 2025 %	As at 31 March 2024 %
<b>Economic assumptions</b>		
Discounting rate (p.a.)	6.49	7.15
Future salary increase (p.a.)	5.50	5.50

The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities. The weighted average duration of the defined benefit obligation is 0.92 years (31 March 2024 - 0.91 years)

The salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

<b>Demographic assumptions</b>	As at 31 March 2025	As at 31 March 2024
Retirement Age (years)	58	58
Withdrawal Rate		
Ages		
Up to 30 Years	78%	78%
From 31 to 44 years	78%	78%
Above 44 years	78%	78%
Mortality rate	100% Indian assured lives mortality (2012 - 14)	100% Indian assured lives mortality (2012 - 14)

f) The Company's best estimate of expense for the next year is INR 0.7 (31 March 2024: INR 1.01)

### iii. Sensitivity analysis

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

	31 March 2025	
	Increase *	Decrease *
Discount rate (0.5% movement)	(0.06)	0.06
Future salary growth (0.5% movement)	0.06	(0.06)
	31 March 2024	
	Increase *	Decrease *
Discount rate (0.5% movement)	(0.04)	0.04
Future salary growth (0.5% movement)	0.04	(0.04)

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

\* Positive amount represents increase in provision and negative amount represents decrease in provision

### g) Maturity profile of defined benefit obligation

<b>Year</b>	As at 31 March 2025
0 to 1 Year	2.57
1 to 2 Year	2.94
2 to 3 Year	0.65
3 to 4 Year	0.14
4 to 5 Year	0.03
5 to 6 Year	0.01
6 Year onwards	0.18
	<b>6.53</b>
<b>Year</b>	As at 31 March 2024
0 to 1 Year	1.83
1 to 2 Year	2.18
2 to 3 Year	0.49
3 to 4 Year	0.11
4 to 5 Year	0.02
5 to 6 Year	0.01
6 Year onwards	0.16
	<b>4.80</b>



**Barque Hotels Private Limited**

CIN U55101DL2008PTC175957

**Notes to the financial statements for the year ended 31 March 2025**
*(All amounts are in Rupees millions, unless otherwise stated)*

	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>31 Finance costs</b>		
Interest expense on financial liabilities carried at amortised cost on		
Loans from banks and financial institutions	223.20	280.69
Interest expense on lease liabilities	15.85	18.69
Interest expense on delay in deposit of statutory dues	0.05	0.24
Other finance costs	5.81	29.50
Less: Transferred to capital work-in-progress	(6.56)	-
	<u>238.35</u>	<u>329.12</u>
<b>32 Depreciation and amortisation expense</b>		
Depreciation on property, plant and equipment	157.15	165.24
Depreciation on Right-of-use assets	19.43	18.63
Amortisation of intangible assets	2.25	1.88
	<u>178.83</u>	<u>185.75</u>
<b>33 Other expenses</b>		
Rates and taxes	14.69	17.98
Training expenses	5.16	3.40
Power, fuel and water	92.05	91.30
Rent (refer Note 43)	133.74	118.51
Commission	152.41	123.18
Management and incentive fees	82.40	74.87
Repair and maintenance		
- Building	11.80	10.94
- Machinery	22.96	26.40
- Others	0.39	0.32
Travelling and conveyance	16.39	18.23
Communication	26.15	22.58
Insurance	6.26	5.97
Provision for bad and doubtful debts	0.55	1.49
Consumption of stores and supplies	58.54	63.03
General administration expenses	12.11	11.19
Contractual labour	55.48	50.97
Payment to auditors (refer below) *	2.44	2.42
Legal and professional charges (refer note 47)	82.10	121.98
Advertisement and business promotion	59.74	57.97
Miscellaneous expenses	0.47	0.05
	<u>835.83</u>	<u>822.79</u>
<b>*Payment to auditors</b>		
Statutory audit	2.20	2.20
Reimbursement of expenses	0.22	0.22
	<u>2.42</u>	<u>2.42</u>
<b>34 Exceptional Items</b>		
Reversal of provision for impairment in value of property, plant and equipment, right of use asset and intangible assets (refer note 48).	(75.29)	(31.18)
Gain on fair valuation of land held for sale (refer note 17).	-	(5.00)
	<u>(75.29)</u>	<u>(36.18)</u>
<b>35 Earnings per share (EPS)</b>		

Basic EPS is calculated by dividing the loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

