NANGIA & CO LLP
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To The Members of Sukhsagar Complexes Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Sukhsagar Complexes Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2023 and the Statement of Profit and Loss including Other Comprehensive Income, statement of Changes in Equity and Cash Flow Statement for the year then ended, and notes to financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 (ICAI) 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 financial statements.

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

- The Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Director's Report, Chairman's statement, but does not include the Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit, or

otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other Matter

The financial statements of the Company for the year ended March 31, 2022, included in these financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 26, 2022.

Responsibilities of management and Those Charged with Governance for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

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

NANGIA & CO. LLP * GURUGRAM * CHARTERED ACCOUNTANTS

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

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

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

c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), and the Cash Flow Statement (and statement of changes in equity) dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.

g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2023;

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 28 to the Ind AS financial statements;

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

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

iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of

the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c) 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 (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

Signed at Gurugram on May 26, 2023
UDIN: 23402826BGVLAM4213

Annexure 'A' to the Independent Auditors Report
[Refer to in our separate report of even date]

Annexure referred to under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date to the members of **Sukhsagar Complexes Private Limited** on the financial statements for the year ended on March 31, 2023 and based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of accounts and other records examined by us in the normal course of audit, we report that:

I In respect of the Company's Property, Plant and Equipment and Intangible Assets

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of physical verification of Property, Plant and Equipment in phased periodical manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Title deeds in respect of all immovable properties are held in the name of the company.

(d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(e) As confirmed by the management, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

II (a) As explained to us physical verification of inventory has been conducted at reasonable intervals by the management at reasonable interval in respect of Food & Beverages and Stores and spares. In our opinion the coverage and procedure of such verification by the management is appropriate and



there is no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.

(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

III According to the information and explanations given to us and on the basis of examination of records of the Company, the Company has not made any investments provided guarantee or security or granted any advance in the nature of loan, secured or unsecured to Company, Firm, limited liability partnership or any other parties during the year. Accordingly, the requirement to report on clause 3(iii)(a), (b), (c), (d), (e) and (f) of the Order is not applicable to the Company.

IV The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees, and securities provided, as applicable.

V The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

VI The maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

VII In respect of statutory dues:

a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

b) According to the information and explanation given to us, there are no amounts in respect of Income Tax, Goods and Services tax, Sales Tax, Value Added Tax, Employee state Insurance, Duty of Excise, Duty of Custom, Cess and Service Tax etc. that have not been deposited with the appropriate authority on account of any dispute.

VIII As confirmed by the management, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

IX (a) As explained to us, the Company has not defaulted in repayment of loans and other borrowings and in repayment of interest thereon to any lender.

(b) As confirmed by the management, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has applied term loans for the purpose for which the loans were obtained.

(d) The Company did not raise any funds on short-term basis during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

X (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

XI (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

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

XII As explained, the Company is not a Nidhi company. Therefore, the provisions of para 3(xii) of the Order are not applicable to the Company.

XIII In our opinion, transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

XIV The Company has implemented internal audit system on a voluntary basis which is commensurate with the size of the Company and nature of its business though it is not required to have an internal audit system under Section 138 of the Companies Act, 2013.

XV In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

XVI In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) (c) and (d) of the Order is not applicable.

XVII The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year as well.

XVIII There has been resignation of statutory auditor of the Company during the year. However, based on information or explanation made available to us, the outgoing auditor has not raised any issue, objections or concerns.

XIX On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, 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 In provisions related to Corporate Social Responsibilities is not applicable to the Company as per section 135 of the Companies Act, 2013. Accordingly, reporting under clause 3(xx) of the order is not applicable for the year.

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069

Prateek Agrawal

NANGIA & CO. LLP * GURUGRAM * CHARTERED ACCOUNTANTS

Prateek Agrawal
Partner,
Membership No. 402826
Signed at Gurugram on May 26, 2023
UDIN: 23402826BGVLAM4213

Annexure 'B' to the Independent Auditors Report
[Refer to in our separate report of even date]

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

We have audited the internal financial controls over financial reporting of **Sukhsagar Complexes Private Limited ("the Company")** as of March 31, 2023 in conjunction with our audit of financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, 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 internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069

Prateek Agrawal



Prateek Agrawal
Partner,
Membership No. 402826
Signed at Gurugram on May 26, 2023
UDIN: 23402826BGVLAM4213

Sukhsagar Complexes Private Limited
CIN:U70101DL1993PTC172878
Balance Sheet as at March 31, 2023

	Notes	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
ASSETS			
Non-current assets			
Property, plant and equipment	3	**4,470.57**	4,509.35
Intangible assets	4	**2.12**	3.04
Financial assets	5		
(i) Other financial assets		**102.64**	98.54
Other non-current assets	7	**25.47**	35.29
		4,600.80	4,646.22
Current assets			
Inventories	8	**12.29**	9.70
Financial assets	9		
(i) Trade receivables		**20.83**	19.51
(ii) Cash and cash equivalents		**27.86**	46.62
(iii) Other financial assets		**0.58**	0.58
Other current assets	10	**33.39**	31.38
		94.95	107.79
Total Assets		**4,695.75**	4,754.01
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	**1,019.50**	1,019.50
Other equity	12	**100.98**	(77.10)
Total equity		**1,120.48**	942.40
Liabilities			
Non-current liabilities			
Financial liabilities	13		
(i) Borrowings		**667.65**	2,179.15
Provisions	14	**4.11**	3.24
		671.76	2,182.39
Current liabilities			
Financial liabilities	15		
(i) Borrowings		**2,728.86**	1,470.67
(ii) Trade payables			
- total outstanding dues of micro enterprises and small enterprises		**24.91**	6.54
- total outstanding dues of creditors other than micro enterprises and		**108.60**	119.39
(iii) Other financial liabilities		**20.68**	17.41
Other current liabilities	16	**16.40**	12.00
Provisions	14	**4.06**	3.21
		2,903.51	1,629.22
Total Liabilities		**3,575.27**	3,811.61
Total Equity and Liabilities		**4,695.75**	4,754.01
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal
Prateek Agrawal
Partner
Membership No. 402826

NANGIA & CO. LLP * GURUGRAM * CHARTERED ACCOUNTANTS

Place : Gurugram
Date : May 26, 2023

For and on behalf of the Board of Directors of
Sukhsagar Complexes Private Limited

Rajeev Jaiveja
(Whole Time Director)
Din: 07334001

Suman Jaiveja
(Director)
Din: 08201572

Kapil Sharma
(Chief Financial Officer)

Arun Kumar
(Company Secretary)
M. No. 3226

Place : New Delhi
Date : May 26, 2023

Sukhsagar Complexes Private Limited
CIN:U70101DL1993PTC172878
Statement of Profit and Loss for the year ended March 31, 2023

	Notes	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Revenue from operations	17	**1,169.79**	582.92
Other income	18	**0.58**	2.00
Total Income		**1,170.37**	584.92
Expenses			
Cost of materials consumed	19	**78.95**	41.30
Employee benefits expense	20	**191.73**	114.94
Other expenses	21	**407.80**	410.13
Total expenses		**678.48**	566.37
Earnings before interest, tax, depreciation and amortisation (EBITDA)		**491.89**	18.55
Finance costs	22	**256.04**	314.06
Depreciation and amortization expense	23	**63.27**	52.23
Finance income	24	**(6.23)**	(13.63)
Profit/(loss) before tax		**178.81**	(334.11)
Tax expense		-	-
		-	-
Profit/(loss) for the year		**178.81**	(334.11)
Other comprehensive income			
Re-measurement gains/ (losses) on defined benefit plans		**(0.73)**	0.07
		(0.73)	0.07
Total comprehensive loss for the year		**178.08**	(334.04)
Earnings per equity share:	25		
(1) Basic		**1.75**	(3.28)
(2) Diluted		**1.75**	(3.28)

Summary of significant accounting policies 2
The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

NANGIA & CO. LLP * GURUGRAM * CHARTERED ACCOUNTANTS

Place : Gurugram
Date : May 26, 2023

For and on behalf of the Board of Directors of
Sukhsagar Complexes Private Limited

Rajeev Janveja
(Whole Time Director)
Din: 07334001

Sumant Jaidka
Director
Din: 05201572

Kapil Sharma
(Chief Financial Officer)

Arun Kumar
(Company Secretary)
M. No. 3226

Place : New Delhi
Date : May 26, 2023

Sukhsagar Complexes Private Limited
CIN:U70101DL1993PTC172878
Statement of Changes in Equity for the year ended March 31, 2023

A. Equity Share Capital

Equity shares of INR 10 each issued, subscribed and fully paid	**No. of shares**	**Amount Rs in lakhs**
At April 1, 2021	**1,01,95,000**	**1,019.50**
Issue of share capital	-	-
At March 31, 2022	**1,01,95,000**	**1,019.50**
Issue of share capital	-	-
At March 31, 2023	**1,01,95,000**	**1,019.50**

B. Other Equity
For the year ended March 31, 2023

	Reserves and Surplus			
	Capital reserve	**Securities Premium Reserve**	**Retained Earnings**	**Total equity**
	Rs in lakhs	**Rs in lakhs**	**Rs in lakhs**	**Rs in lakhs**
Balance at April 1, 2021	37.00	**724.57**	(504.63)	**256.94**
Total Comprehensive loss for the year	-		(334.04)	**(334.04)**
Balance at March 31, 2022	**37.00**	**724.57**	**(838.67)**	**(77.10)**
Total Comprehensive loss for the year	-	-	178.08	**178.08**
Balance at March 31, 2023	**37.00**	**724.57**	**(660.59)**	**100.98**

Summary of significant accounting policies 2
The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

NANGIA & CO. LLP * GURUGRAM * CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Sukhsagar Complexes Private Limited

Rajeev Janveja
(Whole Time Director)
Din: 02695031

Sumant Jaidka
Director
Din: 05201572

Kapil Sharma
(Chief Financial Officer)

Arun Kumar
(Company Secretary)
M. No. 3226

Place : Gurugram
Date : May 26, 2023

Place : New Delhi
Date : May 26, 2023

Sukhsagar Complexes Private Limited
CIN:U70101DL1993PTC172878
Statement of Cash flow for the year ended March 31, 2023

	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Operating activities		
Loss before tax	**178.81**	(334.11)
Adjustments to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortisation expenses	**63.27**	52.23
Finance income (including fair value change in financial instruments)	**(6.22)**	(13.62)
Finance costs (including fair value change in financial instruments)	**250.22**	311.35
Provision for doubtful debts	**(0.00)**	110.60
	486.08	126.45
Working Capital Adjustment:		
Change in trade receivables	**(1.31)**	6.62
Change in loans and advances and other current assets	**(6.08)**	76.80
Change in inventories	**(2.59)**	0.50
Change in liabilities and provisions	**16.20**	(38.40)
	492.30	171.97
Income tax paid (net of refunds)	**9.82**	(6.74)
Net cash flow from operating activities	**502.12**	165.23
Investing activities		
Purchase of property, plant and equipment	**(23.57)**	(15.50)
Finance income	**6.22**	13.62
Net Cash flow (used in)/ from investing activities	**(17.35)**	(1.88)
Financing activities		
Proceeds from short-term borrowings	**241.00**	241.00
Repayment of short-term borrowings	**764.00**	(43.00)
Proceeds of long term borrowings	**-**	650.00
Repayment of long term borrowings	**(1,260.67)**	(882.28)
Interest paid	**(247.86)**	(307.08)
Net Cash from / (used in) financing activities	**(503.53)**	(341.36)
Net increase/(decrease) in cash and cash equivalents	**(18.76)**	(178.01)
Cash and cash equivalents at the beginning of the year	**46.62**	224.63
Cash and cash equivalents at the end of the year	**27.86**	46.62
Components of cash and cash equivalents		
Cash on hand	**6.58**	5.23
Balances with banks in		
- current accounts	**21.28**	41.39
- deposits with original maturity of less than three months	**-**	-
Total cash and cash equivalents	**27.86**	46.62

Summary of significant accounting policies 2

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M. No. 3226

Place : New Delhi
Date : May 26, 2023

1. Corporate Information

Sukhsagar Complexes Private Limited (the Company) is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at Asset no. 6, Aerocity Hospitality District, New Delhi-110037.

The principal activities of the Company are to carry out business of developing, owning, acquiring, renovating and promoting hotels, motels, resorts, restaurants, etc.

The Financial Statements were authorized for issue in accordance with a resolution of the directors on May 26, 2023.

2 Basis of preparation

2.1 Significant accounting policies

The Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on a historical cost or at amortised cost except for the following assets and liabilities:

- Net defined benefit (asset)/liability
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing account standard required a change to the accounting policy hitherto to in use.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, expect where otherwise indicated

2.2 Summary of significant accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

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The Company classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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

(b) Foreign currency transactions and balances

Transactions and balances
Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit and loss are also recognised in OCI or statement of profit and loss, respectively).

c) Fair value measurement
The Company measures financial instruments, such as, investment in mutual funds at fair value at each balance sheet date.

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

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

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

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

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

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

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

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

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

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value. External valuers are involved for valuation of significant assets and liabilities. The management selects external valuer on various criteria such as market knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (Note 26)
- Contingent consideration (Note 28)
- Quantitative disclosures of fair value measurement hierarchy (Note 30)
- Financial instruments (including those carried at amortised cost) (Note 30)



(d) Revenue recognition

In arrangements for room revenue and related services, the Company has applied the guidance in Ind AS 115 for recognition of Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering room revenue and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognized.

Sales tax/ value added tax (VAT)/GST is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Rooms, Restaurant, Banquets and Other Services
Income from guest accommodation is recognized on a day to day basis after the guest checks into the Hotels and are stated net of allowances. Incomes from other services are recognized as and when services are rendered. Sales are stated exclusive of Service Tax, Value Added Taxes (VAT),GST and Luxury Tax. Shortfall of revenue over the billed as at the year-end is carried in financial statement as unbilled revenue separately.

Sale of goods
Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, sale of food and beverage are recognized at the points of serving these items to the guests. Sales are stated exclusive of Sales Tax/ VAT/GST.

Interest income
For all financial instruments measured at amortized cost and interest bearing financial assets classified as available for sale, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the statement of profit and loss.

Dividends
Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Gain/(loss) on sale of investment in mutual funds
Gain/(loss) on sale of investment in mutual funds is recorded as other income on transfer of title from the Company and is determined as the difference between the redemption price and carrying value of the investments.

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(e) Taxes

Current income tax
Current income tax assets and liabilities are measured as the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside statement of profit and lossis recognised outside statement of profit and loss(either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

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

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



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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(f) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes its purchase primport duties and non-refundable purchase taxes, after deducting trade discounts and rebates; any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by managementand borrowing costs for long-term construction projects if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and lossas incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on fixed assets is provided as per Schedule II of Companies Act, 2013 on Straight Line Method over its economic useful life of fixed assets as follows:

Fixed Assets	Useful life considered (SLM)
Plant & Machinery	15 Years
Building	60 Years
Electrical installations and fittings	10 Years
Office Equipment's	5 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Computers	3 Years

The Company, based on management estimates, depreciates certain items of building, plant and equipment over estimated useful lives which are lower than the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end, and adjusted prospectively if appropriate.

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(g) Intangible assets

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

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

The useful lives of intangible assets are assessed as below:

- Software 3 years

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 income statement when the asset is derecognized.

(h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(I) Inventories

Stock of food & beverages, stores and operating supplies are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a first in first out basis.Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make sale.

(j) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair valueless costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their

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present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(k) Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.



(l) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to 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, for example, a reduction in future payment or a cash refund.

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and lossin subsequent periods.

Past service costs are recognised in statement of profit and losson the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

The Company treats leaves expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

(m) 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.



Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through statement of profit and loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through statement of profit and loss(FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables, loans to subsidiaries etc. For more information on receivables, refer to Note 9.

Debt instrument at FVTOCI

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

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In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets
In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Financial assets that are debt instruments and are measured as at FVTOCI
c) Lease receivables under Ind AS 116
d) Trade receivables or any contractual right to receive cash or another financial asset
e) Loan commitments which are not measured as at FVTPL
f) Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.



Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:
Financial liabilities at fair value through statement of profit and loss.

Financial liabilities at fair value through statement of profit and lossinclude financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

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

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

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

This category generally applies to borrowings. For more information, refer Note 13.

Financial guarantee contracts
Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.



Contributed equity
Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Reclassification of financial assets
The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.



(n) Redeemable preference shares

Redeemable preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the redeemable preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

(o) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and 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.

(p) Segment reporting policies

Identification of segments

The management of the Company reviews the specific performance of its respective hotel properties. However, since all hotels have similarity in terms of products and services, customer classes, method of providing services and the regulatory environment, the individual hotels qualify for aggregation. Thus, the management has considered aggregating all the hotels as one reportable operating segment. Accordingly, the figures appearing in these financial statements relate to the Company's single operating segment.

(q) Measurement of EBITDA

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



Sukhsagar Complexes Private Limited
Notes to financial statements as at March 31, 2023

3 Property, plant and equipment

Rs in lakhs

Particulars	Land	Building	Plant and Machinery	Electrical fittings	Electrical equipments	Office equipments	Furniture and Fixtures	Computers	Vehicles	Crockery,Cutlery & Soft Furnishing	Total
Cost											
At April 1, 2021	2,542.49	2,076.00	264.07	221.99	43.54	0.15	77.63	7.52	0.70	-	5,234.09
Additions	-	-	4.12	-	6.87	-	1.78	1.41	-	-	14.18
At March 31, 2022	2,542.49	2,076.00	268.19	221.99	50.41	0.15	79.41	8.93	0.70	-	5,248.27
Additions	-	-	1.43	-	4.41	4.92	10.60	1.74	-	0.47	23.57
At March 31, 2023	2,542.49	2,076.00	269.62	221.99	54.82	5.07	90.01	10.67	0.70	0.47	5,271.84
Depreciation											
At April 1, 2021	-	224.96	139.87	208.30	37.73	0.15	69.92	5.62	0.70	-	687.25
Charge for the year	-	27.25	22.48	0.37	0.62	-	0.18	0.77	-	-	51.67
At March 31, 2022	-	252.21	162.35	208.67	38.35	0.15	70.10	6.39	0.70	-	738.92
Charge for the year	-	36.23	22.67	0.34	1.07	0.48	0.70	0.85	-	0.01	62.35
At March 31, 2023	-	288.44	185.02	209.01	39.42	0.63	70.80	7.24	0.70	0.01	801.27
Net book value											
At March 31, 2023	2,542.49	1,787.56	84.60	12.98	15.40	4.44	19.21	3.43	-	0.46	4,470.57
At March 31, 2022	2,542.49	1,823.79	105.84	13.32	12.06	-	9.31	2.54	-	-	4,509.35

Net book value

	As at March 31, 2023	As at March 31, 2022
Plant, property and equipment	4,470.57	4,509.35

a) Asset charged against borrowings: All immovable and movable assets of the Company are subject to first charge to secured borrowings. Refer Note 13

4 Intangible assets

Rs in lakhs

Particulars	Software	Total
Cost		
At April 1, 2021	6.42	6.42
Additions	1.32	1.32
At March 31, 2022	7.74	7.74
Additions	-	-
At March 31, 2023	7.74	7.74
Amortisation and impairment		
At April 1, 2021	4.14	4.14
Amortisation for the year	0.56	0.56
At March 31, 2022	4.70	4.70
Amortisation for the year	0.92	0.92
At March 31, 2023	5.62	5.62
Net Block		
At March 31, 2023	2.12	2.12
At March 31, 2022	3.04	3.04

Net book value

	As at March 31, 2023	As at March 31, 2022
Software	2.12	3.04

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5 Financial assets

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(a) Other financial assets		
Security deposits	**13.93**	13.97
Non current bank balances	**48.52**	48.52
Interest accrued on non current bank balances	**40.19**	36.05
	102.64	98.54

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6 Deferred tax assets	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Property, plant & equipment	**303.84**	274.67
Deferred tax liability	**303.84**	274.67
Impact of expenditure charged to the statement of profit and loss in the current/ earlier period but allowable for tax purposes on payment basis	**4.11**	3.70
Provision for doubtful debts and advances	**28.93**	28.93
Effect of unabsorbed depreciation and business loss	**232.71**	202.48
Provision for gratuity	**1.46**	1.13
Provision for leave compensation	**0.66**	0.54
Borrowing cost	**35.97**	37.88
Deferred tax assets	**303.84**	274.67
Net deferred tax asset/(liability)	-	-

Note : Deferred tax asset for the current year has been restricted on losses and credits has been recognized to the extent of Deferred tax liability

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for year March 31, 2023 and March 31, 2022:

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Loss before tax	**178.81**	(334.11)
Tax rate	**26.00%**	26.00%
Tax at statutory income tax rate	**46.49**	(86.87)
Deferred tax asset on losses not recognized	**(46.49)**	86.87
Net	-	-

7 Other non-current assets	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Advance income tax (net of provision for taxation)	**25.47**	35.29
Total	**25.47**	35.29

8 Inventories (valued at lower of cost and net realisable value, unless otherwise stated)	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Food and beverages (excluding liquor, wines and smokes)	**2.63**	2.02
Stores and spares	**9.66**	7.68
Total	**12.29**	9.70

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9 Financial assets

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(i) Trade receivables		
Trade receivables*	**20.83**	19.51
	20.83	**19.51**

* refer note 36(c) for agewise outstanding of trade receivables

Break-up for security details:		
Trade receivables		
Unsecured, considered good	**20.83**	19.51
Trade Receivables which have significant increase in credit risk	**111.26**	111.26
	132.09	130.77
Impairment allowance (allowance for bad and doubtful debts)		
Trade Receivables which have significant increase in credit risk	**111.26**	111.26
	111.26	111.26
Total trade receivables	**20.83**	19.51

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

(ii) Cash and cash equivalents	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Balance with banks		
On current accounts	**21.28**	41.39
Cash on hand	**6.58**	5.23
	27.86	46.62

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Particulars		
Balances with banks		
on current accounts	**21.28**	41.39
Cash on hand	**6.58**	5.23
Total cash and cash equivalents	**27.86**	46.62

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(iii) Other financial assets

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Security deposits	**0.58**	0.58
	0.58	0.58

Break up of current financial assets carried at amortised cost

Trade receivables	**20.83**	19.51
Cash and cash equivalents	**27.86**	46.62
Security deposits	**0.58**	0.58
Total current financial assets carried at amortised cost	**49.27**	66.71

10 Other current assets

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Advance for supply of goods and rendering of services	**1.09**	0.08
Subsidy recoverable	**2.80**	2.80
Balance with statutory/ government authorities	**24.82**	23.95
Prepaid expenses	**4.68**	4.55
	33.39	31.38



11 **Equity share capital**

Authorised Share Capital

	Equity shares	
	No. of shares	Rs in lakhs
At April 1, 2021	15,680,000	1,568.00
Increase on account of reclassification of preference shares into quity shares	-	-
At March 31, 2022	**15,680,000**	**1,568.00**
Increase/(decrease) during the year	-	-
At March 31, 2023	**15,680,000**	**1,568.00**

a) **Terms/rights attached to equity shares**

The company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders 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.

b) **Issued equity capital***

Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	Rs in lakhs
At April 1, 2021	10,195,000	1,019.50
Issued during the year	-	-
At March 31, 2022	10,195,000	1,019.50
Issued during the year	-	-
At March 31, 2023	**10,195,000**	**1,019.50**

* refer note 36(A) for the details of promoters holding

c) **Shares held by holding company**

	As at March 31, 2023 Rs in lakhs		As at March 31, 2022 Rs in lakhs	
	No. of shares	Rs in lakhs	No. of shares	Rs in lakhs
Equity shares of Re. 10 each fully paid up				
Lemon Tree Hotels Limited	10,195,000	1,019.50	10,195,000	1,019.50

Details of shareholders holding more than 5% shares in the company

	No. of shares	% held as at March 31, 2022	No. of shares	% held as at March 31, 2021
Equity shares of Re. 10 each fully paid up				
Lemon Tree Hotels Limited	10,195,000	100.00%	10,195,000	100.00%

d) **Reconciliation of shares outstanding at the beginning and at the end of the year (expressed in absolute numbers)**

Particulars	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Equity Shares		
At the commencement of the year	**10,195,000**	10,195,000
Add: Issued during the year	-	-
At the end of the year	**10,195,000**	**10,195,000**

e) The Company has not issued Bonus Share, Share for consideration other than Cash and has not bought back shares during the period of five years immediately preceding the reporting date.

12 **Other equity**

Securities premium	Rs in lakhs
At April 1, 2021	**724.57**
Add : Premium on equity shares issued during the year	-
At March 31, 2022	**724.57**
Add : Premium on equity shares issued during the year	-
At March 31, 2023	**724.57**

Retained earnings*	Rs in lakhs
At April 1, 2021	**(504.63)**
Profit/(loss) for the year	(334.04)
At March 31, 2022	**(838.67)**
Profit/(loss) for the year	178.08
At March 31, 2023	(660.59)

* includes Revaluation Reserve of Rs. 1,500 lakhs transferred to retained earnings on the date of transition (i.e April 1, 2015) from IGAAP to Ind AS

Capital reserve (Equity Component of redeemable preference shares)	Rs in lakhs
At April 1, 2021	**37.00**
Increase/(decrease) during the year	-
At March 31, 2022	**37.00**
Increase/(decrease) during the year	-
At March 31, 2023	**37.00**

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Other reserves		
Securities premium	**724.57**	724.57
Retained earnings	**(660.59)**	(838.67)
Capital reserve	**37.00**	37.00
	100.98	(77.10)

Capital reserve represents equity component of 5% reedeemable preference shares.

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13 Borrowings

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Non-current borrowings		
Term Loans		
Indian rupee loans from Banks (Secured)		
HDFC Bank Limited (Refer note 1 & 2 below)	**667.65**	2,179.15
Total non-current borrowings	**667.65**	2,179.15
Current borrowings		
Term Loans		
Current maturity of long term loans		
HDFC Bank Limited (Refer note 1 & 2 below)	**1,513.86**	1,260.67
Total current borrowings	**1,513.86**	1,260.67
Less: Amount clubbed under "current borrowings"	**(1,513.86)**	(1,260.67)
Net current borrowings	-	-

Term loans

1.) Terms attached to loan from HDFC Bank Limited :
The Loan is secured by
a) Exclusive Charges by way of Equitable mortage on all of the project's (Red Fox hotel situated at Khasra No. 102/103/433 village jhalana, JLN Marg, Jaipur) land and building.
b) Exclusive charge on Company's hotel movables, including movable plant and machinery, machinery spares, furniture and fixtures and all other movable assets, present and future.
c) Exclusive charge on Project's current assets - book debts, operating cash flows, receivables, commissions, bank accounts both present and future, all revenue..
d) Unconditional and irrevocable Corporate guarantee of parent company Lemon Tree Hotels Limited.
e) Pledge Shares of the Company held by Lemon Tree Hotels Limited.
Rate of interest is 8.33% p.a (March 31, 2022: 8.05%).

2)WCTL of Rs. 650 lakhs is repayable in 48 equal monthly instalments after 1 year of moratorium and It is secured by second charge over existing primary and collateral securities including mortgages created in favour of the bank w.r.t (Red Fox Hotel situated at Khasra No.102/103/433, Village Jhalana , J.L.N. Marg , Jaipur) l. 100% Credit Guarantee from National Credit Guarantee Trustee Company Limited. Rate of interest is 8.77% p.a (March 31, 2022: 8.25%).

3) The Company has not defaulted in the repayment of loans and interest at Balance Sheet date.
4) Bank loans availed by the Company are subject to certain covenants relating to interest coverage ratio, debt service coverage ratio, capital gearing ratio, fixed assets coverage ratio.
5) The Company has complied/ taken waiver for the covenants as per the terms of the loan agreement.
6) The Company has complied all significant covenants from bank and financial institutions as per the terms of the loan agreement.
7) Basis on several terms and conditions as specefied in sanction letters, the company submits quarterly returns/statements of current assets with banks/ financial institution and these returns/statements are in agreement with the books of accounts.

14 Provisions

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Provision for gratuity (refer note 27)		
Current	**1.52**	1.11
Non-current	**4.11**	3.24
	5.63	4.35
Provision for leave benefits		
Current	**2.54**	2.10
	2.54	2.10
Total current	**4.06**	3.21
Total non-current	**4.11**	3.24

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15 Financial liabilities

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(i) Borrowings		
Loan from holding company (refer note below)	**1,215.00**	210.00
Current maturities of long-term borrowings (refer note 13)	**1,513.86**	1,260.67
	2,728.86	**1,470.67**

Note - Loan from holding company is non interest bearing and is repayable on demand

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(ii) Trade payables		
Trade Payables*		
-Micro and small enterprises	**24.91**	**6.54**
-Other than micro and small enterprises	**108.60**	**119.39**
	133.51	125.93

* refer note 36(D) for agewise outstanding of trade payable

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Trade payables	**119.76**	**112.18**
Trade payables to related parties	**13.75**	13.75
	133.51	125.93

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(iii) Other financial liabilities		
Interest accrued but not due	**1.95**	-
Outstanding dues of employees	**18.73**	17.41
	20.68	17.41

Break up of current financial liabilities carried at amortised cost

Particulars	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Current maturities of long-term borrowings	**2,728.86**	1,470.67
Trade payables	**133.51**	125.93
Outstanding dues of employees	**18.73**	17.41
Interest accrued but not due	**1.95**	-
Total financial liabilities measured at amortised cost	**2,883.05**	1,614.01

16 Other current liabilities

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Advance received from customers	**7.01**	7.33
Statutory liabilities	**9.39**	4.67
	16.40	12.00

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17 Revenue from operations

	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Sale of products and services		
Room rentals	**1,004.74**	499.86
Food and beverage (excluding liquor and wine)	**94.39**	46.52
Other services	**70.66**	36.54
	1,169.79	582.92

18 Other income

	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Sale of scrap	**0.58**	0.15
Miscellaneous Income	**-**	1.85
	0.58	2.00

19 Cost of materials consumed

	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
(a) Consumption of food & beverages excluding liquor & wine		
Inventory at the beginning of the year	**2.02**	2.07
Add: Purchases	**79.56**	40.84
	81.58	42.91
Less: Inventory at the end of the year	**2.63**	2.02
Cost of food and beverage consumed	**78.95**	40.89
(b) Consumption of liquor & wine		
Inventory at the beginning of the year	**-**	0.41
Add: Purchases	**-**	-
	-	0.41
Less: Inventory at the end of the year	**-**	-
Cost of liquor and wine consumed	**-**	0.41
	78.95	41.30

20 Employee benefit expense

	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Salaries, wages and bonus	**168.73**	102.18
Contribution to provident fund and other fund	**14.28**	8.71
Gratuity expense	**0.84**	0.77
Staff welfare and training expenses	**7.88**	3.28
	191.73	114.94

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21 Other expenses

	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Consumption of stores, cutlery, crockery, linen, provisions and others	**30.51**	15.62
Power and fuel	**126.90**	105.99
Management fees	**27.88**	21.25
Commission -other than sole selling agent	**71.89**	33.51
Linen & uniform washing and laundry expenses	**22.36**	13.27
Guest transportation	**7.18**	3.22
Subscription charges	**5.45**	3.48
Repair and maintenance expenses		
- Buildings	**9.74**	3.70
- Plant and machinery	**30.72**	21.09
- Others	**9.12**	9.43
Rent	**2.37**	2.40
Rates and taxes	**7.62**	8.24
Insurance	**1.69**	4.37
Communication costs	**3.24**	2.66
Printing and stationery	**4.69**	2.74
Traveling and conveyance	**2.86**	1.20
Advertising and sales promotion	**1.34**	6.05
Security and cleaning expenses	**31.79**	23.11
Membership and subscriptions	**0.65**	0.65
Legal and professional fees	**6.08**	15.05
Provision for doubtful debt, loans, advances etc.	**-**	110.60
Payment to auditors	**1.03**	1.03
Equipment hire charges	**1.67**	0.74
Miscellaneous expenses	**1.02**	0.72
	407.80	410.13

Payment to auditors

Statutory audit fees	**0.55**	0.55
Tax audit fees	**0.12**	0.12
Others	**0.36**	0.36
	1.03	1.03

22 Finance costs

	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Interest		
- on term loans from banks	**248.05**	311.35
- on others	**2.17**	-
Bank charges (including commission on credit card collection)	**5.82**	2.71
	256.04	314.06

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23 Depreciation and amortization expense

	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Depreciation of tangible assets	**62.35**	51.67
Amortization of intangible assets	**0.92**	0.56
	63.27	52.23

24 Finance income

	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Interest income on :		
- Income tax refund	**1.63**	0.77
- Bank deposits	**4.60**	12.86
	6.23	13.63

25 **Earnings per share (Basic and Diluted)**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the company 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.

The following data reflects the inputs to calculation of basic and diluted EPS

	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Profit/(Loss) after tax	**178.81**	(334.11)
Loss for calculation of basic and diluted EPS	**178.81**	(334.11)
Weighted average number of Equity shares for basic EPS	**1,01,95,000**	1,01,95,000
Weighted average number of Equity shares adjusted for the effect of dilution	**-**	-
Weighted average number of equity shares in calculating diluted EPS	**1,01,95,000**	1,01,95,000
Basic and diluted EPS	**1.75**	(3.28)

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26. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these judgements, estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The estimates and underlying assumptions are reviewed on an ongoing basis and the revisions to accounting estimates are recognized in the period in which the estimate is revised.

Critical judgements, estimates and assumptions

a. Impairment of property, plant and equipment

Each hotel property is an identifiable asset that generates cash inflows and is independent of the cash inflows of the other hotel properties, hence identified as cash generating units. The Company assesses the carrying amount of hotel properties (CGU) to determine whether there is any indication that those assets have suffered an impairment loss. Where the carrying amount of CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. An impairment loss (if any) is recognised in the statement of profit and loss.

While assessing the recoverable amount, the Company used the discounted cash flow approach including various significant estimates and assumptions such as forecast of future revenue, operating margins, growth rate and selection of the discount rates. The key assumptions used for the calculations are as follows:

Particulars	As at March 31, 2023
Discount rate *(pre tax rate of WACC)*	12.50%
Long term growth rate	5.50%

As at March 31, 2023, the estimated recoverable amount of the CGU exceeded its carrying amount.

b. Loss allowance on trade receivables

An impairment analysis of trade receivables is performed at each reporting period based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates. Basis this assessment, the allowance for doubtful trade receivables as at March 31, 2023 is considered adequate.

27. Gratuity and other post-employment benefit plans

Rs. in lakhs

	March 31, 2023	March 31, 2022
Gratuity plan	**5.63**	4.35
Total	**5.63**	4.35

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.The Company makes provision of such gratuity asset/ liability in the books of accounts on the basis of actuarial valuation as per the Projected unit credit method.

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Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2023:

Rs.in lakhs

	Gratuity cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income							
	April 1, 2022	**Service cost**	**Net interest expense**	**Sub-total included in profit or loss**	**Benefits paid**	**Return on plan assets (excluding amounts included in net interest expense)**	**Actuarial changes arising from changes in demographic assumptions**	**Actuarial changes arising from changes in financial assumptions**	**Experience adjustments**	**Sub-total included in OCI**	**Contributions by employer**	**March 31, 2023**
Defined benefit obligation	4.35	0.58	0.27	0.85	(0.29)	-	-	(0.19)	0.92	0.73	-	5.63
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**4.35**	**0.58**	**0.27**	**0.84**	**(0.29)**	**-**	**-**	**(0.19)**	**0.92**	**0.73**	**-**	**5.63**

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Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2022:

Rs.in lakhs

	Gratuity cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income							
	April 1, 2021	**Service cost**	**Net interest expense**	**Sub-total included in profit or loss**	**Benefits paid**	**Return on plan assets (excluding amounts included in net interest expense)**	**Actuarial changes arising from changes in demographic assumptions**	**Actuarial changes arising from changes in financial assumptions**	**Experience adjustments**	**Sub-total included in OCI**	**Contributions by employer**	**March 31, 2022**
Defined benefit obligation	4.00	0.55	0.22	0.77	(0.35)	-	-	(0.07)	0.00	(0.07)	-	4.35
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**4.00**	**0.55**	**0.22**	**0.77**	**(0.35)**	**-**	**-**	**(0.07)**	**0.00**	**(0.07)**	**-**	**4.35**

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

	March 31, 2023	March 31, 2022
	%	%
Discount rate	**7.20%**	**6.10%**
Future salary increases	**5.00%**	**5.00%**

A quantitative sensitivity analysis for significant assumption as at March 31, 2023 and March 31, 2022 is as shown below:

India gratuity plan:

	March 31, 2023	**March 31, 2023**	**March 31, 2023**	**March 31, 2023**
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.16)	0.17	0.17	(0.17)

	March 31, 2022	**March 31, 2022**	**March 31, 2022**	**March 31, 2022**
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.13)	0.14	0.14	(0.14)

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

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

Duration (Years)	For the year ended March 31,2023	For the year ended March 31, 2022
1	1.57	1.15
2	1.25	0.89
3	0.97	0.74
4	0.76	0.58
5	0.61	0.47
Above 5	2.04	1.58
Total expected payments	**7.20**	**5.41**

The average duration of the defined benefit plan obligation at the end of the reporting period is 5 years (March 31, 2025: 4 years).

28. Commitments and contingencies

a. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:

At March 31, 2023, the Company had NIL commitments (March 31, 2022: Rs NIL)

b. Contingent liabilities

Claims against the Company not acknowledged as debts

a) Malviya National Institute of Technology, Jaipur ("MNIT") filed an application before the Sub-divisional Officer ("SDO"), Jaipur against, among others, Sukhsagar Complexes Private Limited, alleging that a portion of the land on which Red Fox Hotel, Jaipur has been constructed is owned by MNIT. Pursuant to an order dated December 31, 1999, the SDO, Jaipur, recorded certain land bearing khasra number 102/433 in the name of Gulab Chand and certain others, while removing the name of Malviya Regional Engineering College, the predecessor entity to MNIT. Against the order of the SDO, MNIT filed an appeal (appeal no. 327/2013) before the Divisional Commissioner, Jaipur ("Commissioner"), against Gulab Chand, GirdharilalManinar and Gopal DasJohar, being the previous owners of the property sold to Sukhsagar, and also, among others, Sukhsagar, stating that Sukhsagar and Devashish Builders Private Limited had encroached on the land belonging to MNIT. The appeal was dismissed by the Commissioner pursuant to an order dated January 8, 2013 and the order passed by the SDO, dated December 31, 1999, was confirmed. Subsequently, Sukhsagar filed a review petition before the Commissioner challenging the order dated January 8, 2013 on grounds of certain procedural irregularities. The Commissioner, through an order dated September 4, 2013, recalled its previous order dated January 8, 2013. The Commissioner eventually dismissed the appeal filed by MNIT through an order dated September 11, 2013. MNIT filed a writ petition before the High Court of Rajasthan challenging the order of the Commissioner, dated September 11, 2013. The proceedings have taken up and now listed on May 29, 2023 for further proceedings, and is likely to be listed in due course. The

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proceedings are in progress & the management based upon its assessment and expert's advice believes that any liability is improbable to crystallize.

b) Other Contingent liabilities

Rs. in lakhs

		March 31, 2023	March 31, 2022
a.	Counter guarantees issued in respect of guarantees issued by company's bankers	-	2.60
c.	In respect of matters pending with consumer courts The Company has been advised by its legal counsel that it is only possible, but not probable, that the action will succeed. Accordingly, no provision for any liability has been made in these financial statements.	4.50	4.50

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29. Related Party Transactions

a) Names of related parties where control exists irrespective of whether transactions have occurred ,

Holding company	Lemon Tree Hotels Limited
Fellow Subsidiary Company	Canary Hotels Private Limited Carnation Hotels Private Limited Oriole Dr Fresh Hotels Private Limited
Enterprise in which holding company has significant influence	Mind Leaders Learning India Private Limited
Key Management Personnel	Mr. Sumant Jaidka(Director) Mr. Rajeev Janveja (Whole Time Director)

b) Additional related parties as per Companies Act 2013 with whom transactions have taken place during the year:

Chief Financial Officer	Mr. Kapil Sharma (w.e.f November 30, 2021)
Company Secretary	Mr. Arun Kumar (CS)(w.e.f January 01, 2022)

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The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year

(Rs. in Lakhs)

Transactions with Related Party	Year Ended	Holding Company	Fellow Subsidiary	Enterprise in which Holding Company has significant influence
Amount Received on behalf of party				
Lemon Tree Hotels Limited	**31-Mar-23**	-	-	-
	31-Mar-22	0.39	-	-
Oriole Dr. Fresh Hotels Private Limited	**31-Mar-23**	**1.35**		
	31-Mar-22	-		
Amount Received by the company				
Fleur Hotels Private Limited	**31-Mar-23**	**0.25**	-	-
	31-Mar-22	-	-	-
Loans (taken)				
Lemon Tree Hotels Limited	**31-Mar-23**	**1,055.00**	-	-
	31-Mar-22	241.00	-	-
Carnation Hotels Private Limited	**31-Mar-23**	-	**800.00**	-
	31-Mar-22	-	-	-
Loan (Repaid)				
Lemon Tree Hotels Limited	**31-Mar-23**	**850.00**	-	-
	31-Mar-22	42.28	-	-
Management fees (Common cost allocation)				
Lemon Tree Hotels Limited	**31-Mar-23**	**27.55**	-	-
	31-Mar-22	21.25	-	-
Reimbursement of expenses				
Lemon Tree Hotels Limited	**31-Mar-23**	**0.32**	-	-
	31-Mar-22	0.68	-	-



Transactions with Related Party	Year Ended	Holding Company	Fellow Subsidiary	Enterprise in which Holding Company has significant influence
Subscription in Equity share capital of the Company				
Lemon Tree Hotels Limited	**31-Mar-23**	-	-	-
	31-Mar-22	-	-	-
Balance Outstanding at year end				
			-	-
Guarantee Received			-	-
Lemon Tree Hotels Limited	**31-Mar-23**	**4,300.00**		
	31-Mar-22	4,300.00		
Loan Received				
Lemon Tree Hotels Limited	**31-Mar-23**	**415.00**	-	-
	31-Mar-22	210.00	-	-
Carnation Hotels Private Limited	**31-Mar-23**	-	**800.00**	-
	31-Mar-22	-	-	-
Trade Payable				
Lemon Tree Hotels Limited	**31-Mar-23**	**17.93**	-	-
	31-Mar-22	13.75	-	-
Mind Leaders Learning India Private Limited	**31-Mar-23**	-	-	-
	31-Mar-22	-	-	0.40

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Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. For the year ended March 31, 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2022: Rs Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Commitments with related parties

The Company has not entered into any commitments with related parties during the year.

30. Fair value measurement

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument

a. Financial instruments by category

Rs. in lakhs

	March 31, 2023		March 31, 2022	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial Assets				
Trade receivables	-	**20.83**	-	19.51
Cash and cash equivalents	-	**27.86**	-	46.62
Other financial assets	-	**103.22**	-	99.12
Total Financial Assets	-	**151.91**	-	165.25

Rs. in lakhs

	March 31, 2023		March 31, 2022	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial Liabilities				
Borrowings	-	**3,396.51**	-	3,649.82
Trade payables	-	**133.51**	-	125.93
Other financial liabilities	-	**20.68**	-	17.41
Total Financial Liabilities	-	**3,550.70**	-	3,793.16

b. Fair value measurement hierarchy for assets and liabilities

Fair value measurement

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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

i) Level 1

Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

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ii) Level 2

Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

iii) Level 3

Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

There are no financial assest's and liabilities as at March 31, 2023 and March 31, 2022 measured at fair value.

The management assessed that fair values of cash and cash equivalents, trade receivables, trade payables, bank overdrafts, Interest accrued on bank deposits with banks, other current financial assets and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of loans, security deposits, borrowings and other financial assets and liabilities are considered to be the same as their fair values, as there is an immaterial change in the lending rates.

31. Financial risk management objectives and policies

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

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings, deposits and payables/receivables in foreign currencies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

Rs. In Lakhs

	March 31, 2023	March 31, 2022
Variable rate borrowings	**2,181.51**	**3,439.82**
Fixed rate borrowings	**1,215.00**	**210.00**

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Interest rate sensitivity

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

Rs. In lakhs

	Increase/decrease in basis points	Effect on profit before tax
March 31, 2023		
	50	**14.75**
	-50	**(14.75)**
March 31, 2022		
	50	19.24
	-50	(19.24)

Credit risk

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

Trade receivables and Security Deposits

Customer credit risk is managed by business through the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of each customer is assessed and credit limits are defined in accordance with this assessment. Outstanding customer receivables and security deposits are regularly monitored.

An impairment analysis is performed for all major customers at each reporting date on an individual basis. In addition, a large number of minor receivables are grouped into homogenous group and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 9. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has no exposure in foreign currency.

Credit risk

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

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(a) Trade receivables

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 9. The Company does not hold collateral as security.

(b) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investment of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2023 and 31 March 2022 is the carrying amount as illustrated in Note 9.

Gross carrying amount of trade receivables

Rs. In lakhs

Ageing	March 31, 2023	March 31, 2022
Not due	-	-
0-60 days past due	20.83	8.77
61-120 days past due	-	5.27
121-180 days past due	-	5.47
180-365 days past due	-	-
365-730 days past due	-	-

Provision for doubtful debts(including provision for expected credit losses)

Rs. In lakhs

Ageing	March 31, 2023	March 31, 2022
Not due	-	-
0-60 days past due	-	102.85
61-120 days past due	-	1.64
121-180 days past due	-	0.34
180-365 days past due	-	0.06
365-730 days past due	111.26	6.37

Reconciliation of provision for doubtful debts - Trade receivables

Rs. In lakhs

	March 31, 2023	March 31, 2022
Provision at beginning	111.26	0.66
Addition during the year	-	110.60
Reversal during the year	-	-
Utilized during the year	-	-
Provision at closing	111.26	111.26

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Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders.

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

Rs. in lakhs

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2023						
Borrowings(Other than preference share)	1,215.00	36.11	1,477.75	668.06	-	3,396.92
Trade and other payables	133.51	-	-	-	-	133.51
Financial Liabilities	20.68	-	-	-	-	20.68
	1,369.19	**36.11**	**1,477.75**	**668.06**	**-**	**3,551.11**
Year ended March 31, 2022						
Borrowings(other than preference share)	210.00	36.11	1,224.56	2,124.98	54.17	3,649.82
Trade and other payables	125.93	-	-	-	-	125.93
Financial Liabilities	17.41	-	-	-	-	17.41
	353.24	**36.11**	**1,224.56**	**2,124.98**	**54.17**	**3,793.22**

32. Capital management

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

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

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		Rs. in lakhs
	March 31, 2023	**March 31, 2022**
Borrowings (other than preference share)	3,396.51	3,649.82
Trade payables	133.51	125.93
Less: cash and cash equivalents	27.86	46.62
Net debt	**3,502.16**	**3,729.13**
Total capital (Including preference share)	1,120.48	942.40
Capital and net debt	4,622.64	4,671.53
Gearing Ratio	**75.77%**	**79.83%**

No changes were made in the objectives, policies or processes for managing capital during the period ended March 31, 2023 and 31 March 2022.

33. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006.

	March 31, 2023	March 31, 2022
the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	24.91	6.54
the amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

34. Segment Reporting

The Company is into Hoteliering business. The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore, there is no reportable segment for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about geographical areas

The Company has only domestic operations and hence no information required for the Company as per the requirements of Ind AS 108 – "Operating Segments".

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Information about major customers

During the year ended March 31, 2023, No customer accounted more than 10% of revenue in year. During the year ended March 31, 2022 detail of customer individually accounted for more than 10% of the revenue are given below:

Rs in lakhs

Party	March 31, 2022
Make My Trip India Pvt. Ltd.	89.03
RUHS College of Medical Science	84.71
Ibibo Group Pvt Ltd	83.49
Agoda.com	40.90

35. Supplementary information as per requirement of Schedule III of the Companies Act.

A) Detail of shareholding of promoters of the company

As at March 31, 2023

S.No.	Promoter Name	Number of shares at the beginning of the year 2022	% of total Share Capital	Change during the year*	Number of shares at the end of the year 2023	Percentage of Total shares	% change during the year
1	Lemon tree Hotels Limited	10,195,000	100%	-	10,195,000	100%	-

As at March 31, 2022

S.No.	Promoter Name	Number of shares at the beginning of the year 2021	% of total Share Capital	Change during the year*	Number of shares at the end of the year 2022	Percentage of Total shares	% change during the year
1	Lemon tree Hotels Limited	10,195,000	100%	-	10,195,000	100%	-

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B) Ratio Analysis and its elements

S.No.	Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	% Variance	Reason for variance
1	Current Ratio	Current asset	Current liabilites	0.03	0.07	(50.57%)	Decrease is mainly due to unsecured borrowings taken during the year
2	Debt Equity Ratio	Total debt	Shareholder equity	3.03	3.87	(21.73%)	
3	Debt service coverage Ratio	Earnings available for debt service	debt service	1.98	0.23	1589.36%	Decrease is mainly due to unsecured borrowings taken during the year
4	Return on Equity	Net profit after taxes	Average shareholders equity	17.34%	(30.12%)	157.56%	Increase in profits during the year
5	Inventory Turnover Ratio	Cost of good sold	Average Inventory	7.18	4.15	72.98%	Increase in revenue has lead to increase inventory levels
6	Trade Receivable turnover Ratio	Net credit sales	Avg. accounts receivable	57.99	7.46	677.27%	Change is due to increase in revenue during the yar
7	Trade Payables turnover Ratio	Net credit purchase(F& B & Liquor wine)	Average Trade Payable	-	-	-	-
8	Net capital Turnover Ratio	Net Sales	Working capital	(0.42)	(0.38)	(8.71%)	
9	Net Profit Ratio	Net Profit	Net sales	15.29%	(57.32%)	126.67%	Increase in profit during the year
10	Return on capital employed	EBIT	Capital employed	3.82%	(7.58%)	150.45%	Increase in profit as compared to previous year
11	Return on investment	Income generated from investments(Fixed Deposits)	Time weighted investments	-	-	-	

(i) Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

(ii) Debt Service = Interest & Lease Payments + Principal Repayments.