	For the year ended 31 March 2025	For the year ended 31 March 2024
Net loss attributable to equity shareholders	199.81	(26.87)
Weighted average number of equity shares outstanding during the year for calculation of basic EPS	38,375,080	38,375,080
Weighted average number of equity shares outstanding during the year for calculation of diluted EPS	38,375,080	38,375,080
Nominal value of equity share (INR)	10.00	10.00
Basic loss per share (INR)	5.21	(0.70)
Diluted loss per share (INR)	5.21	(0.70)



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

	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and others, and not provided for	33.39	151.77

**Contingent liabilities**

(i) The Company is subject to legal proceedings and claims on account of Hosur land dispute. During the year ended 31 March 2023, the Company had received a favourable order from the High Court of Karnataka wherein the High Court has quashed the proceedings and directed Karnataka Industrial Areas Development Board (KIADB) to release the compensation of INR 29.84 to the Company. Subsequently the opposing parties moved applications before lower courts seeking multiple reliefs against which the Company has filed counter claims and appeals. Despite the favourable order from the High Court of Karnataka, KIADB has passed an order to continue to deposit compensation amount with the civil court during current year. The Company has filed a Writ Petition challenging the aforesaid order of KIADB. The management is of the view that based on the merits of the arguments put forward and facts of this case, the outcome is likely to be in the favour of the Company and no provision is required to be created in the books.

(ii) The Company had received an assessment order for financial year 2016-17 whereby an addition of INR 296.97 had been made to the total income of the Company. The addition pertains to unreasonable share premium under Section 56(2)(viib) of the Income Tax Act, 1961 and unbilled revenue, not included in income offered to tax. The Company has filed an appeal before the Commissioner of Income-tax (Appeals) against the said addition which is pending for disposal.

(iii) The Company had received a penalty order u/s 271C of the Income-tax Act, 1961 for financial year 2016-17 whereby a penalty had been imposed on the Company of INR 1.01. The Company had filed an appeal before the Commissioner of Income-tax (Appeals) against the said penalty order which is pending for disposal. During the period ended FY 2024-25 the Company has received a negative order wherein the penalty was confirmed in relation to which the Company has preferred appeal with ITAT (Delhi) and the same is pending for disposal. Based on the merits of the arguments put forward, the Company is of the view that the outcome will be in its favor and no provision is required to be created in the books.

(iv) In February 2019, Supreme Court of India in its judgement clarified the applicability of allowances that should be considered to measure obligations under The Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The Company has been legally advised that there are interpretative challenges on the application of judgement retrospectively and as such does not consider there is any probable obligations for past periods. For the period 1 March 2019 to 31 March 2019, the Company had made a provision for provident fund contribution in the books of accounts amounting to INR 1.58, subsequent to which based on legal advice, the Company had reversed the provision amounting to INR 1.40 in the previous year ended 31 March 2020.

(v) Applications have been filed before the Commissioner under the Employee's Compensation Act, 1923 by the legal heirs of two employees of the Company's Hotel situated in Gurgaon and had met with an unfortunate fatal accident approximately seven hours after end of their shift. By way of the aforesaid applications, the families of the deceased were seeking amounts upto INR 7.00 from the Hotel allegedly claiming that the accident had occurred during and arising out of the course of their employment against which the Company had reasonable grounds to contest. During the current year, the case has been dismissed in default, since the claimants failed to appear before the authority.

**37 Operating Segments**

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

**A. Information about products and services**

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

**B. Information about geographical areas**

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

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

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





38 Related party disclosures

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

Nature	Name of related party
Holding Company	SAMHI Hotels Limited
Subsidiary	Paulmech Hospitality Private Limited

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

Description of relationship	Name of related party
Holding Company	SAMHI Hotels Limited
Subsidiary	Paulmech Hospitality Private Limited
Fellow Subsidiary	ACIC Advisory Private Limited (w.e.f. 10 August 2023)
Fellow Subsidiary	Ascent Hotels Private Limited
Fellow Subsidiary	SAMHI JV Business Hotels Private Limited