(iii) Capital Employed= Net worth+ Total Debt+Deferred Tax Liability-Net Intangible assets

C) Trade Receivables ageing schedule:

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As at March 31, 2023 (Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables –considered good	20.83	-	-	-	-	20.83
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	104.83	0.06	6.37	111.26
(iii) Undisputed Trade Receivables –credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Unbilled Revenue	-	-	-	-	-	-

As at March 31, 2022 (Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables –considered good	19.51	-	-	-	-	19.51
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	104.83	0.06	6.37	-	111.26
(iii) Undisputed Trade Receivables –credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Unbilled Revenue	-	-	-	-	-	-

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D) Trade payables Ageing Schedule:

As at 31st March 2023 (Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	24.91	-	-	-	24.91
Total outstanding dues of creditors other than micro enterprises and small enterprises	44.12	-	-	0.31	44.43
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	64.17	-	-	-	64.17

As at March 31, 2022 (Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	6.54	-	-	-	6.54
Total outstanding dues of creditors other than micro enterprises and small enterprises	52.85	2.34	0.06	47.44	102.69
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	16.70	-	-	-	16.70

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E) **Other Statutory Information**

(i) The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.

(ii) 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.

(iii) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property

(iv) The Company has not entered into any transaction with companies struck off.

(v) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(vi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vii) During the year, the Company has not entered into any scheme of arrangements in terms of section 230 to 237 of the Companies Act, 2013 and accordingly, the prescribed disclosures of Schedule III are not required to be given.

(viii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or,

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ix) The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or,

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(x) The Company is not required to spend towards Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013, since there is no average profit in the last 3 years calculated as per the provisions of the Act

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36. The previous year figures have been regrouped, rearranged and reclassified wherever necessary to conform to this year's classification.

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

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Prateek Agrawal
Prateek Agrawal
Partner
Membership No. 402826

Place : Gurugram
Date : May 26, 2023

For and on behalf of the Board of Directors of Sukhsagar Complexes Private Limited

Rajeev Janveja
Director
Din:07334001

Sumant Jaidka
Director
Din:05201572

Arun Kumar
Company Secretary
M. No. 32226

Kapil Sharma
Chief Financial Officer

Place : New Delhi
Date : May 26, 2023

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CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To The Members of Sukhsagar Complexes Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Sukhsagar Complexes Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2024 and the Statement of Profit and Loss including Other Comprehensive Income, statement of Changes in Equity and Cash Flow Statement for the year then ended, and notes to financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 (ICAI) 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 financial statements.

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

- The Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Director's Report, Chairman's statement, but does not include the Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit, or

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otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and Those Charged with Governance for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for not complying with the requirement of audit trail as stated in (i)(vi) below.

c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), and the Cash Flow Statement (and statement of changes in equity) dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(i)(vi) 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 over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.

h) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2024;

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 28 to the Ind AS financial statements;

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

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

iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c) 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 (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the year ended March 31, 2024 wherein:

a. an accounting software did not have audit trail feature enabled throughout the year,

b. In respect of a revenue management software used for maintaining its revenue records, has a feature of recording audit trail (edit log) facility at the application level and the same has operated from July 1, 2023 for all relevant transactions recorded; however the software does not have feature of audit trail at database level to log direct data changes.

Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with, in respect of accounting software(s) for the period for which the audit trail feature was enabled and operating.

(Refer note no. 35 of the financial statements).

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As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069

Prateek Agrawal

NANGIA & CO. LLP * CHARTERED ACCOUNTANTS * GURUGRAM

Prateek Agrawal
Partner
Membership No. 402826

Signed at Gurugram on 24 May, 2024
UDIN: 24402826BKEZPB7426

Annexure 'A' to the Independent Auditors Report
[Refer to in our separate report of even date]

Annexure referred to under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date to the members of **Sukhsagar Complexes Private Limited** on the financial statements for the year ended on March 31, 2024 and based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of accounts and other records examined by us in the normal course of audit, we report that:

I In respect of the Company's Property, Plant and Equipment and Intangible Assets

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of physical verification of Property, Plant and Equipment in phased periodical manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Title deeds in respect of all immovable properties are held in the name of the company.

(d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(e) As confirmed by the management, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

II (a) As explained to us physical verification of inventory has been conducted at reasonable intervals by the management at reasonable interval in respect of Food & Beverages and Stores and spares. In our opinion the coverage and procedure of such verification by the management is appropriate and

there is no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.

(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

III According to the information and explanations given to us and on the basis of examination of records of the Company, the Company has not made any investments provided guarantee or security or granted any advance in the nature of loan, secured or unsecured to Company, Firm, limited liability partnership or any other parties during the year. Accordingly, the requirement to report on clause 3(iii)(a), (b), (c), (d), (e) and (f) of the Order is not applicable to the Company.

IV The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees, and securities provided, as applicable.

V The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

VI The maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

VII In respect of statutory dues:

a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

b) According to the information and explanation given to us, there are no amounts in respect of Income Tax, Goods and Services tax, Sales Tax, Value Added Tax, Employee state Insurance, Duty of Excise, Duty of Custom, Cess and Service Tax etc. that have not been deposited with the appropriate authority on account of any dispute.

VIII As confirmed by the management, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

IX (a) As explained to us, the Company has not defaulted in repayment of loans and other borrowings and in repayment of interest thereon to any lender.

(b) As confirmed by the management, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has applied term loans for the purpose for which the loans were obtained.

(d) The Company did not raise any funds on short-term basis during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

X (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

XI (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

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

XII As explained, the Company is not a Nidhi company. Therefore, the provisions of para 3(xii) of the Order are not applicable to the Company.

XIII In our opinion, transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

XIV The Company has implemented internal audit system on a voluntary basis which is commensurate with the size of the Company and nature of its business though it is not required to have an internal audit system under Section 138 of the Companies Act, 2013.

XV In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

XVI In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) (c) and (d) of the Order is not applicable.

XVII The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year as well.

XVIII There has been no resignation of the statutory auditors of the Company during the year.

XIX On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, 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 In provisions related to Corporate Social Responsibilities is not applicable to the Company as per section 135 of the Companies Act, 2013. Accordingly, reporting under clause 3(xx) of the order is not applicable for the year.

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069

Prateek Agrawal

NANGIA & CO. LLP * CHARTERED ACCOUNTANTS * GURUGRAM

Prateek Agrawal
Partner,
Membership No. 402826
Signed at Gurugram on 24 May, 2024
UDIN: 24402826BKEZPB7426

Annexure 'B' to the Independent Auditors Report
[Refer to in our separate report of even date]

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

We have audited the internal financial controls over financial reporting of **Sukhsagar Complexes Private Limited ("the Company")** as of March 31, 2024 in conjunction with our audit of financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, 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 internal financial controls system over financial reporting.

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10th Floor, Sector - 61, Gurugram 122102, India
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Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069

Prateek Agrawal

NANGIA & CO. LLP * CHARTERED ACCOUNTANTS * GURUGRAM

Prateek Agrawal
Partner,
Membership No. 402826
Signed at Gurugram on 24 May, 2024
UDIN: 24402826BKEZPB7426

Sukhsagar Complexes Private Limited
CIN:U70101DL1993PTC172878
Balance Sheet as at March 31, 2024

	Notes	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
ASSETS			
Non-current assets			
Property, plant and equipment	3	**4,433.63**	4,470.57
Intangible assets	4	**1.31**	2.12
Financial assets	5		
(i) Other financial assets		**110.01**	102.64
Deferred tax assets (net)	6	-	-
Other non-current assets	7	**19.41**	25.47
		4,564.36	4,600.80
Current assets			
Inventories	8	**10.99**	12.29
Financial assets	9		
(i) Trade receivables		**34.67**	20.83
(ii) Cash and cash equivalents		**84.11**	27.86
(iii) Other financial assets		-	0.58
Other current assets	10	**52.20**	33.39
		181.97	94.95
Total Assets		**4,746.33**	4,695.75
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	**1,019.50**	1,019.50
Other equity	12	**256.25**	100.98
Total equity		**1,275.75**	1,120.48
Liabilities			
Non-current liabilities			
Financial liabilities	13		
(i) Borrowings		**379.17**	667.65
Provisions	14	**4.40**	4.11
		383.57	671.76
Current liabilities			
Financial liabilities	15		
(i) Borrowings		**2,751.89**	2,728.86
(ii) Trade payables			
- total outstanding dues of micro enterprises and small enterprises		**21.28**	24.91
- total outstanding dues of creditors other than micro enterprises and		**121.16**	108.60
(iii) Other financial liabilities		**155.84**	20.68
Other current liabilities	16	**32.28**	16.40
Provisions	14	**4.56**	4.06
		3,087.01	2,903.51
Total Liabilities		**3,470.58**	3,575.27
Total Equity and Liabilities		**4,746.33**	4,695.75

Summary of material accounting policies 2
The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

NANGIA & CO. LLP * CHARTERED ACCOUNTANTS * GURUGRAM

Place : Gurugram
Date : May 24, 2024

For and on behalf of the Board of Directors of
Sukhsagar Complexes Private Limited

Rajeev Janveja
(Whole Time Director)
Din: 07334001

Sumant Jaidka
(Director)
Din: 05201572

Kapil Sharma
(Chief Financial Officer)

Place : New Delhi
Date : May 24, 2024

SUKHSAGAR COMPLEXES NEW DELHI

Sukhsagar Complexes Private Limited
CIN:U70101DL1993PTC172878
Statement of Profit and Loss for the year ended March 31, 2024

	Notes	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Revenue from operations	17	**1,305.58**	1,169.79
Other income	18	**5.15**	0.58
Total Income		**1,310.73**	1,170.37
Expenses			
Cost of materials consumed	19	**108.40**	78.95
Employee benefits expense	20	**229.49**	191.73
Other expenses	21	**476.54**	407.80
Total expenses		**814.43**	678.48
Earnings before interest, tax, depreciation and amortisation (EBITDA)		**496.30**	491.89
Finance costs	22	**280.05**	256.04
Depreciation and amortization expense	23	**66.27**	63.27
Finance income	24	**(5.43)**	(6.23)
Profit before tax		**155.41**	178.81
Tax expense		-	-
		-	-
Profit for the year		**155.41**	178.81
Other comprehensive income			
Re-measurement losses on defined benefit plans		**(0.14)**	(0.73)
		(0.14)	(0.73)
Total comprehensive income for the year		**155.27**	178.08
Earnings per equity share:	25		
(1) Basic		**1.52**	1.75
(2) Diluted		**1.52**	1.75

Summary of material accounting policies 2
The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

NANGIA & CO. LLP * CHARTERED ACCOUNTANTS * GURUGRAM

For and on behalf of the Board of Directors of
Sukhsagar Complexes Private Limited

Rajeev Janveja
(Whole Time Director)
Din: 07334001

Sumant Jaidka
(Director)
Din: 05201572

Kapil Sharma
(Chief Financial Officer)

Place : Gurugram
Date : May 24, 2024

Place : New Delhi
Date : May 24, 2024

SUKHSAGAR COMPLEXES (P) LTD. NEW DELHI

Sukhsagar Complexes Private Limited
CIN:U70101DL1993PTC172878
Statement of Cash flow for the year ended March 31, 2024

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Operating activities		
Profit before tax	155.41	178.81
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expenses	66.27	63.27
Finance income (including fair value change in financial instruments)	(5.42)	(6.22)
Finance costs (including fair value change in financial instruments)	276.01	250.22
Excess provision written back	(5.15)	-
	492.27	486.08
Working Capital Adjustment:		
Change in trade receivables	(8.69)	(1.31)
Change in loans and advances and other current assets	(25.56)	(6.08)
Change in inventories	1.30	(2.59)
Change in liabilities and provisions	155.43	16.20
	614.75	492.30
Income tax paid (net of refunds)	6.06	9.82
Net cash flow from operating activities	620.81	502.12
Investing activities		
Purchase of property, plant and equipment	(28.52)	(23.57)
Finance income	5.42	6.22
Net Cash flow used in investing activities	(23.10)	(17.35)
Financing activities		
Proceeds from short-term borrowings	2,362.00	241.00
Repayment of short-term borrowings	(1,114.00)	764.00
Repayment of long term borrowings	(1,513.86)	(1,260.67)
Interest paid	(275.60)	(247.86)
Net Cash used in financing activities	(541.46)	(503.53)
Net increase/(decrease) in cash and cash equivalents	56.25	(18.76)
Cash and cash equivalents at the beginning of the year	27.86	46.62
Cash and cash equivalents at the end of the year	84.11	27.86
Components of cash and cash equivalents		
Cash on hand	4.93	6.58
Balances with banks in		
- current accounts	79.18	21.28
- deposits with original maturity of less than three months	-	-
Total cash and cash equivalents	84.11	27.86

Summary of material accounting policies 2

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

NANGIA & CO. LLP * GURUGRAM * CHARTERED ACCOUNTANTS

Place : Gurugram
Date : May 24, 2024

For and on behalf of the Board of Directors of
Sukhsagar Complexes Private Limited

Rajeev Janveja
(Whole Time Director)
Din: 02695031

Sumant Jaidka
(Director)
Din: 05201572

Kapil Sharma
(Chief Financial Officer)

Place : New Delhi
Date : May 24, 2024

SUKHSAGAR COMPLEXES (P) LTD. NEW DELHI

Sukhsagar Complexes Private Limited
CIN:U70101DL1993PTC172878
Statement of Changes in Equity for the year ended March 31, 2024

A. Equity Share Capital

Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	Amount Rs in lakhs
At April 1, 2022	10,195,000	1,019.50
Issue of share capital	-	-
At March 31, 2023	10,195,000	1,019.50
Issue of share capital	-	-
At March 31, 2024	10,195,000	1,019.50

B. Other Equity
For the year ended March 31, 2024

	Reserves and Surplus			
	Capital reserve	Securities Premium Reserve	Retained Earnings	Total equity
	Rs in lakhs	Rs in lakhs	Rs in lakhs	Rs in lakhs
Balance at April 1, 2022	37.00	724.57	(838.67)	**(77.10)**
Total Comprehensive income for the year	-		178.08	**178.08**
Balance at March 31, 2023	**37.00**	**724.57**	**(660.59)**	**100.98**
Total Comprehensive income for the year	-	-	155.27	**155.27**
Balance at March 31, 2024	**37.00**	724.57	(505.32)	**256.25**

Summary of material accounting policies 2
The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

NANGIA & CO. LLP * CHARTERED ACCOUNTANTS * GURUGRAM

For and on behalf of the Board of Directors of
Sukhsagar Complexes Private Limited

Rajeev Janveja
(Whole Time Director)
Din: 02695031

Sumant Jaidka
(Director)
Din: 05301572

Kapil Sharma
(Chief Financial Officer)

Place : Gurugram
Date : May 24, 2024

Place : New Delhi
Date : May 24, 2024

SUKHSAGAR COMPLEXES (P) LTD. * NEW DELHI *

1. Corporate Information

Sukhsagar Complexes Private Limited (the Company) is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at Asset no. 6, Aerocity Hospitality District, New Delhi-110037.

The principal activities of the Company are to carry out business of developing, owning, acquiring, renovating and promoting hotels, motels, resorts, restaurants, etc.

The Financial Statements were authorized for issue in accordance with a resolution of the directors on May 24, 2024.

2 Basis of preparation

2.1 Material accounting policies

The Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on a historical cost or at amortised cost except for the following assets and liabilities:

- Net defined benefit (asset)/liability
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing account standard required a change to the accounting policy hitherto to in use.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, expect where otherwise indicated

2.2 Summary of material accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve

NANGIA & CO. LLP * GURUGRAM * CHARTERED ACCOUNTANTS
SUKHSAGAR COMPLEXES LTD. * NEW DELHI

months after the reporting period

The Company classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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

(b) Foreign currency transactions and balances

Transactions and balances
Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit and loss are also recognised in OCI or statement of profit and loss, respectively).

c) Fair value measurement
The Company measures financial instruments, such as, investment in mutual funds at fair value at each balance sheet date.

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

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

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

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

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

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SUKHSAGAR COMPLEXES NEW DELHI

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

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

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

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

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value. External valuers are involved for valuation of significant assets and liabilities. The management selects external valuer on various criteria such as market knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (Note 26)
- Contingent consideration (Note28)
- Quantitative disclosures of fair value measurement hierarchy (Note 30)
- Financial instruments (including those carried at amortised cost) (Note 30)

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SUKHSAGAR COMPLEXES NEW DELHI

(d) Revenue recognition

In arrangements for room revenue and related services, the Company has applied the guidance in Ind AS 115 for recognition of Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering room revenue and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognized.

Sales tax/ value added tax (VAT)/GST is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Rooms, Restaurant, Banquets and Other Services
Income from guest accommodation is recognized on a day to day basis after the guest checks into the Hotels and are stated net of allowances. Incomes from other services are recognized as and when services are rendered. Sales are stated exclusive of Service Tax, Value Added Taxes (VAT),GST and Luxury Tax. Shortfall of revenue over the billed as at the year-end is carried in financial statement as unbilled revenue separately.

Sale of goods
Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, sale of food and beverage are recognized at the points of serving these items to the guests. Sales are stated exclusive of Sales Tax/ VAT/GST.

Interest income
For all financial instruments measured at amortized cost and interest bearing financial assets classified as available for sale, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the statement of profit and loss.

Dividends
Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Gain/(loss) on sale of investment in mutual funds
Gain/(loss) on sale of investment in mutual funds is recorded as other income on transfer of title from the Company and is determined as the difference between the redemption price and carrying value of the investments.

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SUKHSAGAR COMPLEXES NEW DELHI

(e) Taxes

Current income tax
Current income tax assets and liabilities are measured as the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside statement of profit and lossis recognised outside statement of profit and loss(either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

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

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(f) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes its purchase primport duties and non-refundable purchase taxes, after deducting trade discounts and rebates; any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by managementand borrowing costs for long-term construction projects if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and lossas incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on fixed assets is provided as per Schedule II of Companies Act, 2013 on Straight Line Method over its economic useful life of fixed assets as follows:

Fixed Assets	Useful life considered (SLM)
Plant & Machinery	15 Years
Building	60 Years
Electrical installations and fittings	10 Years
Office Equipment's	5 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Computers	3 Years

The Company, based on management estimates, depreciates certain items of building, plant and equipment over estimated useful lives which are lower than the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end, and adjusted prospectively if appropriate.

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(g) Intangible assets

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

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

The useful lives of intangible assets are assessed as below:

- Software 3 years

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 income statement when the asset is derecognized.

(h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(I) Inventories

Stock of food & beverages, stores and operating supplies are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a first in first out basis.Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make sale.

(j) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair valueless costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their

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present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of statement of profit and lossunless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(k) Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(l) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to 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, for example, a reduction in future payment or a cash refund.

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and lossin subsequent periods.

Past service costs are recognised in statement of profit and losson the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

The Company treats leaves expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

(m) 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.

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Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through statement of profit and loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through statement of profit and loss(FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables, loans to subsidiaries etc. For more information on receivables, refer to Note 9.

Debt instrument at FVTOCI

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets
In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Financial assets that are debt instruments and are measured as at FVTOCI
c) Lease receivables under Ind AS 116
d) Trade receivables or any contractual right to receive cash or another financial asset
e) Loan commitments which are not measured as at FVTPL
f) Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:
Financial liabilities at fair value through statement of profit and loss.

Financial liabilities at fair value through statement of profit and lossinclude financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

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

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

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

This category generally applies to borrowings. For more information, refer Note 13.

Financial guarantee contracts
Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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(n) Redeemable preference shares

Redeemable preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the redeemable preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

(o) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and 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.

(p) Segment reporting policies

Identification of segments

The management of the Company reviews the specific performance of its respective hotel properties. However, since all hotels have similarity in terms of products and services, customer classes, method of providing services and the regulatory environment, the individual hotels qualify for aggregation. Thus, the management has considered aggregating all the hotels as one reportable operating segment. Accordingly, the figures appearing in these financial statements relate to the Company's single operating segment.

(q) Measurement of EBITDA

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





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Notes to financial statements as at March 31, 2024

3 **Property, plant and equipment**

Rs in lakhs

Particulars	Land	Building	Plant and Machinery	Electrical fittings	Electrical equipments	Office equipments	Furniture and Fixtures	Computers	Vehicles	Total
Cost										
At April 1, 2022	2,542.49	2,076.00	268.19	221.99	50.41	0.15	79.41	8.93	0.70	5,248.27
Additions	-	-	1.90	-	4.41	4.92	10.60	1.74	-	23.57
At March 31, 2023	**2,542.49**	**2,076.00**	**270.09**	**221.99**	**54.82**	**5.07**	**90.01**	**10.67**	**0.70**	**5,271.84**
Additions	-	-	7.67	-	14.50	-	4.81	1.54	-	28.52
At March 31, 2024	**2,542.49**	**2,076.00**	**277.76**	**221.99**	**69.32**	**5.07**	**94.82**	**12.21**	**0.70**	**5,300.36**
Depreciation										
At April 1, 2022	-	252.21	162.35	208.67	38.35	0.15	70.10	6.39	0.70	738.92
Charge for the year	-	36.23	22.68	0.34	1.07	0.48	0.70	0.85	-	62.35
At March 31, 2023	**-**	**288.44**	**185.03**	**209.01**	**39.42**	**0.63**	**70.80**	**7.24**	**0.70**	**801.27**
Charge for the year	-	36.23	22.92	0.31	2.24	0.94	1.58	1.24	-	65.46
At March 31, 2024	**-**	**324.67**	**207.95**	**209.32**	**41.66**	**1.57**	**72.38**	**8.48**	**0.70**	**866.73**
Net book value										
At March 31, 2024	**2,542.49**	**1,751.33**	**69.81**	**12.67**	**27.66**	**3.50**	**22.44**	**3.73**	**-**	**4,433.63**
At March 31, 2023	2,542.49	1,787.56	85.05	12.98	15.40	4.44	19.21	3.43	-	4,470.57

Net book value

	As at March 31, 2024	As at March 31, 2023
Plant, property and equipment	4,433.63	4,470.57

a) Asset charged against borrowings: All immovable and movable assets of the Company are subject to first charge to secured borrowings. Refer Note 13

4 **Intangible assets**

Rs in lakhs

Particulars	Software	Total
Cost		
At April 1, 2022	7.74	7.74
Additions	-	-
At March 31, 2023	7.74	7.74
Additions	-	-
At March 31, 2024	7.74	7.74
Amortisation and impairment		
At April 1, 2022	4.70	4.70
Amortisation for the year	0.92	0.92
At March 31, 2023	5.62	5.62
Amortisation for the year	0.81	0.81
At March 31, 2024	6.43	6.43
Net Block		
At March 31, 2024	1.31	1.31
At March 31, 2023	2.12	2.12

Net book value

	As at March 31, 2024	As at March 31, 2023
Software	1.31	2.12

5 Financial assets

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(a) Other financial assets		
Security deposits	**17.04**	13.93
Non current bank balances	**48.52**	48.52
Interest accrued on non current bank balances	**44.45**	40.19
	110.01	102.64

(This space has been intentionally left blank)

6 Deferred tax assets	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Property, plant & equipment	**283.50**	303.84
Deferred tax liability	**283.50**	303.84
Impact of expenditure charged to the statement of profit and loss in the current/ earlier period but allowable for tax purposes on payment basis	**2.48**	4.11
Provision for doubtful debts and advances	**26.71**	28.93
Effect of unabsorbed depreciation and business loss	**217.24**	232.71
Provision for gratuity	**1.52**	1.46
Provision for leave compensation	**0.74**	0.66
Borrowing cost	**34.82**	35.97
Deferred tax assets	**283.50**	303.84
Net deferred tax asset/(liability)	**-**	-