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

Particulars	Holding Company		Fellow Subsidiary/Subsidiary	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Repayment of unsecured loan given				
Paulmech Hospitality Private Limited	-	-	175.00	-
Modification in terms of loan given - Classified as deemed investment				
Paulmech Hospitality Private Limited	-	-	-	267.68
Unsecured loan given - directly recognised as deemed investment				
Paulmech Hospitality Private Limited	-	-	27.50	27.50
Interest free loan from Holding Company received - recognised in other equity				
SAMHI Hotels Limited	-	733.00	-	-
Current borrowings - Interest free loan from Holding Company received				
SAMHI Hotels Limited	1,575.50	-	-	-
Current borrowings - Interest free loan from Holding Company repaid				
SAMHI Hotels Limited	1,555.10	-	-	-
Current loan to holding company				
SAMHI Hotels Limited	130.00	-	-	-
Interest income on unsecured loan				
Paulmech Hospitality Private Limited	-	-	-	15.28
Legal and professional fees (including capitalised amount in CWIP)				
SAMHI Hotels Limited	98.75	121.25	-	-
ACIC Advisory Private Limited	-	-	-	2.08
Other payables				
SAMHI Hotels Limited	0.65	-	-	-
Reimbursement of expenses incurred				
SAMHI Hotels Limited	5.84	2.19	-	-
Samhi JV Business Hotels Private Limited	-	-	-	0.05
Ascent Hotels Private Limited	-	-	-	0.05
Reimbursement of expenses received				
Paulmech Hospitality Private Limited	-	-	11.28	-
Revenue from operations				
SAMHI Hotels Limited	-	0.11	-	-

In addition to transactions mentioned above,

- The Holding Company has given a guarantee for refund of professional fee to InterContinental Hotels Group (India) Private Limited ("Manager") / InterContinental Hotels Group (Asia Pacific) Pre. Ltd. ("Licensor") in case of cancellation of the Operating Services agreement with the operator.
- The Company has provided securities to its fellow subsidiaries (SAMHI JV Business Hotels Private Limited and Argon Hotels Private Limited) amounting INR 5,698 (31 March 2024 - INR 5,698).

Particulars	31 March 2025	31 March 2024
- Samhi JV Business Hotels Private Limited	4,360	4,360
- Argon Hotels Private Limited	1,338	1,338

(Represents the limits sanctioned by banks and financial institutions to fellow subsidiaries on account of the security given by the Company)

Refer Note 17 and 21 for the securities/ guarantees provided/ received by the Company on behalf of its related entities for loans obtained from banks and financial institution.



38 Related party disclosures (continued)

d) Related party balances as at year end

Particulars	Holding Company		Fellow Subsidiary/Subsidiary	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Equity component of Fully compulsorily convertible debentures				
SAMHI Hotels Limited	179.17	179.17	-	-
Equity component of concessional overdraft facility				
SAMHI Hotels Limited	18.69	18.69	-	-
Equity component of interest free loans from Holding company				
SAMHI Hotels Limited	3,200.33	3,200.33	-	-
Equity component of convertible PKK obligation				
SAMHI Hotels Limited	710.06	710.06	-	-
Current borrowings				
SAMHI Hotels Limited	20.40	-	-	-
Current loans				
SAMHI Hotels Limited	130.00	-	-	-
Trade payables				
SAMHI Hotels Limited	35.72	124.89	-	-
Ascent Hotels Private Limited	-	-	-	0.05
Payable for capital assets				
SAMHI Hotels Limited	1.87	15.85	-	-
Trade receivables				
SAMHI Hotels Limited	-	0.05	-	-
Other receivables				
Paulmech Hospitality Private Limited	-	-	11.28	-
Other payables				
SAMHI Hotels Limited	0.65	-	-	-
Investment in subsidiary				
Paulmech Hospitality Private Limited	-	-	120.72	120.72
Provision for impairment in value of investments in subsidiary				
Paulmech Hospitality Private Limited	-	-	49.72	49.72
Deemed investment - Unsecured interest free loans				
Paulmech Hospitality Private Limited	-	-	147.68	295.18

Outstanding balances at the year-end are unsecured and are settlement occurs in cash.  
For the year ended 31 March 2025 and 31 March 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken at each reporting period.



### 39 Financial Instruments – Fair values and risk management

#### A) Financial instruments by category and fair value

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

Particulars	As at 31 March 2025			
	Level of hierarchy	Fair Value Through Profit or Loss (FVTPL)	Fair Value Through Other Comprehensive Income (FVTOCI)	Amortised Cost
<b>Financial assets</b>				
Non-current financial assets - Others		-	-	156.99
Current financial assets - Trade receivables		-	-	67.17
Current financial assets - Cash and cash equivalents		-	-	23.37
Current financial assets - Others		-	-	11.69
Current financial assets - Loans				130.00
<b>Total financial assets</b>		-	-	<b>389.22</b>
<b>Financial liabilities</b>				
Non-current financial liabilities - Borrowings	2	-	-	2,162.72
Non-current financial liabilities - Lease liabilities		-	-	107.97
Current financial liabilities - Current borrowings	2	-	-	346.57
Current financial liabilities - Trade payables		-	-	161.59
Current financial liabilities - Lease liabilities		-	-	33.47
Current financial liabilities - Others		-	-	42.14
<b>Total financial liabilities</b>		-	-	<b>2,854.46</b>

Particulars	As at 31 March 2024			
	Level of hierarchy	Fair Value Through Profit or Loss (FVTPL)	Fair Value Through Other Comprehensive Income (FVTOCI)	Amortised Cost
<b>Financial assets</b>				
Non-current financial assets - Others		-	-	133.50
Current financial assets - Trade receivables		-	-	80.85
Current financial assets - Cash and cash equivalents		-	-	48.51
Current financial assets - Others		-	-	0.04
<b>Total financial assets</b>		-	-	<b>262.90</b>
<b>Financial liabilities</b>				
Non-current financial liabilities - Borrowings	2	-	-	1,971.37
Non-current financial liabilities - Lease liabilities		-	-	125.59
Current financial liabilities - Current borrowings	2	-	-	386.96
Current financial liabilities - Trade payables		-	-	221.68
Current financial liabilities - Lease liabilities		-	-	45.81
Current financial liabilities - Others		-	-	59.09
<b>Total financial liabilities</b>		-	-	<b>2,810.50</b>

#### Financial assets and liabilities measured at amortised cost - Fair value measurements

The fair value of trade receivables, cash and cash equivalents, other bank balances, other current financial assets, current borrowings, trade payables, and other current financial liabilities approximate their carrying amounts, due to their short-term nature. Interest rates on non-current borrowings (from financial institution and bank) are equivalent to the market rate. Such borrowings are contracted at floating rates and rates are reset at short intervals. Accordingly, the carrying value of such borrowings approximates fair value.

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

The carrying value of security deposits and lease liabilities approximates the fair values as on the reporting date, as these are carried at amortised cost and are based on the net present value of the anticipated future cash flows using applicable discount rate.

#### B) Measurement of fair values

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques. There has been no transfer between Level 1, Level 2 and Level 3 for the year ended 31 March 2025 and 31 March 2024.

There have been no transfers in either direction for the years ended 31 March 2025 and 31 March 2024.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

#### C) Financial risk management

##### Risk management framework

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

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



**i. Credit risk**

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

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

The Company has given security deposits to various statutory authorities and vendors for securing services from them and rental deposits for employee accommodations.

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

The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or legal entity, their geographical location, industry and existence of previous financial difficulties, if any.

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

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

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

The provision matrix used for determining loss allowance on trade receivables as at 31 March 2025 is less than 6 months: 0.70%, 6 months - 1 year: 11.46%, 1-2 years: 47.91% - 82.09%, and more than 2 years: 100%

**39 Financial Instruments – Fair values and risk management (continued)**

**Reconciliation of loss allowance provision**

	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening balance		1.35
Changes in loss allowance	2.84	1.49
Closing balance	3.39	2.84

**ii. Liquidity risk**

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

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

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium term and long-term funding and liquidity management requirements.

**(a) Exposure to liquidity risk**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and do not include interest.

	Contractual cash flows					
	Carrying amount	Total	0-1 year	1-2 years	2-5 years	More than 5 years
<b>31 March 2025</b>						
Non-current borrowings	2,162.72	2,188.95	-	141.25	636.60	1,411.10
Current borrowings	346.57	326.17	326.17	-	-	-
Lease liabilities	141.44	315.19	33.47	33.62	45.37	202.73
Current Trade payables	161.59	160.28	160.28	-	-	-
Other current financial liabilities	42.14	41.49	41.49	-	-	-
	2,854.46	3,032.08	561.41	174.87	681.97	1,613.83
	Contractual cash flows					
	Carrying amount	Total	0-1 year	1-2 years	2-5 years	More than 5 years
<b>31 March 2024</b>						
Non-current borrowings	1,971.37	1,994.46	-	68.80	467.84	1,457.82
Current borrowings	386.96	386.96	386.96	-	-	-
Lease liabilities	171.40	260.93	45.81	33.47	69.28	212.37
Current Trade payables	221.68	221.68	221.68	-	-	-
Other current financial liabilities	59.09	59.09	59.09	-	-	-
	2,810.50	3,023.12	713.54	102.27	537.12	1,670.19