Note : Deferred tax asset for the current year has been restricted on losses and credits has been recognized to the extent of Deferred tax liability

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for year March 31, 2024 and March 31, 2023:

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Loss before tax	**155.41**	178.81
Tax rate	**25.17%**	26.00%
Tax at statutory income tax rate	**39.11**	46.49
Deferred tax asset on losses not recognized	**(39.11)**	(46.49)
Net	**-**	-

7 Other non-current assets	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Advance income tax (net of provision for taxation)	**19.41**	25.47
Total	**19.41**	25.47

8 Inventories (valued at lower of cost and net realisable value, unless otherwise stated)	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Food and beverages (excluding liquor, wines and smokes)	**2.96**	2.63
Stores and spares	**8.03**	9.66
Total	**10.99**	12.29

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9 Financial assets

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(i) Trade receivables		
Trade receivables*	**34.67**	20.83
	34.67	**20.83**

* refer note 36(c) for agewise outstanding of trade receivables

Break-up for security details:		
Trade receivables		
Unsecured, considered good	**34.67**	20.83
Trade Receivables which have significant increase in credit risk	**106.11**	111.26
	140.78	132.09
Impairment allowance (allowance for bad and doubtful debts)		
Trade Receivables which have significant increase in credit risk	**106.11**	111.26
	106.11	111.26
Total trade receivables	**34.67**	20.83

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

(ii) Cash and cash equivalents	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Balance with banks		
On current accounts	**79.18**	21.28
Cash on hand	**4.93**	6.58
	84.11	27.86

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Particulars		
Balances with banks		
on current accounts	**79.18**	21.28
Cash on hand	**4.93**	6.58
Total cash and cash equivalents	**84.11**	27.86

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(iii) Other financial assets

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Security deposits	-	0.58
	-	0.58

Break up of current financial assets carried at amortised cost

Trade receivables	**34.67**	20.83
Cash and cash equivalents	**84.11**	27.86
Security deposits	-	0.58
Total current financial assets carried at amortised cost	**118.78**	49.26

10 Other current assets

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Advance for supply of goods and rendering of services	**14.93**	1.09
Subsidy recoverable	-	2.80
Balance with statutory/ government authorities	**29.26**	24.82
Prepaid expenses	**8.01**	4.68
	52.20	33.39

11 Equity share capital

Authorised Share Capital

	Equity shares	
	No. of shares	Rs in lakhs
At April 1, 2022	15,680,000	1,568.00
Increase on account of reclassification of preference shares into equity shares	-	-
At March 31, 2023	15,680,000	1,568.00
Increase/(decrease) during the year	-	-
At March 31, 2024	15,680,000	1,568.00

a) Terms/rights attached to equity shares

The company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders 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.

b) Issued equity capital*

Equity shares of INR 10 each issued, subscribed and fully paid

	No. of shares	Rs in lakhs
At April 1, 2022	10,195,000	1,019.50
Issued during the year	-	-
At March 31, 2023	10,195,000	1,019.50
Issued during the year	-	-
At March 31, 2024	10,195,000	1,019.50

* refer note 36(A) for the details of promoters holding

c) Shares held by holding company

	As at March 31, 2024 Rs in lakhs		As at March 31, 2023 Rs in lakhs	
	No. of shares	Rs in lakhs	No. of shares	Rs in lakhs
Equity shares of Re. 10 each fully paid up				
Lemon Tree Hotels Limited	10,195,000	1,019.50	10,195,000	1,019.50

Details of shareholders holding more than 5% shares in the company

	No. of shares	% held as at March 31, 2024	No. of shares	% held as at March 31, 2023
Equity shares of Re. 10 each fully paid up				
Lemon Tree Hotels Limited	10,195,000	100.00%	10,195,000	100.00%

d) Reconciliation of shares outstanding at the beginning and at the end of the year (expressed in absolute numbers)

Particulars	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Equity Shares		
At the commencement of the year	10,195,000	10,195,000
Add: Issued during the year	-	-
At the end of the year	10,195,000	10,195,000

e) The Company has not issued Bonus Share, Share for consideration other than Cash and has not bought back shares during the period of five years immediately preceding the reporting date.

12 Other equity

Securities premium

	Rs in lakhs
At April 1, 2022	724.57
Add : Premium on equity shares issued during the year	-
At March 31, 2023	724.57
Add : Premium on equity shares issued during the year	-
At March 31, 2024	724.57

Retained earnings*

	Rs in lakhs
At April 1, 2022	(838.67)
Profit for the year	178.08
At March 31, 2023	(660.59)
Profit for the year	155.27
At March 31, 2024	(505.32)

* includes Revaluation Reserve of Rs. 1,500 lakhs transferred to retained earnings on the date of transition (i.e April 1, 2015) from IGAAP to Ind AS

Capital reserve (Equity Component of redeemable preference shares)

	Rs in lakhs
At April 1, 2022	37.00
Increase/(decrease) during the year	-
At March 31, 2023	37.00
Increase/(decrease) during the year	-
At March 31, 2024	37.00

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Other reserves		
Securities premium	724.57	724.57
Retained earnings	(505.32)	(660.59)
Capital reserve	37.00	37.00
	256.25	100.98

Capital reserve represents equity component of 5% reedeemable preference shares.

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13 Borrowings

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Non-current borrowings		
Term Loans		
Indian rupee loans from Banks (Secured)		
HDFC Bank Limited (Refer note 1 & 2 below)	379.17	667.65
Total non-current borrowings	379.17	667.65
Current borrowings		
Term Loans		
Current maturity of long term loans		
HDFC Bank Limited (Refer note 1 & 2 below)	288.89	1,513.86
Total current borrowings	288.89	1,513.86
Less: Amount clubbed under "current borrowings"	(288.89)	(1,513.86)
Net current borrowings	-	-

Term loans

1.) Terms attached to loan from HDFC Bank Limited :
The loan has been re-paid during the year and below charge has been satisfied:
a) Exclusive Charges by way of Equitable mortage on all of the project's (Red Fox hotel situated at Khasra No. 102/103/433 village jhalana, JLN Marg, Jaipur) land and building.
b) Exclusive charge on Company's hotel movables, including movable plant and machinery, machinery spares, furniture and fixtures and all other movable assets, present and future.
c) Exclusive charge on Project's current assets - book debts, operating cash flows, receivables, commissions, bank accounts both present and future, all revenue..
d) Unconditional and irrevocable Corporate guarantee of parent company Lemon Tree Hotels Limited.
e) Pledge Shares of the Company held by Lemon Tree Hotels Limited.
Rate of interest is 9.01% p.a (March 31, 2023: 8.35%).

2)WCTL of Rs. 650 lakhs is repayable in 48 equal monthly instalments after 1 year of moratorium and It is secured by second charge over existing primary and collateral securities including mortgages created in favour of the bank w.r.t (Red Fox Hotel situated at Khasra No.102/103/433, Village Jhalana , J.L.N. Marg , Jaipur). 100% Credit Guarantee from National Credit Guarantee Trustee Company Limited. Rate of interest is 8.74% p.a (March 31, 2023: 8.77%).

3) The Company has not defaulted in the repayment of loans and interest at Balance Sheet date.
4) Bank loans availed by the Company are subject to certain covenants relating to interest coverage ratio, debt service coverage ratio, capital gearing ratio, fixed assets coverage ratio.
5) The Company has complied/ taken waiver for the covenants as per the terms of the loan agreement,
6) The Company has complied all significant covenants from bank and financial institutions as per the terms of the loan agreement.
7) Basis on several terms and conditions as specefied in sanction letters, the company submits quarterly returns/statements of current assets with banks/ financial institution and these returns/statements are in agreement with the books of accounts.

14 Provisions

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Provision for gratuity (refer note 27)		
Current	1.62	1.52
Non-current	4.40	4.11
	6.02	5.63
Provision for leave benefits		
Current	2.94	2.54
	2.94	2.54
Total current	4.56	4.06
Total non-current	4.40	4.11

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15 Financial liabilities

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(i) Borrowings		
Loan from related party (refer note below)	**2,463.00**	1,215.00
Current maturities of long-term borrowings (refer note 13)	**288.89**	1,513.86
	2,751.89	2,728.86

Note - Loan from related party is non interest bearing and is repayable on demand

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(ii) Trade payables		
Trade Payables*		
-Micro and small enterprises	**21.28**	24.91
-Other than micro and small enterprises	**121.16**	108.60
	142.44	133.51

* refer note 36(D) for agewise outstanding of trade payable

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Trade payables	**128.69**	119.76
Trade payables to related parties	**13.75**	13.75
	142.44	133.51

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(iii) Other financial liabilities		
Interest accrued but not due	**119.61**	1.95
Outstanding dues of employees	**36.23**	18.73
	155.84	20.68

Break up of current financial liabilities carried at amortised cost

Particulars	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Current maturities of long-term borrowings	**2,751.89**	2,728.86
Trade payables	**142.44**	133.51
Outstanding dues of employees	**36.23**	18.73
Interest accrued but not due	**119.61**	1.95
Total financial liabilities measured at amortised cost	**3,050.17**	2,883.05

16 Other current liabilities

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Advance received from customers	**9.31**	7.01
Statutory liabilities	**22.97**	9.39
	32.28	16.40

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17 Revenue from operations

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Sale of products and services		
Room rentals	**1,127.84**	1,004.74
Food and beverage (excluding liquor and wine)	**99.24**	94.39
Other services	**78.50**	70.66
	1,305.58	1,169.79

18 Other income

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Sale of scrap	-	0.58
Excess provision/ credit balances written back	**5.15**	-
	5.15	0.58

19 Cost of materials consumed

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
(a) Consumption of food & beverages excluding liquor & wine		
Inventory at the beginning of the year	**2.63**	2.02
Add: Purchases	**108.73**	79.56
	111.36	81.58
Less: Inventory at the end of the year	**2.96**	2.63
Cost of food and beverage consumed	**108.40**	78.95
	108.40	78.95

20 Employee benefit expense

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Salaries, wages and bonus	**200.51**	168.73
Contribution to provident fund and other fund	**17.79**	14.28
Gratuity expense	**1.02**	0.84
Staff welfare and training expenses	**10.17**	7.88
	229.49	191.73

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21 Other expenses

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Consumption of stores, cutlery, crockery, linen, provisions and others	**21.51**	30.51
Power and fuel	**128.40**	126.90
Management fees	**35.61**	27.88
Commission -other than sole selling agent	**70.98**	71.89
Linen & uniform washing and laundry expenses	**24.39**	22.36
Guest transportation	**6.41**	7.18
Subscription charges	**5.96**	5.45
Repair and maintenance expenses		
- Buildings	**81.34**	9.74
- Plant and machinery	**22.39**	30.72
- Others	**10.15**	9.12
Rent	**3.74**	2.37
Rates and taxes	**4.99**	7.62
Insurance	**4.36**	1.69
Communication costs	**2.97**	3.24
Printing and stationery	**4.95**	4.69
Traveling and conveyance	**3.47**	2.86
Advertising and sales promotion	**7.75**	1.34
Security and cleaning expenses	**22.64**	31.79
Membership and subscriptions	**0.65**	0.65
Legal and professional fees	**9.56**	6.08
Payment to auditors	**1.03**	1.03
Equipment hire charges	**2.09**	1.67
Miscellaneous expenses	**1.20**	1.02
	476.54	407.80

Payment to auditors

Statutory audit fees	**0.55**	0.55
Tax audit fees	**0.12**	0.12
Others	**0.36**	0.36
	1.03	1.03

22 Finance costs

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Interest		
- on term loans from banks	**145.28**	248.05
- on others	**130.73**	2.17
Bank charges (including commission on credit card collection)	**4.04**	5.82
	280.05	256.04

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23 Depreciation and amortization expense

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Depreciation of tangible assets	**65.46**	62.35
Amortization of intangible assets	**0.81**	0.92
	66.27	63.27

24 Finance income

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Interest income on :		
- Income tax refund	**0.69**	1.63
- Bank deposits	**4.74**	4.60
	5.43	6.23

25 **Earnings per share (Basic and Diluted)**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the company 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.

The following data reflects the inputs to calculation of basic and diluted EPS

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Profit after tax	**155.41**	178.81
Profit for calculation of basic and diluted EPS	**155.41**	178.81
Weighted average number of Equity shares for basic EPS	**1,01,95,000**	1,01,95,000
Weighted average number of Equity shares adjusted for the effect of dilution	**-**	-
Weighted average number of equity shares in calculating diluted EPS	**1,01,95,000**	1,01,95,000
Basic and diluted EPS	**1.52**	1.75

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26. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these judgements, estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The estimates and underlying assumptions are reviewed on an ongoing basis and the revisions to accounting estimates are recognized in the period in which the estimate is revised.

Critical judgements, estimates and assumptions

a. Impairment of property, plant and equipment

Each hotel property is an identifiable asset that generates cash inflows and is independent of the cash inflows of the other hotel properties, hence identified as cash generating units. The Company assesses the carrying amount of hotel properties (CGU) to determine whether there is any indication that those assets have suffered an impairment loss. Where the carrying amount of CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. An impairment loss (if any) is recognised in the statement of profit and loss.

While assessing the recoverable amount, the Company used the discounted cash flow approach including various significant estimates and assumptions such as forecast of future revenue, operating margins, growth rate and selection of the discount rates. The key assumptions used for the calculations are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate *(pre tax rate of WACC)*	12.00%	12.50%
Long term growth rate	5.00%	5.50%

As at March 31, 2024, the estimated recoverable amount of the CGU exceeded its carrying amount.

b. Loss allowance on trade receivables

An impairment analysis of trade receivables is performed at each reporting period based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates. Basis this assessment, the allowance for doubtful trade receivables as at March 31, 2023 is considered adequate.

27. Gratuity and other post-employment benefit plans

Rs. in lakhs

	March 31, 2024	March 31, 2023
Gratuity plan	**6.02**	5.63
Total	**6.02**	5.63

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The Company makes provision of such gratuity asset/ liability in the books of accounts on the basis of actuarial valuation as per the Projected unit credit method.

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Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2024:

Rs.in lakhs

	Gratuity cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income							
	April 1, 2023	**Service cost**	**Net interest expense**	**Sub-total included in profit or loss**	**Benefits paid**	**Return on plan assets (excluding amounts included in net interest expense)**	**Actuarial changes arising from changes in demographic assumptions**	**Actuarial changes arising from changes in financial assumptions**	**Experience adjustments**	**Sub-total included in OCI**	**Contributions by employer**	**March 31, 2024**
Defined benefit obligation	5.63	0.62	0.40	1.02	(0.77)	-	-	0.02	0.12	0.14	-	6.02
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**5.63**	**0.62**	**0.40**	**1.02**	**(0.77)**	**-**	**-**	**0.02**	**0.12**	**0..14**	**-**	**6.02**

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2023:

Rs.in lakhs

	Gratuity cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income							
	April 1, 2022	**Service cost**	**Net interest expense**	**Sub-total included in profit or loss**	**Benefits paid**	**Return on plan assets (excluding amounts included in net interest expense)**	**Actuarial changes arising from changes in demographic assumptions**	**Actuarial changes arising from changes in financial assumptions**	**Experience adjustments**	**Sub-total included in OCI**	**Contributions by employer**	**March 31, 2023**
Defined benefit obligation	4.35	0.58	0.27	0.84	(0.29)	-	-	(0.19)	0.92	0.73	-	5.63
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**4.35**	**0.58**	**0.27**	**0.84**	**(0.29)**	**-**	**-**	**(0.19)**	**0.92**	**0.73**	**-**	**5.63**

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

	March 31, 2024	March 31, 2023
	%	%
Discount rate	**7.10%**	**7.20%**
Future salary increases	**5.00%**	**5.00%**

A quantitative sensitivity analysis for significant assumption as at March 31, 2024 and March 31, 2023 is as shown below:

India gratuity plan:

	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.17)	0.18	0.19	(0.18)

	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.16)	0.17	0.17	(0.17)

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

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

Duration (Years)	For the year ended March 31,2024	For the year ended March 31, 2023
1	1.67	1.57
2	1.30	1.25
3	1.02	0.97
4	0.82	0.76
5	0.65	0.61
Above 5	2.22	2.04
Total expected payments	**7.68**	**7.20**

The average duration of the defined benefit plan obligation at the end of the reporting period is 4years (March 31, 2023: 4 years).

28. Commitments and contingencies

a. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:

At March 31, 2024, the Company had NIL commitments (March 31, 2023: Rs NIL)

b. Contingent liabilities

Claims against the Company not acknowledged as debts

a) Malviya National Institute of Technology, Jaipur ("MNIT") filed an application before the Sub-divisional Officer ("SDO"), Jaipur against, among others, Sukhsagar Complexes Private Limited, alleging that a portion of the land on which Red Fox Hotel, Jaipur has been constructed is owned by MNIT. Pursuant to an order dated December 31, 1999, the SDO, Jaipur, recorded certain land bearing khasra number 102/433 in the name of Gulab Chand and certain others, while removing the name of Malviya Regional Engineering College, the predecessor entity to MNIT. Against the order of the SDO, MNIT filed an appeal (appeal no. 327/2013) before the Divisional Commissioner, Jaipur ("Commissioner"), against Gulab Chand, Girdharilal Maninar and Gopal DasJohar, being the previous owners of the property sold to Sukhsagar, and also, among others, Sukhsagar, stating that Sukhsagar and Devashish Builders Private Limited had encroached on the land belonging to MNIT. The appeal was dismissed by the Commissioner pursuant to an order dated January 8, 2013 and the order passed by the SDO, dated December 31, 1999, was confirmed. Subsequently, Sukhsagar filed a review petition before the Commissioner challenging the order dated January 8, 2013 on grounds of certain procedural irregularities. The Commissioner, through an order dated September 4, 2013, recalled its previous order dated January 8, 2013. The Commissioner eventually dismissed the appeal filed by MNIT through an order dated September 11, 2013. MNIT filed a writ petition before the High Court of Rajasthan challenging the order of the Commissioner, dated September 11, 2013. The proceedings have taken up for further proceedings, and is likely to be listed in due course. The proceedings are in progress & the management based upon its assessment and expert's advice believes that any liability is improbable to crystallize.

b) Other Contingent liabilities

Rs. in lakhs

		March 31, 2024	March 31, 2023
a.	In respect of matters pending with consumer courts The Company has been advised by its legal counsel that it is only possible, but not probable, that the action will succeed. Accordingly, no provision for any liability has been made in these financial statements.	4.50	4.50

29. Related Party Transactions

a) Names of related parties where control exists irrespective of whether transactions have occurred ,

Holding company	Lemon Tree Hotels Limited
Fellow Subsidiary Company	Canary Hotels Private Limited Carnation Hotels Private Limited Oriole Dr Fresh Hotels Private Limited
Enterprise in which holding company has significant influence	Mind Leaders Learning India Private Limited
Key Management Personnel	Mr. Sumant Jaidka(Director) Mr. Rajeev Janveja (Whole Time Director)

b) Additional related parties as per Companies Act 2013 with whom transactions have taken place during the year:

Chief Financial Officer	Mr. Kapil Sharma
Company Secretary	Mr. Arun Kumar (upto January 15, 2024)

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

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year

(Rs. in Lakhs)

Transactions with Related Party	Year Ended	Holding Company	Fellow Subsidiary
Amount Paid on behalf of party			
Oriole Dr. Fresh Hotels Private Limited	**31-Mar-24**	**-**	**-**
	31-Mar-23	1.35	-
Amount Received by the company			
Fleur Hotels Private Limited	**31-Mar-24**	**0.18**	**-**
	31-Mar-23	0.25	-
Loans (taken)			
Lemon Tree Hotels Limited	**31-Mar-24**	**874.00**	**-**
	31-Mar-23	1,055.00	-
Manakin Resorts Private Limited	**31-Mar-24**	**-**	**220.00**
	31-Mar-23	-	-
Carnation Hotels Private Limited	**31-Mar-24**	**-**	**1,268.00**
	31-Mar-23	-	800.00
Loan (Repaid)			
Lemon Tree Hotels Limited	**31-Mar-24**	**1,109.00**	**-**
	31-Mar-23	850.00	-
Carnation Hotels Private Limited	**31-Mar-24**	**-**	**5.00**
	31-Mar-23	-	-
Interest on Loan Given			
Manakin Resorts Private Limited	**31-Mar-24**	**-**	**0.22**
	31-Mar-23	-	-
Carnation Hotels Private Limited	**31-Mar-24**	**-**	**130.51**
	31-Mar-23	-	2.17
Management fees (Gross)			
Lemon Tree Hotels Limited	**31-Mar-24**	**35.59**	**-**
	31-Mar-23	27.55	-

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

Transactions with Related Party	Year Ended	Holding Company	Fellow Subsidiary
Reimbursement of expenses			
Lemon Tree Hotels Limited	**31-Mar-24**	0.33	-
	31-Mar-23	0.32	-
Balance Outstanding at year end			
Guarantee Received			
Lemon Tree Hotels Limited	**31-Mar-24**	**4,300.00**	-
	31-Mar-23	4,300.00	-
Loan Received			
Lemon Tree Hotels Limited	**31-Mar-24**	**180.00**	-
	31-Mar-23	415.00	-
Carnation Hotels Private Limited	**31-Mar-24**	-	**2,063.00**
	31-Mar-23	-	800.00
Manakin Resorts Private Limited	**31-Mar-24**	-	**220.00**
	31-Mar-23	-	-
Interest accrued on borrowings			
Carnation Hotels Private Limited	**31-Mar-24**	-	**119.41**
	31-Mar-23	-	1.95
Manakin Resorts Private Limited	**31-Mar-24**	-	**0.20**
	31-Mar-23	-	-
Trade Payable			
Lemon Tree Hotels Limited	**31-Mar-24**	**38.43**	-
	31-Mar-23	17.93	-

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Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. For the year ended March 31, 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2023: Rs Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Commitments with related parties

The Company has not entered into any commitments with related parties during the year.

30. Fair value measurement

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument

a. Financial instruments by category

Rs. in lakhs

	March 31, 2024		March 31, 2023	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial Assets				
Trade receivables	-	**34.67**	-	20.83
Cash and cash equivalents	-	**84.11**	-	27.86
Other financial assets	-	**110.01**	-	103.22
Total Financial Assets	-	**228.79**	-	151.91

Rs. in lakhs

	March 31, 2024		March 31, 2023	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial Liabilities				
Borrowings	-	**3,131.06**	-	3,396.51
Trade payables	-	**142.44**	-	133.51
Other financial liabilities	-	**155.84**	-	20.68
Total Financial Liabilities	-	**3,429.34**	-	3,550.70

b. Fair value measurement hierarchy for assets and liabilities

Fair value measurement

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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

i) Level 1

Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

ii) Level 2

Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

iii) Level 3

Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

There are no financial assest's and liabilities as at March 31, 2024 and March 31, 2023 measured at fair value.

The management assessed that fair values of cash and cash equivalents, trade receivables, trade payables, bank overdrafts, Interest accrued on bank deposits with banks, other current financial assets and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of loans, security deposits, borrowings and other financial assets and liabilities are considered to be the same as their fair values, as there is an immaterial change in the lending rates.

31. Financial risk management objectives and policies

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

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings, deposits and payables/receivables in foreign currencies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

Rs. In Lakhs

	March 31, 2024	March 31, 2023
Variable rate borrowings	**668.06**	2,181.51
Fixed rate borrowings	**2,463.00**	1,215.00

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Interest rate sensitivity

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

Rs. In lakhs

	Increase/decrease in basis points	Effect on profit before tax
March 31, 2024		
	50	**(8.31)**
	-50	**8.31**
March 31, 2023		
	50	(14.75)
	-50	14.75

Credit risk

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

Trade receivables and Security Deposits

Customer credit risk is managed by business through the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of each customer is assessed and credit limits are defined in accordance with this assessment. Outstanding customer receivables and security deposits are regularly monitored.

An impairment analysis is performed for all major customers at each reporting date on an individual basis. In addition, a large number of minor receivables are grouped into homogenous group and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 9. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has no exposure in foreign currency.

Credit risk

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

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(a) Trade receivables

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 9. The Company does not hold collateral as security.

(b) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investment of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2024 and 31 March 2023 is the carrying amount as illustrated in Note 9.

Gross carrying amount of trade receivables

Rs. In lakhs

Ageing	March 31, 2024	March 31, 2023
Not due	-	-
0-60 days past due	17.87	20.83
61-120 days past due	11.07	-
121-180 days past due	2.38	-
180-365 days past due	3.25	-
365-730 days past due	0.10	-

Provision for doubtful debts(including provision for expected credit losses)

Rs. In lakhs

Ageing	March 31, 2024	March 31, 2023
Not due	-	-
0-60 days past due	-	-
61-120 days past due	-	-
121-180 days past due	-	-
180-365 days past due	-	-
365-730 days past due	106.11	111.26

Reconciliation of provision for doubtful debts - Trade receivables

Rs. In lakhs

	March 31, 2024	March 31, 2023
Provision at beginning	111.26	111.26
Addition during the year	-	-
Reversal during the year	5.15	-
Utilized during the year	-	-
Provision at closing	106.11	111.26

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Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders.