**(b) Financing arrangements**

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

	As at 31 March 2025	As at 31 March 2024
<b>Floating rate</b>		
Cash credit and overdraft facilities from bank	156.48	65.29
Term loan from bank	24.38	-
	180.86	65.29

**iii. Market risk**

Market risk is the risk that the changes in market prices such as foreign exchange rates and interest rates, that will affect the Company's expense or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

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

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



Exposure to interest rate risk

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

	Nominal amount	
	31 March 2025	31 March 2024
<b>Fixed-rate instruments</b>		
Financial assets - bank deposits	63.21	66.39
Current financial assets - Loans	130.00	-
<b>Variable-rate instruments</b>		
Financial liabilities - Cash credit and overdraft facilities from banks	243.87	337.55
Financial liabilities - Term loans from banks	1,903.35	1,667.69
Financial liabilities - Term loans from financial institutions	345.09	354.12

Fair value sensitivity analysis for fixed-rate instruments

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

Sensitivity analysis for variable-rate instruments

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

	(Profit) / loss		Equity, net of tax (increase) / decrease	
	100 bps increase	100 bps decrease	100 bps increase	100 bps decrease
<b>31 March 2025</b>				
Financial liabilities	21.56	(21.56)	21.56	(21.56)
	21.56	(21.56)	21.56	(21.56)
<b>31 March 2024</b>				
Financial liabilities	27.89	(27.89)	27.89	(27.89)
	27.89	(27.89)	27.89	(27.89)

40 Capital Management

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

The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position.

The Company monitors capital using loan to value (LTV) method to ensure that the loan to value does not increase beyond 65% on any given reporting date at company level.

The Company is not subject to externally imposed capital requirements.

As a part of its capital management policy, the Company did not have any defaults in the repayment of loans and interest. Further, there have been no loan covenant defaults.





41 Disclosure as per Ind AS 27 - Separate Financial Statements

Name of subsidiary	Principal activity	Principal place of business	Ownership interest at	
			As at 31 March 2025	As at 31 March 2024
Paulmech Hospitality Private Limited	Hotels	India	100%	100%

The above investments in subsidiary is measured at cost.

According to paragraph 4(a) of Ind AS 110: Consolidated Financial Statements, the Company has elected not to prepare consolidated financial statements as it is a wholly-owned subsidiary of SAMHI Hotels Limited having its place of business in India and instead prepares separate financial statements. The consolidated financial statements are prepared at SAMHI Hotels Limited level and kept at their place of business (i.e. Caspia Hotels Delhi, district centre crossing, opposite galaxy toyota outer ring road, haidarpur, skinner bagh, north west, delhi, India, 110088). The Company holds 100% shares in Paulmech Hospitality Private Limited having a place of business in India.

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

	As at 31 March 2025	As at 31 March 2024
<b>Dues to micro, small and medium suppliers</b>		
The amounts remaining unpaid to any supplier as at the end of the year:		
Principal amount	8.86	6.50
Interest thereon	0.99	0.94
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amount of payments made to Micro and Small Suppliers beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act 2006.	0.05	0.19
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.99	0.94
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.	0.99	0.94

The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2025 and 31 March 2024 has been made in the financial statements based on information received and available with the Company.

43 Lease disclosures

Details of rent expenses:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Expense relating to variable lease payments	133.74	118.51
<b>Total Rent</b>	<b>133.74</b>	<b>118.51</b>

The following table presents a maturity analysis of expected undiscounted cash flows for lease liabilities:

Particulars	As at 31 March 2025	As at 31 March 2024
0-1 year	33.47	45.81
1-2 years	33.62	33.47
2-5 years	45.37	69.28
More than 5 years	202.73	212.37
<b>Total Lease payments</b>	<b>315.19</b>	<b>360.93</b>

The reconciliation of lease liabilities is as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	171.40	191.63
Additions	-	10.73
Amounts recognized in Statement of Profit and Loss as interest expense	15.85	18.69
Payment of lease liabilities	(45.81)	(49.65)
<b>Closing Balance (Refer Note 21 and 26)</b>	<b>141.44</b>	<b>171.40</b>

Non current lease liabilities	107.97	125.59
Current lease liabilities	33.47	45.81

Leases entered by the Company are long term in nature and the underlying leased properties are being used as hotel properties.

- 44 During the current year, SAMHI Hotels Limited (the Holding Company) has allocated expenses amounting INR 98.75 (31 March 2024 - INR 121.25) as Company's share of project expenses and other cost incurred. Out of this allocated cost, INR 32.49 (31 March 2024 - INR 14.13) has been transferred to capital work-in-progress, as these costs were attributable to the construction of projects.



Barque Hotels Private Limited  
CIN U55101DL2008PTC175957

Notes to the financial statements for the year ended 31 March 2025  
(All amounts are in Rupees millions, unless otherwise stated)

#### 45 New standards and interpretations, not yet adopted

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 12 August 2024, 9 September 2024 and 7 May 2025, MCA amended the Companies (Indian Accounting Standards) Rules, 2015, as below:

##### Ind AS 21 – The Effects of Changes in Foreign Exchange Rates

Ministry of Corporate Affairs ("MCA") has amended "Ind AS 21 The Effects of Changes in Foreign Exchange Rates" through Companies (Indian Accounting Standards) Amendment Rules, 2025 notified on 7 May 2025. This amendment relates to accounting for transactions when a currency is not exchangeable into another currency.

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

Ratio	in times/%	Numerator	Denominator	31 March 2025	31 March 2024	Increase/(decrease) %	Remarks
Current Ratio	In times	Total Current Assets	Total Current Liabilities	0.53	0.28	86%	Current ratio increased due to inter corporate loan provided to holding company.
Debt: Equity Ratio	In times	Total Borrowings	Total Equity	2.23	2.54	-12%	Since the variance is less than 25% there is no requirement to disclose the reason.
Debt Service Coverage Ratio	In times	Earnings before finance costs, depreciation and amortisation, tax and exceptional items	Interest Payments + Principal Repayments	1.97	1.04	89%	Debt Service coverage ratio has improved due to increase in earnings before finance costs, depreciation and amortisation, tax and exceptional items
Return on Equity Ratio	In %	Loss for the year	Average Total Equity	19.47%	-4.68%	-516%	Return on equity ratio has improved due to reduction in losses and improved business activity during the current year.
Inventory turnover ratio *	In times	Cost of goods sold	Average Inventory	NA	NA	NA	NA
Trade Receivables turnover ratio	In times	Revenue from operations	Average Trade Receivables	23.00	22.12	4%	Since the variance is less than 25% there is no requirement to disclose the reason.
Trade payables turnover ratio	In times	Cost of materials consumed + Other expenses	Average Trade Payables	4.88	5.02	-3%	Since the variance is less than 25% there is no requirement to disclose the reason.
Net capital turnover ratio	In times	Revenue from operations	Average working capital	(4.12)	(3.18)	30%	Increase is due to increase in revenue from operations.
Net profit ratio	In %	Loss for the year	Revenue from operations	11.74%	-1.70%	-792%	Net profit ratio improved due to improvement in business activity during the year.
Return on Capital employed	In %	Profit/(loss) before finance costs and taxes	Capital Employed - Tangible Net Worth + Total Borrowings	12.17%	9.23%	32%	Return on capital employed ratio improved due to improvement in business activity during the year.
Return on investment #	In %	Interest (Finance Income)	Investment	NA	NA	NA	NA

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

\* Inventory turnover ratio: Since the value of inventory is insignificant as compared to the total assets.

# Return on Investments: Since the Company invests surplus temporary funds in short-term bank deposits and the income generated from it is insignificant to total turnover.

#### 47 Other statutory information

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company does not have any transactions with companies struck off.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - 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 to or on behalf of the Ultimate Beneficiaries.
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - 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.
- The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961).
- The Company has not been declared a willful defaulter by any bank or other lender (as defined under the Companies Act, 2013), in accordance with the guidelines on willful defaulters.
- The title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company. However, original title deeds are held by trustee during the year ended 31 March 2025.
- The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. As per the terms of sanction letters of such limits, there are no requirements on the Company to submit quarterly returns or statements with such bank or financial institution.
- The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person (that are repayable on demand or without specifying any terms or period of repayment).
- The Company has used the borrowings from bank and financial institution for the specific purpose for which it was taken.
- The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial years.
- The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during current or previous years.