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

Rs. in lakhs

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2024						
Borrowings(Other than preference share)	2,463.00	94.79	194.10	379.17	-	3,131.06
Trade and other payables	142.44	-	-	-	-	142.44
Financial Liabilities	155.84	-	-	-	-	155.84
	2,761.28	**94.79**	**194.10**	**379.17**	**-**	**3,429.34**
Year ended March 31, 2023						
Borrowings(other than preference share)	1,215.00	36.11	1,477.75	668.06	-	3,396.92
Trade and other payables	133.51	-	-	-	-	133.51
Financial Liabilities	20.68	-	-	-	-	20.68
	1,369.19	**36.11**	**1,477.75**	**668.06**	**-**	**3,551.11**

32. Capital management

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

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

Rs. in lakhs

	March 31, 2024	March 31, 2023
Borrowings (other than preference share)	3131.06	3,396.51
Trade payables	142.44	133.51
Less: cash and cash equivalents	84.11	27.86
Net debt	**3,189.39**	**3,502.16**
Total capital (Including preference share)	1,275.77	1,120.48
Capital and net debt	4,465.16	4,622.64
Gearing Ratio	**71.43 %**	**75.77%**

No changes were made in the objectives, policies or processes for managing capital during the period ended March 31, 2024 and 31 March 2023.

33. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006.

	March 31, 2024	March 31, 2023
the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	21.28	24.91
the amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

34. Segment Reporting

The Company is into Hoteliering business. The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore, there is no reportable segment for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about geographical areas

The Company has only domestic operations and hence no information required for the Company as per the requirements of Ind AS 108 – "Operating Segments".

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Information about major customers
During the year ended March 31, 2024 and March 31, 2023 no customer accounted more than 10% of revenue in year.

35. As per the proviso to Rule 3(1) of Companies (Accounts) Rules, 2014, for the financial year commencing on or after the 1st day of April 2023, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses SAP S/4 HANA as its accounting software operated for recording all the accounting transactions for the year ended March 31, 2024. SAP S/4 HANA has a feature of recording audit trail (edit log) facility which has not been enabled throughout the year.

In respect of maintaining revenue records, the Company has used revenue management software. The said software has a feature of recording audit trail (edit log) facility from July 1, 2023, except the software does not have feature of audit trail at database level.

The Management has adequate internal controls over financial reporting which were operating effectively for the year ended March 31, 2024. The Management is in the process of evaluating the options to ensure compliance with the requirements of proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 referred above in respect of audit trail (edit log).

36. Supplementary information as per requirement of Schedule III of the Companies Act.

A) Detail of shareholding of promoters of the company

As at March 31, 2024

S.No.	Promoter Name	Number of shares at the beginning of the year 2023	% of total Share Capital	Change during the year*	Number of shares at the end of the year 2024	Percentage of Total shares	% change during the year
1	Lemon tree Hotels Limited	10,195,000	100%	-	10,195,000	100%	-

As at March 31, 2023

S.No.	Promoter Name	Number of shares at the beginning of the year 2022	% of total Share Capital	Change during the year*	Number of shares at the end of the year 2023	Percentage of Total shares	% change during the year
1	Lemon tree Hotels Limited	10,195,000	100%	-	10,195,000	100%	-

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B) Ratio Analysis and its elements

S.No.	Ratio	Numerator	Denominator	March 31, 2024	March 31, 2023	% Variance	Reason for variance
1	Current Ratio	Current asset	Current liabilites	0.06	0.03	80.26%	Increase is mainly due to borrowings and increase in current assets taken during the year
2	Debt Equity Ratio	Total debt	Shareholder equity	2.45	3.03	(19.04%)	-
3	Debt service coverage Ratio	Earnings available for debt service	debt service	0.20	1.98	(89.88 %)	Decrease is mainly due to prepayment of loan made during the year.
4	Return on Equity	Net profit after taxes	Average shareholders equity	12.97%	17.34%	(25.17%)	Decrease in profits during the year
5	Inventory Turnover Ratio	Cost of good sold	Average Inventory	9.31	7.18	29.69%	Increase in revenue has lead to increase inventory levels
6	Trade Receivable turnover Ratio	Net credit sales	Avg. accounts receivable	47.05	57.99	(18.88%)	-
7	Trade Payables turnover Ratio	Net credit purchase(F& B & Liquor wine)	Average Trade Payable	-	-	-	-
8	Net capital Turnover Ratio	Net Sales	Working capital	(0.45)	(0.42)	(7.90)%	-
9	Net Profit Ratio	Net Profit	Net sales	11.90%	15.29%	(22.13%)	-
10	Return on capital employed	EBIT	Capital employed	9.76%	9.49%	2.82%	-
11	Return on investment	Income generated from investments(Fixed Deposits)	Time weighted investments	-	-	-	-

(i) Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

(ii) Debt Service = Interest & Lease Payments + Principal Repayments.

(iii) Capital Employed= Net worth+ Total Debt+Deferred Tax Liability-Net Intangible aseets

C) Trade Receivables ageing schedule:

As at March 31, 2024 (Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables –consideredgood	31.32	3.25	0.10	-	-	34.67
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	99.68	6.43	106.11
(iii) Undisputed Trade Receivables –credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Unbilled Revenue	-	-	-	-	-	-

As at March 31, 2023 (Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables –considered good	20.83	-	-	-	-	20.83
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	104.83	0.06	6.37	111.26
(iii) Undisputed Trade Receivables –credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Unbilled Revenue	-	-	-	-	-	-

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D) Trade payables Ageing Schedule:

As at 31st March 2024 (Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	21.28	-	-	-	21.28
Total outstanding dues of creditors other than micro enterprises and small enterprises	55.67	18.37	-	0.31	74.35
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	46.81	-	-	-	46.81

As at March 31, 2023 (Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	24.91	-	-	-	24.91
Total outstanding dues of creditors other than micro enterprises and small enterprises	44.12	-	-	0.31	44.43
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	64.17	-	-	-	64.17

E) **Other Statutory Information**

(i) The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.

(ii) 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.

(iii) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property

(iv) The Company has not entered into any transaction with companies struck off.

(v) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(vi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vii) During the year, the Company has not entered into any scheme of arrangements in terms of section 230 to 237 of the Companies Act, 2013 and accordingly, the prescribed disclosures of Schedule III are not required to be given.

(viii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or,

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ix) The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or,

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(x) The Company is not required to spend towards Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013, since there is no average profit in the last 3 years calculated as per the provisions of the Act

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37. The previous year figures have been regrouped, rearranged and reclassified wherever necessary to conform to this year's classification.

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal
Prateek Agrawal
Partner
Membership No. 402826

NANGIA & CO. LLP * CHARTERED ACCOUNTANTS * GURUGRAM

For and on behalf of the Board of Directors of Sukhsagar Complexes Private Limited

Rajeev Janveja
Director
Din:07334001

Sumant Jaidka
Director
Din:05201572

Kapil Sharma
Chief Financial Officer

Place : Gurugram
Date : May 24, 2024

Place : New Delhi
Date : May 24, 2024

SUKHSAGAR COMPLEXES PVT. LTD. * NEW DELHI

NANGIA & CO LLP
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To The Members of Sukhsagar Complexes Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Sukhsagar Complexes Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2025 and the Statement of Profit and Loss including Other Comprehensive Income, statement of Changes in Equity and Cash Flow Statement for the year then ended, and notes to financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2025, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 (ICAI) 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 financial statements.

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

- The Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Director's Report, Chairman's statement, but does not include the Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is



materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and Those Charged with Governance for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Ind AS 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.

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for not complying with the requirement of audit trail as stated in (i)(vi) below.

   c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), and the Cash Flow Statement (and statement of changes in equity) dealt with by this Report are in agreement with the books of account.

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d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(i)(vi) 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 over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.

h) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2025;

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 28 to the Ind AS financial statements;

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

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

iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate

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Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c) 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 (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the year ended March 31, 2025 wherein:

a) the accounting software has a feature of recording audit trail (edit log) facility and the audit trail at the application level has operated throughout the year for all relevant transactions recorded in the software except that the audit trail feature was enabled for certain tables/master records only from March 27, 2025. Further, audit trail was not enabled at the database level to log any direct data changes. Consequently, we are unable to comment whether there were any instances of the audit trail feature being tampered with.

As audit trail feature was not enabled for the year ended March 31, 2024, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable.

b) In respect of a revenue management software used for maintaining its revenue records, it has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that the audit trail (edit log) at database level was enabled on March 20, 2025 and the software do not have feature to capture whether audit trail (edit log) has been tampered or not. Consequently, we are unable to comment whether there were any instances of the audit trail feature being tampered with.



Additionally, the audit trail that was enabled and operated for the year ended March 31, 2024, has been preserved by the Company as per the statutory requirements for record retention. (Refer Note 35 of the financial statements)

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069



Prateek Agrawal
Prateek Agrawal
Partner
Membership No. 402826

Signed at Gurugram on May 26, 2025
UDIN: 25402826BMJBCP4869

SAnnexure 'A' to the Independent Auditors Report
[Refer to in our separate report of even date]

Annexure referred to under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date to the members of **Sukhsagar Complexes Private Limited** on the financial statements for the year ended on March 31, 2025 and based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of accounts and other records examined by us in the normal course of audit, we report that:

I In respect of the Company's Property, Plant and Equipment and Intangible Assets

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of physical verification of Property, Plant and Equipment in phased periodical manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Title deeds in respect of all immovable properties are held in the name of the company.

(d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(e) As confirmed by the management, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

II (a) As explained to us physical verification of inventory has been conducted at reasonable intervals by the management at reasonable interval in respect of Food & Beverages and Stores and spares. In our opinion the coverage and procedure of such verification by the management is appropriate and there is no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.

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(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

III According to the information and explanations given to us and on the basis of examination of records of the Company, the Company has not made any investments provided guarantee or security or granted any advance in the nature of loan, secured or unsecured to Company, Firm, limited liability partnership or any other parties during the year. Accordingly, the requirement to report on clause 3(iii)(a), (b), (c), (d), (e) and (f) of the Order is not applicable to the Company.

IV The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees, and securities provided, as applicable.

V The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

VI The maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

VII In respect of statutory dues:

a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

b) According to the information and explanation given to us, there are no amounts in respect of Income Tax, Goods and Services tax, Sales Tax, Value Added Tax, Employee state Insurance, Duty of Excise, Duty of

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Custom, Cess and Service Tax etc. that have not been deposited with the appropriate authority on account of any dispute.

VIII As confirmed by the management, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

IX (a) As explained to us, the Company has not defaulted in repayment of loans and other borrowings and in repayment of interest thereon to any lender.

(b) As confirmed by the management, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has applied term loans for the purpose for which the loans were obtained.

(d) The Company did not raise any funds on short-term basis during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

X (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

XI (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

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(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

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

XII As explained, the Company is not a Nidhi company. Therefore, the provisions of para 3(xii) of the Order are not applicable to the Company.

XIII In our opinion, transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

XIV The Company has implemented internal audit system on a voluntary basis which is commensurate with the size of the Company and nature of its business though it is not required to have an internal audit system under Section 138 of the Companies Act, 2013.

XV In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

XVI In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) (c) and (d) of the Order is not applicable.

XVII The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year as well.

XVIII There has been no resignation of the statutory auditors of the Company during the year.

XIX On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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

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of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, 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 In provisions related to Corporate Social Responsibilities is not applicable to the Company as per section 135 of the Companies Act, 2013. Accordingly, reporting under clause 3(xx) of the order is not applicable for the year.

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826
Signed at Gurugram on May 26, 2025
UDIN: 25402826BMJBCP4869

Annexure 'B' to the Independent Auditors Report
[Refer to in our separate report of even date]

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

We have audited the internal financial controls over financial reporting of **Sukhsagar Complexes Private Limited ("the Company")** as of March 31, 2025 in conjunction with our audit of financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, 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 internal financial controls system over financial

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reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069

Prateek Agrawal

NANGIA & CO. LLP * CHARTERED ACCOUNTANTS * GURUGRAM

Prateek Agrawal
Partner,
Membership No. 402826
Signed at Gurugram on May 26, 2025
UDIN: 25402826BMJBCP4869

Sukhsagar Complexes Private Limited
CIN:U70101DL1993PTC172878
Balance Sheet as at March 31, 2025

	Notes	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
ASSETS			
Non-current assets			
Property, plant and equipment	3	4,445.79	4,433.63
Intangible assets	4	1.27	1.31
Financial assets	5		
(i) Other financial assets		113.28	110.01
Deferred tax assets (net)	6	-	-
Other non-current assets	7	15.83	19.41
		4,576.17	4,564.36
Current assets			
Inventories	8	13.42	10.99
Financial assets	9		
(i) Trade receivables		78.68	34.67
(ii) Cash and cash equivalents		209.66	84.11
Other current assets	10	38.65	52.20
		340.41	181.97
Total Assets		4,916.58	4,746.33
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	1,019.50	1,019.50
Other equity	12	441.53	256.25
Total equity		1,461.03	1,275.75
Liabilities			
Non-current liabilities			
Financial liabilities	13		
(i) Borrowings		216.67	379.17
Provisions	14	5.48	4.40
		222.15	383.57
Current liabilities			
Financial liabilities	15		
(i) Borrowings		2,700.50	2,751.89
(ii) Trade payables			
- total outstanding dues of micro enterprises and small enterprises		23.56	21.28
- total outstanding dues of creditors other than micro enterprises and		106.70	121.16
(iii) Other financial liabilities		353.24	155.84
Other current liabilities	16	43.92	32.28
Provisions	14	5.48	4.56
		3,233.40	3,087.01
Total Liabilities		3,455.55	3,470.58
Total Equity and Liabilities		4,916.58	4,746.33
Summary of material accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

NANGIA & CO. LLP * CHARTERED ACCOUNTANTS * GURUGRAM

Place : Gurugram
Date : May 26, 2025

For and on behalf of the Board of Directors of
Sukhsagar Complexes Private Limited

Rajeev Janveja
(Whole Time Director)
Din: 07334001

Sumant Jaidka
(Director)
Din: 05201572

Kapil Sharma
(Chief Financial Officer)

Shweta Jain
Company Secretary
Mem No.: A22332

Place : New Delhi
Date : May 26, 2025

SUKHSAGAR COMPLEXES PVT. LTD. NEW DELHI

Sukhsagar Complexes Private Limited
CIN:U70101DL1993PTC172878
Statement of Profit and Loss for the year ended March 31, 2025

	Notes	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Revenue from operations	17	**1,392.73**	1,305.58
Other income	18	**6.58**	5.15
Total Income		**1,399.31**	1,310.73
Expenses			
Cost of materials consumed	19	**123.00**	108.40
Employee benefits expense	20	**267.16**	229.49
Other expenses	21	**500.46**	476.54
Total expenses		**890.62**	814.43
Earnings before interest, tax, depreciation and amortisation (EBITDA)		**508.69**	496.30
Finance costs	22	**269.38**	280.05
Depreciation and amortization expense	23	**61.51**	66.27
Finance income	24	**(7.76)**	(5.43)
Profit before tax		**185.56**	155.41
Tax expense		**-**	-
		-	-
Profit for the year		**185.56**	155.41
Other comprehensive income			
Re-measurement losses on defined benefit plans		**(0.28)**	(0.14)
		(0.28)	(0.14)
Total comprehensive income for the year		**185.28**	155.27
Earnings per equity share:	25		
(1) Basic		**1.82**	1.52
(2) Diluted		**1.82**	1.52

Summary of material accounting policies 2.2
The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

NANGIA & CO. LLP * CHARTERED ACCOUNTANTS * GURUGRAM

Place : Gurugram
Date : May 26, 2025

For and on behalf of the Board of Directors of
Sukhsagar Complexes Private Limited

Rajeev Janveja
(Whole Time Director)
Din: 07334001

Kapil Sharma
(Chief Financial Officer)

Sumant Jhalka
(Director)
Din: 05201572

Shweta Jain
Company Secretary
Mem No.: A22332

Place : New Delhi
Date : May 26, 2025

SUKHSAGAR COMPLEXES PVT. LTD. * NEW DELHI

Sukhsagar Complexes Private Limited
CIN:U70101DL1993PTC172878
Statement of Changes in Equity for the year ended March 31, 2025

A. Equity Share Capital

Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	Amount Rs in lakhs
At April 1, 2023	**10,195,000**	**1,019.50**
Issue of share capital	-	-
At March 31, 2024	**10,195,000**	**1,019.50**
Issue of share capital	-	-
At March 31, 2025	**10,195,000**	**1,019.50**

B. Other Equity
For the year ended March 31, 2025

	Reserves and Surplus			
	Capital reserve	Securities Premium Reserve	Retained Earnings	Total equity
	Rs in lakhs	Rs in lakhs	Rs in lakhs	Rs in lakhs
Balance at April 1, 2023	37.00	724.57	(660.59)	**100.98**
Total Comprehensive income for the year	-		155.27	**155.27**
Balance at March 31, 2024	**37.00**	**724.57**	**(505.32)**	**256.25**
Total Comprehensive income for the year	-	-	185.28	**185.28**
Balance at March 31, 2025	**37.00**	**724.57**	**(320.04)**	**441.53**

Summary of material accounting policies 2.2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

NANGIA & CO. LLP * GURUGRAM * CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Sukhsagar Complexes Private Limited

Rajeev Janveja
(Whole Time Director)
Din: 02695031

Sumant Jaidka
(Director)
Din: 05201572

Kapil Sharma
(Chief Financial Officer)

Shweta Jain
Company Secretary
Mem No.: A22332

Place : Gurugram
Date : May 26, 2025

Place : New Delhi
Date : May 26, 2025

SUKHSAGAR COMPLEXES PVT. LTD. NEW DELHI

Sukhsagar Complexes Private Limited
CIN:U70101DL1993PTC172878
Statement of Cash flow for the year ended March 31, 2025

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Operating activities		
Profit before tax	**185.56**	155.41
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expenses	**61.51**	66.27
Finance income (including fair value change in financial instruments)	**(7.76)**	(5.42)
Finance costs (including fair value change in financial instruments)	**263.76**	276.01
Excess provision/ credit balances written back	**0.52**	5.15
Excess provision written back	**-**	(5.15)
	503.59	492.27
Working Capital Adjustment:		
Change in trade receivables	**(44.01)**	(8.69)
Change in loans and advances and other current assets	**10.32**	(25.56)
Change in inventories	**(2.43)**	1.30
Change in liabilities and provisions	**198.02**	155.43
	665.49	614.75
Income tax paid (net of refunds)	**3.58**	6.06
Net cash flow from operating activities	**669.07**	620.81
Investing activities		
Purchase of property, plant and equipment	**(73.63)**	(28.52)
Finance income	**7.76**	5.42
Net Cash flow used in investing activities	**(65.87)**	(23.10)
Financing activities		
Proceeds from short-term borrowings	**2,362.00**	2,362.00
Repayment of short-term borrowings	**(2,287.00)**	(1,114.00)
Repayment of long term borrowings	**(288.89)**	(1,513.86)
Interest paid	**(263.76)**	(275.60)
Net Cash used in financing activities	**(477.65)**	(541.46)
Net increase in cash and cash equivalents	**125.55**	56.25
Cash and cash equivalents at the beginning of the year	**84.11**	27.86
Cash and cash equivalents at the end of the year	**209.66**	84.11
Components of cash and cash equivalents		
Cash on hand	**5.57**	4.93
Balances with banks in		
- current accounts	**204.09**	79.18
Total cash and cash equivalents	**209.66**	84.11

Summary of material accounting policies 2.2

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

NANGIA & CO. LLP * CHARTERED ACCOUNTANTS * GURUGRAM

Place : Gurugram
Date : May 26, 2025

For and on behalf of the Board of Directors of
Sukhsagar Complexes Private Limited

Rajeev Janveja
(Whole Time Director)
Din: 02595031

Sumant Jaidka
(Director)
Din: 05201572

Kapil Sharma
(Chief Financial Officer)

Shweta Jain
Company Secretary
Mem No.: A22332

Place : New Delhi
Date : May 26, 2025

SUKHSAGAR COMPLEXES PVT. LTD. * NEW DELHI *

1. Corporate Information

Sukhsagar Complexes Private Limited (the Company) is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at Asset no. 6, Aerocity Hospitality District, New Delhi-110037.

The principal activities of the Company are to carry out business of developing, owning, acquiring, renovating and promoting hotels, motels, resorts, restaurants, etc.

The Financial Statements were authorized for issue in accordance with a resolution of the directors on May 26, 2025.

2 Basis of preparation

2.1 Material accounting policies

The Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on a historical cost or at amortised cost except for the following assets and liabilities:

- Net defined benefit (asset)/liability
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing account standard required a change to the accounting policy hitherto to in use.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, expect where otherwise indicated

2.2 Summary of material accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

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The Company classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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

(b) Foreign currency transactions and balances

Transactions and balances
Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit and loss are also recognised in OCI or statement of profit and loss, respectively).

c) Fair value measurement
The Company measures financial instruments, such as, investment in mutual funds at fair value at each balance sheet date.

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

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

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

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

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

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

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

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

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

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value. External valuers are involved for valuation of significant assets and liabilities. The management selects external valuer on various criteria such as market knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (Note 26)
- Contingent consideration (Note28)
- Quantitative disclosures of fair value measurement hierarchy (Note 30)
- Financial instruments (including those carried at amortised cost) (Note 30)

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(d) Revenue recognition

In arrangements for room revenue and related services, the Company has applied the guidance in Ind AS 115 for recognition of Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering room revenue and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognized.

Sales tax/ value added tax (VAT)/GST is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Rooms, Restaurant, Banquets and Other Services
Income from guest accommodation is recognized on a day to day basis after the guest checks into the Hotels and are stated net of allowances. Incomes from other services are recognized as and when services are rendered. Sales are stated exclusive of Service Tax, Value Added Taxes (VAT),GST and Luxury Tax. Shortfall of revenue over the billed as at the year-end is carried in financial statement as unbilled revenue separately.

Sale of goods
Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, sale of food and beverage are recognized at the points of serving these items to the guests. Sales are stated exclusive of Sales Tax/ VAT/GST.

Interest income
For all financial instruments measured at amortized cost and interest bearing financial assets classified as available for sale, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the statement of profit and loss.

Dividends
Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Gain/(loss) on sale of investment in mutual funds
Gain/(loss) on sale of investment in mutual funds is recorded as other income on transfer of title from the Company and is determined as the difference between the redemption price and carrying value of the investments.

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(e) Taxes

Current income tax
Current income tax assets and liabilities are measured as the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

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

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(f) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes its purchase primport duties and non-refundable purchase taxes, after deducting trade discounts and rebates; any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs for long-term construction projects if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and lossas incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on fixed assets is provided as per Schedule II of Companies Act, 2013 on Straight Line Method over its economic useful life of fixed assets as follows:

Fixed Assets	Useful life considered (SLM)
Plant & Machinery	15 Years
Building	60 Years
Electrical installations and fittings	10 Years
Office Equipment's	5 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Computers	3 Years

The Company, based on management estimates, depreciates certain items of building, plant and equipment over estimated useful lives which are lower than the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end, and adjusted prospectively if appropriate.

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(g) Intangible assets

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

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

The useful lives of intangible assets are assessed as below:

- Software 3 years

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 income statement when the asset is derecognized.

(h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(i) Inventories

Stock of food & beverages, stores and operating supplies are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a first in first out basis.Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make sale.





(j) Impairment of non-financial assets

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

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of statement of profit and lossunless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(k) Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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(l) **Retirement and other employee benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to 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, for example, a reduction in future payment or a cash refund.

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and lossin subsequent periods.

Past service costs are recognised in statement of profit and losson the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

The Company treats leaves expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

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(m) 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.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through statement of profit and loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through statement of profit and loss(FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables, loans to subsidiaries etc. For more information on receivables, refer to Note 9.

Debt instrument at FVTOCI

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL





FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets
In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Financial assets that are debt instruments and are measured as at FVTOCI
c) Lease receivables under Ind AS 116
d) Trade receivables or any contractual right to receive cash or another financial asset
e) Loan commitments which are not measured as at FVTPL
f) Financial guarantee contracts which are not measured as at FVTPL

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The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:
Financial liabilities at fair value through statement of profit and loss.

Financial liabilities at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

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

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

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

This category generally applies to borrowings. For more information, refer Note 13.

Financial guarantee contracts
Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.





Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Contributed equity
Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Reclassification of financial assets
The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

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Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(n) Redeemable preference shares

Redeemable preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the redeemable preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

(o) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and 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.

(p) Segment reporting policies

Identification of segments

The management of the Company reviews the specific performance of its respective hotel properties. However, since all hotels have similarity in terms of products and services, customer classes, method of providing services and the regulatory environment, the individual hotels qualify for aggregation. Thus, the management has considered aggregating all the hotels as one reportable operating segment. Accordingly, the figures appearing in these financial statements relate to the Company's single operating segment.

(q) Measurement of EBITDA

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

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Sukhsagar Complexes Private Limited
Notes to financial statements as at March 31, 2025

3 Property, plant and equipment

Rs in lakhs

Particulars	Land	Building	Plant and Machinery	Electrical fittings	Electrical equipments	Office equipments	Furniture and Fixtures	Computers	Vehicles	Total
Cost										
At April 1, 2023	2,542.49	2,076.00	270.09	221.99	54.82	5.07	90.01	10.67	0.70	5,271.84
Additions	-	-	7.67	-	14.50	-	4.81	1.54	-	28.52
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2024	2,542.49	2,076.00	277.76	221.99	69.32	5.07	94.82	12.21	0.70	5,300.36
Additions	-	3.94	1.75	-	17.05	-	47.64	2.90	-	73.28
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2025	2,542.49	2,079.94	279.51	221.99	86.37	5.07	142.46	15.11	0.70	5,373.64
Depreciation										
At April 1, 2023	-	288.44	185.03	209.01	39.42	0.63	70.80	7.24	0.70	801.27
Charge for the year	-	36.23	22.92	0.31	2.24	0.94	1.58	1.24	-	65.46
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2024	-	324.67	207.95	209.32	41.66	1.57	72.38	8.48	0.70	866.73
Charge for the year	-	36.23	15.13	0.31	3.56	0.94	3.15	1.80	-	61.12
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2025	-	360.90	223.08	209.63	45.22	2.51	75.53	10.28	0.70	927.85
Net book value										
At March 31, 2025	2,542.49	1,719.04	56.43	12.36	41.15	2.56	66.93	4.83	-	4,445.79
At March 31, 2024	2,542.49	1,751.33	69.81	12.67	27.66	3.50	22.44	3.73	-	4,433.63

Net book value

	As at March 31, 2025	As at March 31, 2024
Plant, property and equipment	4,445.79	4,433.63
Capital work in progress	-	-

a) Asset charged against borrowings: All immovable and movable assets of the Company are subject to first charge to secured borrowings. Refer Note 13
b) The property, plant and equipment are valued at cost. The company has not used registered valuer for faur valuation/revaulation.
c) The lease agreement for lease hold properties on which building is constructed is registered in the name of the company.

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4 **Intangible assets**

Rs in lakhs

Particulars	Software	Total
Cost		
At April 1, 2023	7.74	7.74
Additions	-	-
At March 31, 2024	7.74	7.74
Additions	0.35	0.35
At March 31, 2025	8.09	8.09
Amortisation and impairment		
At April 1, 2023	5.62	5.62
Amortisation for the year	0.81	0.81
At March 31, 2024	6.43	6.43
Amortisation for the year	0.39	0.39
At March 31, 2025	6.82	6.82
Net Block		
At March 31, 2025	1.27	1.27
At March 31, 2024	1.31	1.31

Net book value

	As at March 31, 2025	As at March 31, 2024
Software	1.27	1.31

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5 Financial assets

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(a) Other financial assets		
Security deposits	**20.88**	17.04
Non current bank balances	**45.92**	48.52
Interest accrued on non current bank balances	**46.48**	44.45
	113.28	110.01

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6 Deferred tax assets

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Property, plant & equipment	**304.18**	283.50
Deferred tax liability	**304.18**	283.50
Impact of expenditure charged to the statement of profit and loss in the current/ earlier period but allowable for tax purposes on payment basis	**4.15**	2.48
Provision for doubtful debts and advances	**26.71**	26.71
Effect of unabsorbed depreciation and business loss	**235.75**	217.24
Provision for gratuity	**1.85**	1.52
Provision for leave compensation	**0.91**	0.74
Borrowing cost	**34.82**	34.82
Deferred tax assets	**304.18**	283.50
Net deferred tax asset/(liability)	**-**	-

Note : Deferred tax asset for the current year has been restricted on losses and credits has been recognized to the extent of Deferred tax liability

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for year March 31, 2025 and March 31, 2024:

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Loss before tax	**185.56**	155.41
Tax rate	**25.17%**	25.17%
Tax at statutory income tax rate	**46.70**	39.12
Deferred tax asset on losses not recognized	**(46.70)**	(39.12)
Net	**-**	-

7 Other non-current assets

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Advance income tax (net of provision for taxation)	**15.83**	19.41
Total	**15.83**	19.41

8 Inventories
(valued at lower of cost and net realisable value, unless otherwise stated)

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Food and beverages (excluding liquor, wines and smokes)	**4.04**	2.96
Stores and spares	**9.38**	8.03
Total	**13.42**	10.99

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9 Financial assets

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(i) Trade receivables		
Trade receivables*	**78.68**	34.67
	78.68	**34.67**

* refer note 36(c) for agewise outstanding of trade receivables

Break-up for security details:		
Trade receivables		
Unsecured, considered good	**78.68**	34.67
Trade Receivables which have significant increase in credit risk	**106.11**	106.11
	184.79	140.78
Impairment allowance (allowance for bad and doubtful debts)		
Trade Receivables which have significant increase in credit risk	**106.11**	106.11
	106.11	106.11
Total trade receivables	**78.68**	34.67

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(ii) Cash and cash equivalents		
Balance with banks		
On current accounts	**204.09**	79.18
Cash on hand	**5.57**	4.93
	209.66	84.11

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Particulars		
Balances with banks		
on current accounts	**204.09**	79.18
Cash on hand	**5.57**	4.93
Total cash and cash equivalents	**209.66**	84.11

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SUKHSAGAR COMPLEXES PVT. LTD. NEW DELHI

Break up of current financial assets carried at amortised cost

Trade receivables	**78.68**	34.67
Cash and cash equivalents	**209.66**	84.11
Total current financial assets carried at amortised cost	**288.34**	118.78

10 Other current assets

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Advance for supply of goods and rendering of services	**2.75**	14.93
Balance with statutory/ government authorities	**26.96**	29.26
Prepaid expenses	**8.94**	8.01
	38.65	52.20

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11 Equity share capital

Authorised Share Capital

	Equity shares	
	No. of shares	Rs in lakhs
At April 1, 2023	15,680,000	1,568.00
Increase on account of reclassification of preference shares into equity shares	-	-
At March 31, 2024	**15,680,000**	**1,568.00**
Increase/(decrease) during the year	-	-
At March 31, 2025	**15,680,000**	**1,568.00**

a) Terms/rights attached to equity shares

The company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders 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.

b) Issued equity capital*

Equity shares of Rs. 10 each issued, subscribed and fully paid	No. of shares	Rs in lakhs
At April 1, 2023	10,195,000	1,019.50
Issued during the year	-	-
At March 31, 2024	**10,195,000**	**1,019.50**
Issued during the year	-	-
At March 31, 2025	**10,195,000**	**1,019.50**

* refer note 36(A) for the details of promoters holding

c) Shares held by holding company

	As at March 31, 2025 Rs in lakhs		As at March 31, 2024 Rs in lakhs	
	No. of shares	Rs in lakhs	No. of shares	Rs in lakhs
Equity shares of Rs. 10 each fully paid up				
Lemon Tree Hotels Limited	10,195,000	1,019.50	10,195,000	1,019.50

Details of shareholders holding more than 5% shares in the company

	No. of shares	% held as at March 31, 2025	No. of shares	% held as at March 31, 2024
Equity shares of Rs. 10 each fully paid up				
Lemon Tree Hotels Limited	10,195,000	100.00%	10,195,000	100.00%

d) Reconciliation of shares outstanding at the beginning and at the end of the year (expressed in absolute numbers)

Particulars	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Equity Shares		
At the commencement of the year	**10,195,000**	10,195,000
Add: Issued during the year	-	-
At the end of the year	**10,195,000**	10,195,000

e) The Company has not issued Bonus Share, Share for consideration other than Cash and has not bought back shares during the period of five years immediately preceding the reporting date.

12 Other equity

Securities premium	Rs in lakhs
At April 1, 2023	**724.57**
Add : Premium on equity shares issued during the year	-
At March 31, 2024	**724.57**
Add : Premium on equity shares issued during the year	-
At March 31, 2025	**724.57**

Retained earnings*	Rs in lakhs
At April 1, 2023	**(660.59)**
Profit for the year	155.27
At March 31, 2024	**(505.32)**
Profit for the year	185.28
At March 31, 2025	**(320.04)**

* includes Revaluation Reserve of Rs. 1,500 lakhs transferred to retained earnings on the date of transition (i.e April 1, 2015) from IGAAP to Ind AS

Capital reserve (Equity Component of redeemable preference shares)	Rs in lakhs
At April 1, 2023	**37.00**
Increase/(decrease) during the year	-
At March 31, 2024	**37.00**
Increase/(decrease) during the year	-
At March 31, 2025	**37.00**

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Other reserves		
Securities premium	**724.57**	724.57
Retained earnings	**(320.04)**	(505.32)
Capital reserve	**37.00**	37.00
	441.53	256.25

Capital reserve represents equity component of 5% redeemable preference shares.

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13 Borrowings

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Non-current borrowings		
Term Loans		
Indian rupee loans from Banks (Secured)		
HDFC Bank Limited (Refer note 1 & 2 below)	**216.67**	379.17
Total non-current borrowings	**216.67**	379.17
Current borrowings		
Term Loans		
Current maturity of long term loans		
HDFC Bank Limited (Refer note 1 & 2 below)	**162.50**	288.89
Total current borrowings	**162.50**	288.89
Less: Amount clubbed under "current borrowings"	**(162.50)**	(288.89)
Net current borrowings	**-**	-

Term loans

1.) Terms attached to loan from HDFC Bank Limited :
The loan has been re-paid during the previous year and below charge has been satisfied:
a) Exclusive Charges by way of Equitable mortage on all of the project's (Red Fox hotel situated at Khasra No. 102/103/433 village jhalana, JLN Marg, Jaipur) land and building.
b) Exclusive charge on Company's hotel movables, including movable plant and machinery, machinery spares, furniture and fixtures and all other movable assets, present and future.
c) Exclusive charge on Project's current assets - book debts, operating cash flows, receivables, commissions, bank accounts both present and future, all revenue..
d) Unconditional and irrevocable Corporate guarantee of parent company Lemon Tree Hotels Limited.
e) Pledge Shares of the Company held by Lemon Tree Hotels Limited.
Rate of interest is Nil (March 31, 2024: Nil).

2)WCTL of Rs. 650 lakhs is repayable in 48 equal monthly instalments after 1 year of moratorium and It is secured by second charge over existing primary and collateral securities including mortgages created in favour of the bank w.r.t (Red Fox Hotel situated at Khasra No.102/103/433, Village Jhalana , J.L.N. Marg , Jaipur). 100% Credit Guarantee from National Credit Guarantee Trustee Company Limited. Company has successfully satisfied charge on 6.50 crores(ECGLS-1) term loan & maturity date of ECGLS-3.0 is FY 2027-28 Rate of interest is 8.35% p.a (March 31, 2024: 8.74%).

3) The Company has not defaulted in the repayment of loans and interest at Balance Sheet date.
4) Bank loans availed by the Company are subject to certain covenants relating to interest coverage ratio, debt service coverage ratio, capital gearing ratio, fixed assets coverage ratio.
5) The Company has complied/ taken waiver for the covenants as per the terms of the loan agreement.
6) The Company has complied all significant covenants from bank and financial institutions as per the terms of the loan agreement.
7) Basis on several terms and conditions as specefied in sanction letters, the company submits quarterly returns/statements of current assets with banks/ financial institution and these returns/statements are in agreement with the books of accounts.

14 Provisions

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Provision for gratuity (refer note 27)		
Current	**1.88**	1.62
Non-current	**5.48**	4.40
	7.37	6.02
Provision for leave benefits		
Current	**3.60**	2.94
	3.60	2.94
Total current	**5.48**	4.56
Total non-current	**5.48**	4.40

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15 Financial liabilities

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(i) Borrowings		
Loan from related party (refer note below)	2,538.00	2,463.00
Current maturities of long-term borrowings (refer note 13)	162.50	288.89
	2,700.50	2,751.89

Note - Loan from related party is non interest bearing and is repayable on demand

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(ii) Trade payables		
Trade Payables*		
-Micro and small enterprises	23.56	21.28
-Other than micro and small enterprises	106.70	121.16
	130.26	142.44

* refer note 36(D) for agewise outstanding of trade payable

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Trade payables	116.51	128.69
Trade payables to related parties	13.75	13.75
	130.26	142.44

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(iii) Other financial liabilities		
Interest accrued but not due	317.80	119.61
Outstanding dues of other creditor	15.15	23.35
Outstanding dues of Employees	20.29	12.88
	353.24	155.84

Break up of current financial liabilities carried at amortised cost

Particulars	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Trade payables	130.26	142.44
Outstanding dues of other creditor	15.15	23.35
Outstanding dues of Employees	20.29	12.88
Interest accrued but not due	317.80	119.61
Total financial liabilities measured at amortised cost	483.50	298.28

16 Other current liabilities

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Advance received from customers	5.92	9.31
Statutory liabilities	38.00	22.97
	43.92	32.28

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17 Revenue from operations

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Sale of products and services		
Room rentals	**1,203.83**	1,127.84
Food and beverage (excluding liquor and wine)	**108.76**	99.24
Other services	**80.14**	78.50
	1,392.73	1,305.58

18 Other income

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Sale of scrap	**6.06**	-
Excess provision/ credit balances written back	**0.52**	5.15
	6.58	5.15

19 Cost of materials consumed

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
(a) Consumption of food & beverages excluding liquor & wine		
Inventory at the beginning of the year	**2.96**	2.63
Add: Purchases	**124.08**	108.73
	127.04	111.36
Less: Inventory at the end of the year	**4.04**	2.96
Cost of food and beverage consumed	**123.00**	108.40
	123.00	108.40

20 Employee benefit expense

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Salaries, wages and bonus	**235.43**	200.51
Contribution to provident fund and other fund	**19.47**	17.79
Gratuity expense	**1.18**	1.02
Staff welfare and training expenses	**11.08**	10.17
	267.16	229.49

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21 Other expenses

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Consumption of stores, cutlery, crockery, linen, provisions and others	**24.04**	21.51
Power and fuel	**130.51**	128.40
Management fees	**36.02**	35.61
Commission -other than sole selling agent	**91.79**	70.98
Linen & uniform washing and laundry expenses	**26.95**	24.39
Guest transportation	**3.97**	6.41
Subscription charges	**5.92**	5.96
Repair and maintenance expenses		
- Buildings	**67.24**	81.34
- Plant and machinery	**27.52**	22.39
- Others	**15.04**	10.15
Rent	**3.23**	3.74
Automation Service	**15.82**	-
Rates and taxes	**3.31**	4.99
Insurance	**0.83**	4.36
Communication costs	**2.53**	2.97
Printing and stationery	**4.96**	4.95
Traveling and conveyance	**2.27**	3.47
Advertising and sales promotion	**3.71**	7.75
Security and cleaning expenses	**21.56**	22.64
Membership and subscriptions	**0.96**	0.65
Legal and professional fees	**8.89**	9.56
Payment to auditors	**1.33**	1.03
Equipment hire charges	**0.94**	2.09
Miscellaneous expenses	**1.12**	1.20
	500.46	476.54

Payment to auditors

Statutory audit fees	**0.88**	0.55
Tax audit fees	**0.12**	0.12
Others	**0.33**	0.36
	1.33	1.03

22 Finance costs

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Interest		
- on term loans from banks	**43.55**	145.28
- on others	**220.21**	130.73
Bank charges (including commission on credit card collection)	**5.62**	4.04
	269.38	280.05

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23 Depreciation and amortization expense

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Depreciation of tangible assets	**61.12**	65.46
Amortization of intangible assets	**0.39**	0.81
	61.51	66.27

24 Finance income

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Interest income on :		
Interest-IT Refund	**0.91**	0.69
- Bank deposits	**6.85**	4.74
	7.76	5.43

25 Earnings per share (Basic and Diluted)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the company 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.

The following data reflects the inputs to calculation of basic and diluted EPS

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Profit after tax	**185.56**	155.41
Weighted average number of equity shares in calculating diluted EPS	**10,195,000**	10,195,000
Basic and diluted EPS	**1.82**	1.52

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26. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these judgements, estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The estimates and underlying assumptions are reviewed on an ongoing basis and the revisions to accounting estimates are recognized in the period in which the estimate is revised.

Critical judgements, estimates and assumptions

a. Impairment of property, plant and equipment

Each hotel property is an identifiable asset that generates cash inflows and is independent of the cash inflows of the other hotel properties, hence identified as cash generating units. The Company assesses the carrying amount of hotel properties (CGU) to determine whether there is any indication that those assets have suffered an impairment loss. Where the carrying amount of CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. An impairment loss (if any) is recognised in the statement of profit and loss.

While assessing the recoverable amount, the Company used the discounted cash flow approach including various significant estimates and assumptions such as forecast of future revenue, operating margins, growth rate and selection of the discount rates. The key assumptions used for the calculations are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Discount rate *(post tax rate of WACC)*	12.00%	11.70% (pre tax rate 12.00%)
Long term growth rate	5.50%	5.00%

As at March 31, 2025, the estimated recoverable amount of the CGU exceeded its carrying amount.

b. Loss allowance on trade receivables

An impairment analysis of trade receivables is performed at each reporting period based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates. Basis this assessment, the allowance for doubtful trade receivables as at March 31, 2025 is considered adequate.

27. Gratuity and other post-employment benefit plans

Rs. in lakhs

	March 31, 2025	March 31, 2024
Gratuity plan	**7.38**	6.02
Total	**7.38**	6.02

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The Company makes provision of such gratuity asset/ liability in the books of accounts on the basis of actuarial valuation as per the Projected unit credit method.

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Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2025:

Rs.in lakhs

	Gratuity cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income							
	April 1, 2024	**Service cost**	**Net interest expense**	**Sub-total included in profit or loss**	**Benefits paid**	**Return on plan assets (excluding amounts included in net interest expense)**	**Actuarial changes arising from changes in demographic assumptions**	**Actuarial changes arising from changes in financial assumptions**	**Experience adjustments**	**Sub-total included in OCI**	**Contributions by employer**	**March 31, 2025**
Defined benefit obligation	6.02	0.76	0.42	1.18	(0.10)	-	-	(0.14)	(0.14)	(0.28)	-	7.37
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**6.02**	**0.76**	**0.42**	**1.18**	**(0.10)**	**-**	**-**	**(0.14)**	**(0.14)**	**(0.28)**	**-**	**7.37**

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Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2024:

Rs.in lakhs

	Gratuity cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income							
	April 1, 2023	**Service cost**	**Net interest expense**	**Sub-total included in profit or loss**	**Benefits paid**	**Return on plan assets (excluding amounts included in net interest expense)**	**Actuarial changes arising from changes in demographic assumptions**	**Actuarial changes arising from changes in financial assumptions**	**Experience adjustments**	**Sub-total included in OCI**	**Contributions by employer**	**March 31, 2024**
Defined benefit obligation	5.63	0.62	0.40	1.02	(0.77)	-	-	0.02	0.12	0.14	-	6.02
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**5.63**	**0.62**	**0.40**	**1.02**	**(0.77)**	**-**	**-**	**0.02**	**0.12**	**0..14**	**-**	**6.02**

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

	March 31, 2025	March 31, 2024
	%	%
Discount rate	**6.50%**	**7.10%**
Future salary increases	**5.00%**	**5.00%**

A quantitative sensitivity analysis for significant assumption as at March 31, 2025 and March 31, 2024 is as shown below:

India gratuity plan:

	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.22)	0.24	0.24	(0.23)

	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.17)	0.18	0.19	(0.18)

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

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

	For the year ended March 31,2025	For the year ended March 31, 2024
Duration (Years)		
1	1.94	1.67

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2	1.52	1.30
3	1.25	1.02
4	1.01	0.82
5	0.81	0.65
Above 5	2.73	2.22
Total expected payments	**9.26**	**7.68**

The average duration of the defined benefit plan obligation at the end of the reporting period is 5years (March 31, 2024: 4years).

28. Commitments and contingencies

a. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:

At March 31, 2025, the Company had NIL commitments (March 31, 2024: Rs NIL)

b. Contingent liabilities

Claims against the Company not acknowledged as debts

a) Malviya National Institute of Technology, Jaipur ("MNIT") filed an application before the Sub-divisional Officer ("SDO"), Jaipur against, among others, Sukhsagar Complexes Private Limited (one of the subsidiary), alleging that a portion of the land on which Red Fox Hotel, Jaipur has been constructed is owned by MNIT. Pursuant to an order dated December 31, 1999, the SDO, Jaipur, recorded certain land bearing khasra number 102/433 in the name of Gulab Chand and certain others, while removing the name of Malviya Regional Engineering College, the predecessor entity to MNIT. Against the order of the SDO, MNIT filed an appeal (appeal no. 327/2013) before the Divisional Commissioner, Jaipur ("Commissioner"), against Gulab Chand, GirdharilalManinar and Gopal DasJohar, being the previous owners of the property sold to Sukhsagar, and also, among others, Sukhsagar, stating that Sukhsagar and Devashish Builders Private Limited had encroached on the land belonging to MNIT. The appeal was dismissed by the Commissioner pursuant to an order dated January 8, 2013 and the order passed by the SDO, dated December 31, 1999, was confirmed. Subsequently, Sukhsagar filed a review petition before the Commissioner challenging the order dated January 8, 2013 on grounds of certain procedural irregularities. The Commissioner, through an order dated September 4, 2013, recalled its previous order dated January 8, 2013. The Commissioner eventually dismissed the appeal filed by MNIT through an order dated September 11, 2013. MNIT filed a writ petition before the High Court of Rajasthan challenging the order of the Commissioner, dated September 11, 2013. The proceedings have taken up for further proceedings, and is likely to be listed in due course. The proceedings are in progress & the management based upon its assessment and expert's advice believes that any liability is improbable to crystallize.

b) Other Contingent liabilities

Rs. in lakhs

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		March 31, 2025	March 31, 2024
a.	In respect of matters pending with consumer courts The Company has been advised by its legal counsel that it is only possible, but not probable, that the action will succeed. Accordingly, no provision for any liability has been made in these financial statements.	4.50	4.50

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29. Related Party Transactions

a) Names of related parties

Holding company	Lemon Tree Hotels Limited
Fellow Subsidiary Company (with whom transactions have been occurred)	Canary Hotels Private Limited Carnation Hotels Private Limited Oriole Dr Fresh Hotels Private Limited Fleur Hotels Limited (Formerly known as Fleur Hotels Private Limited) Manakin Resorts Private Limited Totally Foxed Solutions Private Limited
Enterprise in which holding company has significant influence	Mind Leaders Learning India Private Limited
Key Management Personnel/Director	Mr. Sumant Jaidka (Director) Mr. Rajeev Janveja (Whole Time Director)

b) Additional related parties as per Companies Act 2013 with whom transactions have taken place during the year:

Chief Financial Officer	Mr. Kapil Sharma
Company Secretary	Mr. Arun Kumar (upto January 15, 2024) Ms. Ritasha (w.e.f. July 1,2024 to December 2024) Ms. Shweta Jain (w.e.f. May 26, 2025)

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The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year

(Rs. in Lakhs)

Transactions with Related Party	Year Ended	Holding Company	Fellow Subsidiary	Enterprise in which Holding Company has significant influence
Reimbursement of expenses incurred by the party				
Lemon Tree Hotels Limited	**31-Mar-25**	**0.15**	-	-
	31-Mar-24	0.33	-	-
Amount Received by the company				
Fleur Hotels Limited	**31-Mar-25**	-	-	-
	31-Mar-24	0.18	-	-
Loans (taken)				
Lemon Tree Hotels Limited	**31-Mar-25**	**30.00**	-	-
	31-Mar-24	874.00	-	-
Manakin Resorts Private Limited	**31-Mar-25**	-	-	-
	31-Mar-24	-	220.00	-
Carnation Hotels Private Limited	**31-Mar-25**	-	**245.00**	-
	31-Mar-24	-	1,268.00	-
Loan (Repaid)				
Lemon Tree Hotels Limited	**31-Mar-25**	**200.00**	-	-
	31-Mar-24	1,109.00	-	-
Carnation Hotels Private Limited	**31-Mar-25**	-	-	-
	31-Mar-24	-	5.00	-
Interest on Loan Taken				
Manakin Resorts Private Limited	**31-Mar-25**	-	**19.80**	-
	31-Mar-24	-	0.22	-
Carnation Hotels Private Limited	**31-Mar-25**	-	**200.41**	-
	31-Mar-24	-	130.51	-
Management fees (Common cost allocation)				
Lemon Tree Hotels Limited	**31-Mar-25**	**36.02**	-	-
	31-Mar-24	35.59	-	-





Transactions with Related Party	Year Ended	Holding Company	Fellow Subsidiary	Enterprise in which Holding Company has significant influence
Automation fees (Gross)				
Totally Foxed Solutions Private Limited	**31-Mar-25**	-	**15.82**	-
	31-Mar-24	-	-	-
Training Fees(gross)				
Mind leaders Learning India Private Limited	**31-Mar-25**	-	-	**1.60**
	31-Mar-24	-	-	-
Balance Outstanding at year end				
			-	-
Guarantee Received			-	-
Lemon Tree Hotels Limited	**31-Mar-25**	-	-	-
	31-Mar-24	4,300.00	-	-
Borrowings				
Lemon Tree Hotels Limited	**31-Mar-25**	**10.00**	-	-
	31-Mar-24	180.00	-	-
Carnation Hotels Private Limited	**31-Mar-25**	-	**2,308.00**	-
	31-Mar-24	-	2,063.00	-
Manakin Resorts Pvt Ltd	**31-Mar-25**	-	**220.00**	-
	31-Mar-24	-	220.00	-
Interest accrued on borrowings				
Carnation Hotels Private Limited	**31-Mar-25**	-	**299.78**	-
	31-Mar-24	-	119.41	-
Manakin Resorts Pvt Ltd	**31-Mar-25**	-	**18.02**	-
	31-Mar-24	-	0.20	-
Trade Payable				
Lemon Tree Hotels Limited	**31-Mar-25**	**19.76**	-	-
	31-Mar-24	38.43	-	-
Mind leaders Learning India Private Limited	**31-Mar-25**	-	-	**0.07**
	31-Mar-24	-	-	-
Totally Fox Solutions Private Limited	**31-Mar-25**	-	**1.33**	-
	31-Mar-24	-	-	-

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Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. For the year ended March 31, 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2024: Rs Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Commitments with related parties

The Company has not entered into any commitments with related parties during the year.