4B Impairment of asset

*Impairment testing for cash-generating units*

In accordance with Ind AS 36 "Impairment of Assets", the Company had identified individual hotels (consisting of property, plant and equipment, right of use assets and other intangible assets) as a separate cash generating unit for the purpose of impairment review. Management periodically assesses whether there is an indication that an asset may be impaired (including impairment reversal) using a comparison between carrying value of assets in books and the recoverable value. Recoverable value is considered as higher of fair value less costs of disposal and value in use.

Recoverable amount is the value in use of the hotel and is based on discounted cash flow method which was classified as a level 3 fair value in the fair value hierarchy due to the inclusion of one or more unobservable inputs. There has been no change in the valuation technique as compared to previous years.

As at 31 March 2025, impairment loss recognised in books in respect to the carrying value of property, plant and equipments, right of use assets and other intangible assets is as follows:

Asset	As at 1 April 2024	Impairment loss/ (Reversal)	As at 31 March 2025
Holiday Inn Express - Pune, Hinjewadi *	32.79	(32.79)	-
Holiday Inn Express - Pune, Pimpri *	82.05	(82.05)	-
Holiday Inn Express - Nashik, Ambad	45.06	-	45.06
Holiday Inn Express - Chennai, OMR	93.30	-	93.30
<b>Total</b>	<b>253.20</b>	<b>(114.84)</b>	<b>138.36</b>

\* During the current financial year ended 31 March 2025, the Company has remeasured the carrying value of the assets for Holiday Inn Express - Pune - Hinjewadi and Pune - Pimpri and reversed the impairment loss of INR 75.29 (net of depreciation) recorded in books in earlier years. The reason for reversal of impairment is due to improved actual performance of this CGU as compared to budgets. The same has been recorded as gain on reversal of impairment under the head exceptional item in the current year.

Based on the impairment analysis carried out by the management, no further impairment loss is required to be recorded in the financial statements in the current year.

The cash flow projections include specific estimates for five years and an Exit multiple thereafter. The terminal growth rate has been determined based on management's estimate of the long-term compound annual growth rate, consistent with the assumptions that a market participant would make.

As at 31 March 2024, impairment loss recognised in books in respect to the carrying value of property, plant and equipments, right of use assets and other intangible assets is as follows:

Asset	As at 1 April 2023	Impairment loss/ (Reversal)	As at 31 March 2024
Holiday Inn Express - Pune, Hinjewadi	32.79	-	32.79
Holiday Inn Express - Pune, Pimpri	82.05	-	82.05
Holiday Inn Express - Nashik, Ambad	45.06	-	45.06
Holiday Inn Express - Chennai, OMR	93.30	-	93.30
Holiday Inn Express - Hyderabad, Banjara Hills *	43.93	(43.93)	-
<b>Total</b>	<b>297.13</b>	<b>(43.93)</b>	<b>253.20</b>

\* During the current financial year ended 31 March 2024, the Company has remeasured the carrying value of the assets for Holiday Inn Express - Hyderabad, Banjara Hills and reversed the impairment loss of INR 31.19 (net of depreciation) recorded in books in earlier years. The reason for reversal of impairment is due to improved actual performance of this CGU as compared to budgets. The same has been recorded as gain on reversal of impairment under the head exceptional item in the previous year.

The key assumptions used in the estimation of the recoverable amount are set out below.

*Assumptions*

	As at 31 March 2025	As at 31 March 2024
Discount rate Pre tax / Post Tax	13.20% / 13.00%	13.20% / 13.00%
Average Room Revenue (ARR) growth rate	5% to 15%	5% to 15%
Terminal Value EBITDA multiple	16.67 times	16.67 times
Occupancy rate	65% to 86%	52% to 86%

The discount rate used at the time of recording the impairment charge during the year ended 31 March 2020 was 11.40%.

Based on the impairment testing performed, the management believes that any reasonably possible change in the key assumptions would not cause the recoverable amount to be lower than carrying amount of the CGU.

As per our report of even date attached

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



Shweta Kumar  
Partner  
Membership No.: 509822

Place: Gurugram  
Date: 28 May 2025

For and on behalf of Board of Directors of  
Barque Hotels Private Limited



Rajat Mehra  
Director  
DIN: 06813081

Place: Gurugram  
Date: 28 May 2025



Manish Bhagat  
Director  
DIN: 08092409

Place: Gurugram  
Date: 28 May 2025



Rinku Agarwal  
Company Secretary  
Membership No.: A42344

Place: Gurugram  
Date: 28 May 2025