30. Fair value measurement

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument

a. Financial instruments by category

Rs. in lakhs

	March 31, 2025		March 31, 2024	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial Assets				
Trade receivables	-	**78.68**	-	34.67
Cash and cash equivalents	-	**209.66**	-	84.11
Other financial assets	-	**113.28**	-	110.01
Total Financial Assets	-	**401.62**	-	228.79

Rs. in lakhs

	March 31, 2025		March 31, 2024	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial Liabilities				
Borrowings	-	**2,917.17**	-	3,131.06
Trade payables	-	**130.26**	-	142.44
Other financial liabilities	-	**353.24**	-	155.84
Total Financial Liabilities	-	**3,400.67**	-	3,429.34

b. Fair value measurement hierarchy for assets and liabilities

Fair value measurement

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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

i) Level 1

Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

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ii) Level 2

Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

iii) Level 3

Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

There are no financial asset's and liabilities as at March 31, 2025 and March 31, 2024 measured at fair value.

The management assessed that fair values of cash and cash equivalents, trade receivables, trade payables, bank overdrafts, Interest accrued on bank deposits with banks, other current financial assets and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of loans, security deposits, borrowings and other financial assets and liabilities are considered to be the same as their fair values, as there is an immaterial change in the lending rates.

31. Financial risk management objectives and policies

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

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings, deposits and payables/receivables in foreign currencies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

Rs. In Lakhs

	March 31, 2025	March 31, 2024
Variable rate borrowings	**379.17**	668.06
Fixed rate borrowings	**2,538.00**	2,463.00

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Interest rate sensitivity

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

Rs. In lakhs

	Increase/decrease in basis points	Effect on profit before tax
March 31, 2025		
	50	**(2.53)**
	-50	**2.53**
March 31, 2024		
	50	(8.31)
	-50	8.31

Credit risk

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

Trade receivables and Security Deposits

Customer credit risk is managed by business through the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of each customer is assessed and credit limits are defined in accordance with this assessment. Outstanding customer receivables and security deposits are regularly monitored.

An impairment analysis is performed for all major customers at each reporting date on an individual basis. In addition, a large number of minor receivables are grouped into homogenous group and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 9. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has no exposure in foreign currency.

Credit risk

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

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(a) Trade receivables

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 9. The Company does not hold collateral as security.

(b) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investment of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2025 and 31 March 2024 is the carrying amount as illustrated in Note 9.

Gross carrying amount of trade receivables

Rs. In lakhs

Ageing	March 31, 2025	March 31, 2024
Not due	-	-
0-60 days past due	59.38	17.87
61-120 days past due	10.64	11.07
121-180 days past due	1.21	2.38
180-365 days past due	0.94	3.25
365-730 days past due	6.61	0.10

Provision for doubtful debts (including provision for expected credit losses)

Rs. In lakhs

Ageing	March 31, 2025	March 31, 2024
Not due	-	-
0-60 days past due	-	-
61-120 days past due	-	-
121-180 days past due	-	-
180-365 days past due	-	-
365-730 days past due	106.11	106.11

Reconciliation of provision for doubtful debts - Trade receivables

Rs. In lakhs

	March 31, 2025	March 31, 2024
Provision at beginning	106.11	111.26
Addition during the year	-	-
Reversal during the year	-	5.15
Utilized during the year	-	-
Provision at closing	106.11	106.11

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Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders.

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

Rs. In lakhs

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2025						
Borrowings	2,538.00	40.63	121.88	216.66	-	2917.17
Trade and other payables	130.26	-	-	-	-	130.26
Financial Liabilities	353.24	-	-	-	-	353.24
	3,021.50	40.63	121.88	216.66	-	**3,400.67**
Year ended March 31, 2024						
Borrowings	2,463.00	94.79	194.10	379.17	-	3,131.06
Trade and other payables	142.44	-	-	-	-	142.44
Financial Liabilities	155.84	-	-	-	-	155.84
	2,761.28	**94.79**	**194.10**	**379.17**	-	**3,429.34**

32. Capital management

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

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

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SUKHSAGAR COMPLEXES PVT. LTD. NEW DELHI

Rs. In lakhs

	March 31, 2025	March 31, 2024
Borrowings	2,917.17	3,131.06
Trade payables	130.26	142.44
Less: cash and cash equivalents	209.66	84.11
Net debt	**2,837.77**	**3,189.39**
Total capital	1,461.03	1,275.77
Capital and net debt	4,298.80	4,465.16
Gearing Ratio	**66.01%**	**71.43%**

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2025 and 31 March 2024.

33. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006.

	March 31, 2025	March 31, 2024
the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	23.56	21.28
the amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

34. Segment Reporting

The Company is into Hoteliering business. The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore, there is no reportable segment for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about geographical areas

The Company has only domestic operations and hence no information required for the Company as per the requirements of Ind AS 108 – "Operating Segments".

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Information about major customers
During the year ended March 31, 2025 and March 31, 2024 no customer accounted more than 10% of revenue in year.

35. As per the proviso to Rule 3(1) of Companies (Accounts) Rules, 2014, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses an accounting software for recording all the accounting transactions for the year ended March 31, 2025. The software has a feature of recording audit trail (edit log) facility which was enabled throughout the year except that on certain tables/ master records audit trail (edit log) facility was enabled on March 27, 2025 and the audit trail (edit log) facility is not enabled at database level. Subsequent to the year ended March 31, 2025, the Company has implemented audit trail (edit log) facility on this accounting software.

In respect of maintaining revenue records, the Company has used a revenue management software. The said software has a feature of recording audit trail (edit log) facility which was enabled throughout the year, except that the audit trail (edit log) facility at database level was enabled on March 20, 2025 and the software has limitation to track whether audit trail (edit logs) were tampered or not.

The audit trail that was enabled and operated for the year ended March 31, 2024, has been preserved by the Company as per the statutory requirements for record retention.

The Management has adequate internal controls over financial reporting which were operating effectively for the year ended March 31, 2025.

36. Supplementary information as per requirement of Schedule III of the Companies Act.

A) Detail of shareholding of promoters of the company

As at March 31, 2025

S.No.	Promoter Name	Number of shares at the beginning of the year 2024	% of total Share Capital	Change during the year*	Number of shares at the end of the year 2025	Percentage of Total shares	% change during the year
1	Lemon tree Hotels Limited	10,195,000	100%	-	10,195,000	100%	-

As at March 31, 2024

S.No.	Promoter Name	Number of shares at the beginning of the year 2023	% of total Share Capital	Change during the year*	Number of shares at the end of the year 2024	Percentage of Total shares	% change during the year
1	Lemon tree Hotels Limited	10,195,000	100%	-	10,195,000	100%	-

B) Ratio Analysis and its elements

S.No.	Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	% Variance	Reason for variance
1	Current Ratio	Current asset	Current liabilities	0.11	0.06	78.60%	Increase is mainly due to borrowings and increase in current assets taken during the year
2	Debt Equity Ratio	Total debt	Shareholder equity	2.00	2.45	(18.65%)	-
3	Debt service coverage Ratio	Earnings available for debt service	debt service	0.20	0.20	0.63%	-
4	Return on Equity	Net profit after taxes	Average shareholders equity	13.56%	12.97%	4.56%	-
5	Inventory Turnover Ratio	Cost of good sold	Average Inventory	10.08	9.31	8.23%	-
6	Trade Receivable turnover Ratio	Net credit sales	Avg. accounts receivable	24.57	47.05	(47.78%)	Decrease is due to better recoverability during the year.
7	Trade Payables turnover Ratio	Net credit purchase(F &B & Liquor wine)	Average Trade Payable	-	-	-	-
8	Net capital Turnover Ratio	Net Sales	Working capital	(0.48)	(0.45)	(7.12%)	-
9	Net Profit Ratio	Net Profit	Net sales	13.32%	11.90%	11.93%	-
10	Return on capital employed	EBIT	Capital employed	10.39%	9.76%	6.48%	-
11	Return on investment	Income generated from investments(Fixed Deposits)	Time weighted investments	-	-	-	-

(i) Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

(ii) Debt Service = Interest & Lease Payments + Principal Repayments.

(iii) Capital Employed= Networth + Total Debt + Deferred Tax Liability - Net Intangible assets

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C) Trade Receivables ageing schedule:

As at March 31, 2025

(Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables –considered good	71.23	0.94	6.51	-	-	78.68
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	99.68	6.43	106.11
(iii) Undisputed Trade Receivables –credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Unbilled Revenue	-	-	-	-	-	-

As at March 31, 2024

(Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables –considered good	31.32	3.25	0.10	-	-	34.67
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	99.68	6.43	106.11
(iii) Undisputed Trade Receivables –credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Unbilled Revenue	-	-	-	-	-	-

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D) Trade payables Ageing Schedule:

As at 31st March 2025

(Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	23.56	-	-	-	23.56
Total outstanding dues of creditors other than micro enterprises and small enterprises	59.05	0.67	0.17	-	59.89
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	46.81	-	-	-	46.81

As at March 31, 2024

(Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	21.28	-	-	-	21.28
Total outstanding dues of creditors other than micro enterprises and small enterprises	55.67	18.37	-	0.31	74.35
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	46.81	-	-	-	46.81

E) **Other Statutory Information**

(i) The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.

(ii) 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.

(iii) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property

(iv) The Company has not entered into any transaction with companies struck off.

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(v) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(vi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vii) During the year, the Company has not entered into any scheme of arrangements in terms of section 230 to 237 of the Companies Act, 2013 and accordingly, the prescribed disclosures of Schedule III are not required to be given.

(viii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or,

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ix) The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or,

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(x) The Company is not required to spend towards Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013, since there is no average profit in the last 3 years calculated as per the provisions of the Act

37. The previous year figures have been regrouped, rearranged and reclassified wherever necessary to conform to this year's classification.

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

NANGIA & CO. LLP * CHARTERED ACCOUNTANTS * GURUGRAM

Place: Gurugram
Date: May 26, 2025

For and on behalf of the Board of Directors of Sukhsagar Complexes Private Limited

Rajeev Janveja
Director
Din:07334001

Sumant Jaidka
Director
Din:05201572

Kapil Sharma
Chief Financial Officer

Shweta Jain

Shweta Jain
Company Secretary
Mem No.: A22332

Place: New Delhi
Date: May 26, 2025

SUKHSAGAR COMPLEXES PVT. LTD. * NEW DELHI

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ORIOLE DR. FRESH HOTELS PRIVATE LIMITED

Report on the Audit of IND AS Financial Statements

Opinion

We have audited the accompanying IND AS financial statements of **ORIOLE DR. FRESH HOTELS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the IND AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid IND AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the IND AS financial statements under the provisions of the Companies Act, 2013 and the Rules issued there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information other than the Financial Statements and Auditor's Report thereon

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

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

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In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the IND AS financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these IND AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 IND AS financial statements, that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors/Management are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the IND AS financial Statements

Our objectives are to obtain reasonable assurance about whether the IND AS 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 IND AS financial statements.

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

1. Identify and assess the risks of material misstatement of the IND AS 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.

2. Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the IND AS 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.

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

Materiality is the magnitude of misstatements in the interim condensed standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

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Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit we report that:

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

ii. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

iii. The Balance Sheet, the Statement of Profit and Loss (including the Other Comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

iv. In our opinion, the aforesaid IND AS Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act.

v. On the basis of the written representations received from the directors as on 31st March, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

vi. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure II". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

vii. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, according to the explanations given to us, no managerial remuneration has been paid by the Company to its directors during the year, therefore the provisions of the section are not applicable.

viii. 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:

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS financial statements. Refer Note 27 to the financial statements.

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

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

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iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) 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 (a) and (b) above, contain any material misstatement.

v. The company has neither declared dividend nor paid any dividend during the year.

2. 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, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in "Annexure I" a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.

For APAS & CO LLP
CHARTERED ACCOUNTANTS
Firm Regn No. 000340C/C400308

Rajeev Ranjan

(RAJEEV RANJAN)
PARTNER
M No. 535395

PLACE : DELHI
DATED : May 25, 2023
UDIN : 23535395BGTWXY3508

APAS & CO. LLP FRN-000340C/C400308 New Delhi CHARTERED ACCOUNTANTS

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ANNEXURE- I TO THE INDEPENDENT AUDITOR'S REPORT

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

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The company has maintained proper records showing full particulars of intangible assets.

b) The Property, Plant and Equipment have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies were noticed on such verification.

c) According to the information and explanations given by the management, the title deeds of immoveable properties included in property, plant and equipment are held in the name of the Company.

d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

e) Based on audit procedures performed and the representation obtained from the management, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. a) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on physical verification.

b) During the year, the Company has been sanctioned working capital limits in excess of Rs 5 crore by banks based on the security of Current Assets. There are no material variations between the quarterly statement of

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current assets filed during the year with the banks and the books of accounts.

iii. The Company, during the year, has not made investment, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties Therefore, the provisions of clause 3(iii)(a) to 3(iii)(f) of the Order are not applicable.

iv. In our opinion, and according to the information and explanations given to us, The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. To the best of our knowledge and as explained, the central government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act 2013.

vii. a) As per information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other statutory dues with the appropriate authorities. As informed to us there are no outstanding statutory dues in arrears as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) as on the balance sheet date which have not been deposited on account of any dispute.

viii. Based on our audit procedures and on the basis of information and explanations given to us by the management, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

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c) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised.

d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have, prima facie, been used for long-term purposes by the company.

e) The Company does not have any subsidiaries, joint ventures or associate companies and therefore the clause 3(ix)(e) and 3(ix)(f) is not applicable.

x. a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans during the year. Accordingly, the provisions of clause 3(x) of the Order are not applicable to the Company and hence not commented upon.

b) The company has not made preferential allotment/private placement of shares or fully or partly or optionally convertible debentures during the year covered under the provisions of Section 42 and 62 of Companies Act 2013 during the year under review.

xi. a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the company and no material fraud on the Company has been noticed or reported during the year.

b) We report that no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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

xii. The Company is not a Nidhi company and therefore clause 3(xii) of the Order related to such companies is not applicable to the Company.

xiii. All transactions entered during the year with the related party are in compliance with the provisions of sections 188 where applicable and the details with respect to all related party transactions have been disclosed in the Financial Statements as required by applicable accounting standards. Section 177 of the Companies Act, 2013 is not applicable on the Company.

xiv. a) According to the information and explanations given to us, the Company is not required to have an internal audit system under section 138 of the Act. However, the Company has an internal audit system which, in our opinion, is commensurate with the size and nature of its business.



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b) We have considered the internal audit reports of the company issued till date, in determining the nature, timing and extent of our audit procedures.

xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

xvi. a) In our opinion, in view of its business activities, the Company is not required to be registered under Section 45IA of Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year without a valid Certificate of Registration (CoR) from the RBI as per the Reserve Bank of India Act, 1934.

xvii. The company has not incurred cash losses in the financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly clause 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.

xx. The Company is not required to spend any amount on corporate social responsibility under section 135 of the Companies Act. Therefore, the provisions of clause 3(xx) of the Order are not applicable.

xxi. The reporting under clause 3(xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For APAS & CO LLP
CHARTERED ACCOUNTANTS
Firm Regn No. 000340C/C400308

Rajeev Ranjan

PLACE : DELHI
DATED : May 25, 2023
UDIN :23535395BGTWXV3506

APAS & CO. LLP FRN-000340C/C400308 New Delhi CHARTERED ACCOUNTANTS

(RAJEEV RANJAN)
PARTNER
M No. 535395

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ANNEXURE- II TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **ORIOLE DR. FRESH HOTELS PRIVATE LIMITED** ("the Company") as of 31st March 2023 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting with reference to these Standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Standalone Ind AS financial statements, assessing the risk that a material weakness exists, and testing and

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evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 system over financial reporting with reference to these Standalone Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these financial statements

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Standalone Ind AS financial statements and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on "Audit of Internal Financial Controls Over Financial Reporting" issued by the Institute of Chartered Accountants of India.

For APAS & CO LLP
CHARTERED ACCOUNTANTS
Firm Regn No. 000340C/C400308

Rajeev Ranjan

PLACE : DELHI
DATED : May 25, 2023
UDIN : 23535395BGTWAV3506



(RAJEEV RANJAN)
PARTNER
M No. 535395

Oriole Dr. Fresh Hotels Private Limited
Balance Sheet as at March 31, 2023

	Note	March 31, 2023 Rs in lakhs	March 31, 2022 Rs in lakhs
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	4,100.19	4,137.47
(b) Intangible assets	4	0.12	0.27
(c) Financial assets	5		
(i) Other financial assets		146.10	146.02
(e) Non-current tax assets (net)		12.45	10.03
		4,258.86	4,293.79
Current assets			
(a) Inventories	7	15.37	6.94
(b) Financial assets	8		
(i) Trade receivables		98.84	19.81
(ii) Cash and Cash equivalents		82.43	90.74
(c)Other current assets	9	63.10	50.75
		259.74	168.24
Total Assets		4,518.60	4,462.03
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	10	370.00	370.00
(b) Other Equity	11	1,179.25	1,239.59
Total Equity		1,549.25	1,609.59
Liabilities			
Non-current liabilities			
(a) Financial liabilities	12		
(i) Borrowings		2,483.84	2,380.19
(b) Provisions	13	3.59	3.70
		2,487.43	2,383.89
Current liabilities			
(a) Financial liabilities	14		
(i) Borrowings		394.58	397.68
(ii) Trade payables			
- total outstanding dues of micro enterprises and small enterprises		19.02	2.52
- total outstanding dues of creditors other than micro enterprises and		18.16	35.35
(iii) Other Current financial liabilities		35.79	24.89
(b) Other current liabilities	15	10.59	4.74
(c) Provisions	13	3.78	3.37
		481.92	468.55
Total Liabilities		2,969.35	2,852.44
Total Equity and Liabilities		4,518.60	4,462.03
Summary of significant accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For APAS & CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

Rajeev Ranjan
Rajeev Ranjan
Partner
Membership No. 535395

APAS & CO. LLP FRN-000340C/C400308 New Delhi CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Oriole Dr. Fresh Hotels Private Limited

Sameer Singh
Sameer Singh
Additional Director
DIN: 08080489

Rajesh Kumar
Director
DIN: 05251730

Place : New Delhi
Date : May 25, 2023

Oriole Dr. Fresh Hotels Private Limited
Statement of Profit and Loss for the year ended March 31, 2023

	Note	March 31, 2023 Rs in lakhs	March 31, 2022 Rs in lakhs
Revenue from operations	16	**750.98**	303.87
Other income	17	**8.39**	5.05
Total Income		**759.37**	308.92
Expenses			
Cost of food and beverages consumed	18	**53.17**	28.39
Employee benefits expense	19	**152.35**	102.35
Other expenses	20	**326.69**	219.18
Total expenses		**532.21**	349.92
Earnings before interest, tax, depreciation and amortisation (EBITDA)		**227.16**	(41.00)
Finance costs	21	**237.46**	217.74
Depreciation and amortization expense	22	**61.14**	60.50
Finance Income	23	**(10.71)**	(10.43)
Loss before tax		**(60.73)**	(308.81)
Tax expense:			
-Current tax		**-**	-
Loss for the year		**(60.73)**	(308.81)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		**0.39**	0.71
Income tax relating to items that will not be reclassified to profit or loss			
Total Comprehensive Loss for the year		**(60.34)**	(308.10)
Earnings/(loss) per equity share:			
(1) Basic	24	**(1.64)**	(8.35)
(2) Diluted	24	**(1.64)**	(8.35)
Summary of significant accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For APAS & CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

Rajeev Ranjan

Rajeev Ranjan
Partner
Membership No. 535395

For and on behalf of the Board of Directors of
Oriole Dr. Fresh Hotels Private Limited

Sameer Singh

Sameer Singh
Additional Director
DIN: 08080489

Rajesh Kumar
Director
DIN: 05251730

Place : New Delhi
Date : May 25, 2023

Oriole Dr. Fresh Hotels Private Limited
Statement of Changes in Equity for the year ended March 31, 2023

A. Equity Share Capital

Equity shares of INR 10 each issued, subscribed and fully paid	**No. of shares**	**Amount (Rs in lakhs)**
At April 1, 2021	**3,700,000**	**370.00**
Issue of share capital	-	-
At March 31, 2022	**3,700,000**	**370.00**
Issue of share capital	-	-
At March 31, 2023	**3,700,000**	**370.00**

B. Other Equity
For the year ended September 30, 2022

Rs in lakhs

	Reserves and Surplus			
	Capital reserve	**Securities Premium**	**Retained Earnings**	**Other equity**
Balance at April 1, 2021	153.10	2,273.95	(879.36)	**1,547.69**
Total Comprehensive Income for the year	-	-	(308.10)	**(308.10)**
Balance at March 31, 2022	153.10	2,273.95	(1,187.46)	**1,239.59**
Total Comprehensive Income for the year	-	-	(60.34)	**(60.34)**
Balance at March 31, 2023	**153.10**	**2,273.95**	**(1,247.80)**	**1,179.25**

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For APAS & CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

Rajeev Ranjan
Partner
Membership No. 535395

For and on behalf of the Board of Directors of
Oriole Dr. Fresh Hotels Private Limited

Sameer Singh
Additional Director
DIN: 08080489

Rajesh Kumar
Director
DIN: 05251730

Place : New Delhi
Date : May 25, 2023

Oriole Dr. Fresh Hotels Private Limited
Cash flow statement for the year ended March 31, 2023

	For the year ended March 31, 2023 (Rs in lakhs)	For the year ended March 31, 2022 (Rs in lakhs)
A. Cash flow from operating activities		
Loss before tax	**(60.73)**	(308.81)
Non-cash adjustments to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortisation expenses	**61.14**	60.50
Finance income (including fair value change in financial instruments)	**(10.71)**	(10.43)
Finance costs (including fair value change in financial instruments)	**233.45**	214.31
Provision for gratuity	**0.01**	(0.04)
Provision for leave encashment	**0.69**	0.16
Excess provision/ credit balances written back	**0.19**	1.17
Provision for doubtful debts	**0.46**	(0.99)
Operating profit before working capital changes:	**224.50**	(44.13)
Movements in working capital:		
Change in trade receivables	**(79.49)**	13.69
Change in loans and advances and other current assets	**(12.42)**	(50.47)
Change in inventories	**(8.44)**	(0.54)
Change in liabilities and provisions	**15.86**	(37.75)
Cash (used in)/generated from Operations	**140.01**	(119.20)
Direct taxes paid (net of refunds)	**(2.42)**	21.16
Net cash (used in)/ flow from operating activities (A)	**137.59**	(98.04)
B. Cash flows from investing activities		
Purchase of Property, plant and equipment	**(23.71)**	(4.85)
Interest received	**10.71**	10.43
Net Cash flows from investing activities (B)	**(13.00)**	5.58
C Cash flows from/(used in) financing activities		
Proceeds/(Repayment) of long term borrowings	**100.55**	257.70
Interest paid	**(233.45)**	(214.31)
Net Cash from/(used in) financing activities (C)	**(132.90)**	43.39
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**(8.31)**	(49.07)
Cash and cash equivalents at the beginning of the year	**90.74**	139.81
Cash and cash equivalents at the end of the year	**82.43**	90.74
Components of cash and cash equivalents		
Cash on Hand	**10.42**	9.92
Balances with Scheduled Banks in		
- Current accounts	**72.01**	80.82
Total cash and cash equivalents	**82.43**	90.74

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For APAS & CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

Rajeev Ranjan

Rajeev Ranjan
Partner
Membership No. 535395

APAS & CO. LLP FRN-000340C/C400308 New Delhi CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Oriole Dr. Fresh Hotels Private Limited

Sameer Singh

Sameer Singh
Additional Director
DIN: 08080489

Rajesh Kumar
Director
DIN: 05251730

Place : New Delhi
Date : May 25, 2023

1. Corporate Information

Oriole Dr. Fresh Hotels Private Limited (the Company) is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at Asset No. 6, Aerocity Hospitality District, New Delhi 110037.

The principal activities of the Companyis to carry out business of developing, owning, acquiring, renovating and promoting hotels, motels, resorts, restaurants, etc. under the brand name of Red Fox Hotel.

The financial statements are approved for issue by the Board of directors on May25, 2023.

2 Basis of preparation of financial statements and Significant accounting policies

2.1 Basis of preparation and Compliance with Ind AS

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), and the provisions of the Companies Act ,2013 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities which are measured at fair value/ amortised cost (refer note 29)

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing account standard required a change to the accounting policy hitherto to in use.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, expect where otherwise indicated.

2.2 Significant accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

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The Company classifies all other liabilities as non-current.

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

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

(b) Foreign currencies

Functional and presentation currency

The Company's financial statements are presented in INR, which is also the Company's functional currency. Presentation currency is the currency in which the company's financial statements are presented. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash. All the financial information presented in Indian Rupees (INR) has been rounded to the nearest of lakhs rupees, except where otherwise stated.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

(c) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

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

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

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



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

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

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

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

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

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

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value. External valuers are involved for valuation of significant assetsand liabilities. The management selects external valuer on various criteria such as market Knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussion with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 25)
- Contingent consideration (note 27)
- Quantitative disclosures of fair value measurement hierarchy (note 29)



- Financial instruments (including those carried at amortised cost) (note 29)

(d) Revenue recognition

The standard is applied only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated - i.e. the comparative information continues to be reported under previous standards on revenue i.e. Ind AS 18 and Ind AS 11. There was no impact on adoption of Ind AS 115 to the financial statements of the Company.

In arrangements for room revenue and related services, the Company has applied the guidance in Ind AS 115 for recognition of Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering room revenue and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognized.

Sales Tax/ Value Added Tax (VAT)/Goods and Service Tax(GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Rooms, Restaurant, Banquets and Other Services

Income from guest accommodation is recognized on a day to day basis after the guest checks into the Hotels and are stated net of allowances. Incomes from other services are recognized as and when services are rendered. Sales are stated exclusive of Service Tax, Value Added Taxes (VAT), Goods and Service Tax(GST)and Luxury Tax. Differenceof revenue over the billed as at theyear-end is carried in financial statement as unbilled revenue separately.

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, sale of food and beverage are recognized at the points of serving these items to the guests. Sales are stated exclusive of Sales Tax / VAT/ Goods and Service Tax (GST).

Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period,

where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the income statement.



Dividends

Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(e) Taxes

Tax expense represents Current income tax and Deferred tax.

Current income tax

The tax currently payable is based on taxable profit for the period/year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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

which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries,



associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

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

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.
Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date.

If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

Sales/ Value Added Taxes/Goods& Service Tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:
- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

(f) Property, plant and equipment

Property, Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. Freehold land is not depreciated.

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When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on fixed assets is provided as per Schedule II of Companies Act, 2013 on Straight Line Method over its economic useful life of fixed assets as follows:

Fixed Assets	Useful life considered
Plant & Machinery	15 Year
Building	60 Years
Electrical equipments and fittings	10 Years
Office Equipments	5 Years
Furniture and Fixtures	8 Years
Crockery, cutlery and soft furnishings	3 Years
Commercial Vehicles	6 Years
Private Vehicles	8 Years
Computers	3 Years

The Company, based on management estimates, depreciates certain items of building, plant and equipment over estimated useful lives which are lower than the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end, and adjusted prospectively if appropriate.

(g) Intangible assets

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

The useful lives of intangible assets are assessed as 3 years and the same shall be amortised on Straight line basis over its useful life.

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 income statement when the asset is derecognized.

(h) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes)Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Company depreciates building component of investment property over the remaining estimated useful life on the date of purchase after considering total economic useful life of 60 years.

Though the Company measures investment property using deemed cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

(i) Borrowing costs

Borrowing cost includes interest expense as per Effective Interest Rate (EIR).

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset until such time that the assets are substantially ready for their intended use. Where funds are borrowed specifically to finance aproject, the amount

capitalised represents the actualborrowing costs incurred. Where surplus funds areavailableout of money borrowed specifically to financea project, the income generated from such currentinvestments is deducted from the total capitalizedborrowing cost. Where the funds used to finance aproject form part of general borrowings, the amountcapitalised is calculated using a weighted average ofrates applicable to relevant general borrowings of theCompany during theyear. Capitalisation of borrowingcosts is suspended and charged to profit and loss duringthe extended periods when the active development onthe qualifying assets is interrupted.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expectedlife of the financial liability or a shorter period, whereappropriate, to the amortised cost of a financialliability after considering all the contractual terms of the financial instrument.

(j) Inventories

Stock of food & beverages, stores and operating supplies are valued at lower of cost and net realisable Value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a first in first out basis.Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make sale.

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(k) Impairment of non-financial assets

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

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(l) Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a

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separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent Assets/ Liabilities

Contingent assets are not recognised. However, when realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

Contingent liabilities are disclosed in notes to accounts when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(m) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service

received before the balance sheet date exceeds the contribution already paid, the deficit payable to 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, for example, a reduction in future payment or a cash refund.

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Retirement benefit in the form of gratuity is a defined benefit scheme. Gratuity liability of employees is accounted for on the basis of actuarial valuation on projected unit credit method at the close of the year. Company's contribution made to Life Insurance Corporation is expenses off at the time of payment of premium.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to

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retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.The Company recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Retirement benefits in the form of Superannuation Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

The company treats leaves expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

(n) 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.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits

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to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- Equity instruments in subsidiaries carried at cost

Debt instruments at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortisedcost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivable etc. For more information on receivables, refer to Note 8.

Debt instrument at FVTOCI

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets

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amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity instruments

All equity investments (other than equity investments in subsidiaries) in scope of Ind AS 109 are measured at fair value. Equity instruments in subsidiaries are carried at cost in financial statements less impairments if any. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Financial assets that are debt instruments and are measured as at FVTOCI
c) Trade receivables or any contractual right to receive cash or another financial asset

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.



Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:
Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial



instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

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

Financial liabilities at amortised cost

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

This category generally applies to borrowings. For more information refer Note 12& 14.

Financial guarantee

Financial guarantees issued by the Company on behalf of group companies are designated as 'Insurance Contracts'. The Company assess at the end of each reporting period whether its recognised insurance liabilities (if any) are adequate, using current estimates of future cash flows under its insurance contracts. If that assessment shows that the carrying amount of its insurance liabilities is inadequate in the light of the estimated future cash flows, the entire deficiency is recognised in profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.



(o) Redeemable preference shares

Redeemable preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

(p) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and 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.

(q) Measurement of EBITDA

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



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Notes to financial statements for the year ended March 31, 2023

3 Property, plant and equipment

Rs in lakhs

Particulars	Freehold land	Building on freehold land	Plant and Machinery	Electrical fittings	Electrical equipments	Office equipments	Furniture and Fixtures	Computers	Vehicles	Total
Cost										
At April 1, 2021	2,189.39	2,072.69	282.04	98.07	37.90	1.97	61.17	4.67	6.13	4,754.03
Additions	-	-	-	3.24	1.61	-	-	-	-	4.85
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2022	**2,189.39**	**2,072.69**	**282.04**	**101.31**	**39.51**	**1.97**	**61.17**	**4.67**	**6.13**	**4,758.88**
Additions	-	-	8.12	-	13.11	-	-	2.48	-	23.71
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2023	**2,189.39**	**2,072.69**	**290.16**	**101.31**	**52.62**	**1.97**	**61.17**	**7.15**	**6.13**	**4,782.59**
Depreciation										
At April 1, 2021	-	221.99	157.50	88.25	29.79	1.97	54.28	3.78	3.83	561.39
Charge for the year	-	35.80	21.69	0.02	0.98	-	0.85	0.15	0.53	60.02
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2022	**-**	**257.79**	**179.19**	**88.27**	**30.77**	**1.97**	**55.13**	**3.93**	**4.36**	**621.41**
Charge for the year	-	35.80	21.95	0.02	1.54	-	0.82	0.33	0.53	60.99
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2023	**-**	**293.59**	**201.14**	**88.29**	**32.31**	**1.97**	**55.95**	**4.26**	**4.89**	**682.40**
Net Book value										
At March 31, 2023	2,189.39	1,779.10	89.02	13.02	20.31	-	5.22	2.89	1.24	4,100.19
At March 31, 2022	2,189.39	1,814.90	102.85	13.04	8.75	-	6.04	0.74	1.77	4,137.47

a) Certain property, plant and equipment are mortgaged as collateral against borrowings, the details related to which have been described in footnote to note 16 on 'borrowings'.
b) Refer Note 25 for critical judgements, estimates and assumptions.
c) The Property, Plant & Equipment are valued at cost.The company has not used registered valuer for fair valuation/revaluation.

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4 Intangible Assets *Rs in lakhs*

The intangible are assets are valued at cost. The company has not used registered valuer for faur valuation/revaulation.

Particulars	Software	Total
Cost		
At April 1, 2021	4.75	4.75
Additions	-	-
Disposals	-	-
At March 31, 2022	**4.75**	**4.75**
Additions	-	-
Disposals	-	-
At March 31, 2023	**4.75**	**4.75**
Amortisation		
At April 1, 2021	4.00	4.00
Amortisation	0.48	0.48
Disposals	-	-
At March 31, 2022	**4.48**	**4.48**
Amortisation	0.15	0.15
Disposals	-	-
At March 31, 2023	**4.63**	**4.63**
Net Block		
At March 31, 2023	**0.12**	**0.12**
At March 31, 2022	0.27	0.27



5	**Financial assets**	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(ii)	**Other financial assets**		
	Security Deposit	**10.98**	10.80
	Other bank balances	**135.12**	135.22
		146.10	146.02

6	**Deferred tax assets (net)**	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
	Property, plant & equipment	**308.73**	302.28
	Deferred tax liability	**308.73**	302.28
	Impact of expenditure charged to the statement of profit and loss in the current/ earlier period but allowable for tax purposes on payment basis	**2.97**	1.43
	Provision for doubtful debts and advances	**1.72**	1.48
	Effect of unabsorbed depreciation and business loss	**276.20**	269.74
	Interest on borrowings	**25.93**	27.80
	Provision for gratuity	**1.27**	1.37
	Provision for leave compensation	**0.64**	0.46
	Deferred tax assets	**308.73**	302.28
	Deferred tax assets (net)	**-**	-

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for period/year March 31, 2023 and March 31, 2022:

	March 31, 2023	March 31, 2022
Profit/(loss) before tax	**(60.73)**	(248.79)
Tax rate	**26.00%**	26.00%
Tax at statutory income tax rate	**(15.79)**	(64.69)
Effect of incomes taxable at nil/lower/MAT rate	**15.79**	64.69
Net	**-**	-

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7 Inventories **(valued at lower of cost and net realisable value, unless otherwise stated)**	**As at March 31, 2023 Rs in lakhs**	As at March 31, 2022 Rs in lakhs
Food and beverages (excluding liquor and wine)	**4.59**	1.18
Stores, cutlery, crockery, linen, provisions and others (valued at cost)	**10.78**	5.76
Total	**15.37**	6.94

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8 Financial assets

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(i) Trade receivables		
Trade receivables*	98.84	19.81
*read with note 34(c)		
Break-up for security details:		
Trade receivables		
Unsecured, considered good	98.99	19.94
Trade Receivables which have significant increase in credit risk	3.25	2.78
	102.23	22.72
Impairment Allowance (allowance for bad and doubtful debts)		
Unsecured, considered good	0.14	0.12
Trade Receivables which have significant increase in credit risk	3.25	2.78
	3.39	2.91
Total	98.84	19.81

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(ii) Cash and cash equivalents		
Balance with banks		
On current & cash credit accounts	72.01	80.82
Cash on hand	10.42	9.92
	82.43	90.74

At March 31, 2022, the Company had available Nil balance (March 31, 2022: Rs. 674 lakhs) of undrawn committed borrowing facilities.

Break up of current financial assets carried at amortised cost

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Trade receivables	98.87	19.81
Cash and cash equivalents	82.43	90.74
Total current financial assets carried at amortised cost	181.30	110.55

9 Other current assets

	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
Advances recoverable in cash or kind	0.08	1.99
Balance with statutory/ government authorities	27.16	26.97
Interest accrued on deposits with banks	22.55	13.22
Prepaid Expenses	13.31	8.57
Total	63.10	50.75

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10 Equity Share capital

Authorised Share Capital

	Equity shares	
	No. of shares	Rs in lakhs
At April 1, 2021	3,740,000	374.00
Increase/(decrease) during the year	-	-
At March 31, 2022	3,740,000	374.00
Increase/(decrease) during the year	-	-
At March 31, 2023	3,740,000	374.00

Terms/rights attached to equity shares

The company has only one class of equity shares having face value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders 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.

Issued equity capital*

Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	Rs in lakhs
At April 1, 2021	3,700,000	370.00
Increase/(decrease) during the year	-	-
At March 31, 2022	3,700,000	370.00
Increase/(decrease) during the year	-	-
At March 31, 2023	3,700,000	370.00

*read with note 34(a)

Shares held by holding company

	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Rs in lakhs	No. of shares	Rs in lakhs
Equity shares of Re. 10 each fully paid up				
Lemon Tree Hotels Limited	3,700,000	370.00	3,700,000	370.00

Details of shareholders holding more than 5% shares in the company

	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% held	No. of shares	% held
Equity shares of Re. 10 each fully paid up				
Lemon Tree Hotels Limited	3,700,000	100.00%	3,700,000	100.00%

The Company has not issued Bonus Share, Share for consideration other than Cash and has not bought back shares during the period of five years immediately preceding the reporting date.

11 Other equity

Securities Premium Reserve

	Rs in lakhs
At April 1, 2021	2,273.95
Increase/(decrease) during the year	-
At March 31, 2022	2,273.95
Increase/(decrease) during the year	-
At March 31, 2023	2,273.95

Retained Earnings

	Rs in lakhs
At April 1, 2021	(879.36)
Profit/(loss) for the year	(308.10)
At March 31, 2022	(1,187.46)
Profit/(loss) for the year	(60.34)
At March 31, 2023	(1,247.80)

Capital Reserve (Equity Component of Reedemable Preference shares)

	Rs in lakhs
At April 1, 2021	153.10
Increase/(decrease) during the year	-
At March 31, 2022	153.10
Increase/(decrease) during the year	-
At March 31, 2023	153.10

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Other reserves		
Securities Premium Reserve	2,273.95	2,273.95
Retained Earnings	(1,247.80)	(1,187.46)
Capital Reserve (Equity Component of Reedemable Preference shares)	153.10	153.10
	1,179.25	1,239.59

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12 Financial liabilities

(i) Borrowings

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Non-current borrowings		
Term Loans		
Indian rupee loans from Banks (Secured)		
Yes Bank Limited (Refer note 1 and 2 below)	2,483.84	2,380.19
Total non-current borrowings	2,483.84	2,380.19
Current borrowings		
Term Loans		
Current maturity of long term loans		
Yes Bank Limited (Refer note 1 and 2 below)	291.81	228.68
Total current borrowings	291.81	229.51
Less: Amount clubbed under "current borrowings"	(291.81)	(229.51)
Net current borrowings	-	-

Term loans

1. Rupee Term loan of Rs. 2,500 lakhs from Yes Bank Ltd, the loan is repayable in 48 structured installments including 12 months of moratorium period from the first date of disbursement, carrying interest rate of 9.35% p.a. (March 31, 2022: 8.15%). It is secured by:

a) First charge on all present and future immoveable fixed assets of Red Fox Hotel, Kundli New Delhi.
b) First charge on all moveable fixed assets and current assets both present and future of Red Fox Hotel, Kundli New Delhi.
c) Escrow of all receivables of project including security deposits.
d) Corporate guarantee of Lemon Tree Hotels Limited.
e) DSRA equivalent to three months interest and one quarter principal to be created in case of any over dues beyond 30 days in the form of fixed deposits duly lien marked in favour of YBL.
* Minimum security cover of 1.5x on immoveable and moveable fixed assets of the project.

2. Rupee Credit line of Rs. 960 lakhs from Yes Bank Ltd, The loan is repayable 36/48 monthly installment after a moratorium period of 12/24 months from the date of first disbursement, carrying interest rate of 9.25% p.a. (March 31, 2022: 8.82%). The loan is secured by:

1). Second Charge on all movable fixed assets and current assets (both present and future) (including Escrow Account opened with YBL) of the Borrower;
2) Escrow of all receivables of the Hotel including security deposits to remain valid during the tenor of YBL Loan facilities sanctioned to the Borrower.

3. The Company has not defaulted in the repayment of loans and interest at Balance Sheet date.
4. Bank loans availed by the Company are subject to certain covenants relating to interest coverage ratio, debt service coverage ratio, capital gearing ratio, fixed assets coverage ratio.
5. The Company has complied significant covenants from bank and financial institutions as per the terms of the loan agreement.

6. The company has used borrowings from banks/financial institutions for the specific purpose for which it was taken.

7. Basis on several terms and conditions as specefied in sanction letters, the company submits quarterly returns/statements of current assets with banks/ financial institution and these returns/statements are in agreement with the books of accounts.

13 Provisions

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Provision for gratuity	4.90	5.28
	4.90	5.28
Current	1.31	1.58
Non-current	3.59	3.70

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Provision for leave benefits	2.47	1.79
Current	2.47	1.79
Non-current	-	-
Total current	3.78	3.37
Total non-current	3.59	3.70

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14 Financial liabilities

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(i) Current borrowings		
0% loan from Lemon Tree Hotels Limited repayable on demand	**102.77**	169.00
Current maturities of long-term borrowings (refer note 12)	**291.81**	228.68
	394.58	397.68
(ii) Trade payables		
Trade Payables*		
-Micro and small enterprises	**19.02**	2.52
-Other than Micro and small enterprises	**18.16**	35.35
*read with note 34(d)		
	37.18	37.87
Trade payables	**29.87**	29.28
Trade payables to related parties	**7.31**	8.59
	37.18	37.87

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(iii) Other Current financial liabilities		
Outstanding dues of other creditors	**35.79**	24.89
	35.79	24.89

15 Other current liabilities

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Advance from customers	**3.21**	2.19
Statutory Dues	**7.38**	2.55
	10.59	4.74

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16 Revenue from operations	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Revenue from operations		
Sale of products and services		
- Room rental	672.99	270.58
- Food and beverage (excluding liquor and wine)	45.77	20.73
- Telephone and telex	0.05	0.01
- Other Services	32.17	12.55
Revenue from operations	750.98	303.87

17 Other income	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Profit on sale of fixed assets	3.01	-
Rental income	3.48	3.48
Excess provision/ credit balances written back	0.19	1.17
Miscellaneous income	1.71	0.40
	8.39	5.05

18 Cost of food and beverages consumed	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
(a) Consumption of food & beverages excluding liquor & wine		
Inventory at the beginning of the year	1.18	1.54
Add: Purchases	56.58	28.03
	57.76	29.57
Less: Inventory at the end of the year	4.59	1.18
Cost of food and beverage consumed	53.17	28.39

19 Employee benefit expense	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Salaries, wages and bonus	130.75	86.01
Contribution to provident fund and other funds	12.31	9.05
Gratuity expense	0.90	1.13
Leave compensation expenses	0.84	0.34
Staff welfare expenses	7.55	5.82
	152.35	102.35

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20 Other expenses	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Consumption of stores, cutlery, crockery, linen, provisions and	17.96	12.08
Power and fuel	125.09	97.46
Linen & uniform washing and laundry expenses	0.48	0.51
Guest transportation	33.61	6.96
Cable TV expenses	2.48	2.58
Repair and maintenance		
- Buildings	6.65	0.52
- Plant and machinery	23.17	12.51
- Others	7.15	4.18
Rates and taxes	20.32	20.67
Insurance	2.45	2.64
Communication costs	5.47	4.50
Printing and stationery	2.00	1.11
Traveling and conveyance	0.45	1.60
Advertising and sales promotion	0.49	0.00
Electronic Distribution	0.41	0.37
Management & incentive fees	14.58	11.89
Commission -other than sole selling agent	27.28	11.80
Security and cleaning expenses	23.41	17.03
Membership and subscriptions	0.79	0.91
Legal and professional fees	7.36	7.39
Provision for doubtful debt, loans, advances	0.46	0.18
Payment to auditors	0.70	0.70
Miscellaneous expenses	3.93	1.59
	326.69	219.18
Payment to auditor		
As audit fees	0.70	0.70
	0.70	0.70

21 Finance costs	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Interest		
- on term loans from banks	233.45	214.27
- on others	-	0.04
Bank charges (including commission on credit card collection)	4.01	3.43
	237.46	217.74

22 Depreciation and amortization expense	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Depreciation of tangible assets	60.99	60.02
Amortization of intangible assets	0.15	0.48
	61.14	60.50

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23 Finance income	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Interest Income on :		
-Bank Deposits	**10.38**	7.86
-Others	**0.33**	2.57
	10.71	10.43

24 Earnings per share (Basic And Diluted)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.
Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) 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.
The following reflects the income and share data used in the basic and diluted EPS computations:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit/(loss) attributable to equity holders (for basic and dilutec	**(60.73)**	(308.10)
Weighted Average Number of Equity Shares (for basic and dil	**3,700,000**	3,700,000
Basic & Diluted EPS	**(1.64)**	(8.35)

* The weighted average number of shares takes into account the weighted average effect of changes in share transactions during the year. There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.

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25. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Impairment of property, plant and equipment

Each hotel property is an identifiable asset that generates cash inflows and is independent of the cash inflows of the other hotel properties, hence identified as cash generating units. The Company assesses the carrying amount of hotel properties (CGU) to determine whether there is any indication that those assets have suffered an impairment loss. Where the carrying amount of CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. An impairment loss (if any) is recognised in the statement of profit and loss.

While assessing the recoverable amount, the Company used the discounted cash flow approach including various significant estimates and assumptions such as forecast of future revenue, operating margins, growth rate and selection of the discount rates. The key assumptions used for the calculations are as follows:

Particulars	As at March 31, 2023
Discount Rate *(pre tax rate of WACC)*	12.50%
Long Term Growth Rate	5.50%

As at March 31, 2023, the estimated recoverable amount of the CGU exceeded its carrying amount.

b) Loss Allowance on trade receivables

An impairment analysis of trade receivables is performed at each reporting period based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates. Basis this assessment, the allowance for doubtful trade receivables as at March 31, 2023 is considered adequate.

c) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

26. Gratuity and other post-employment benefit plans

Rs in lakhs

March 31, 2023	March 31, 2022

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Gratuity plan	**4.90**	5.28
Total	**4.90**	5.28

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.The Company makes provision of such gratuity asset/ liability in the books of accounts on the basis of actuarial valuation as per the Projected unit credit method.



Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2023:

Rs in lakhs

	Gratuity cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income							
	April 1, 2022	**Service cost**	**Net interest expense**	**Sub-total included in profit or loss**	**Benefits paid**	**Return on plan assets (excluding amounts included in net interest expense)**	**Actuarial changes arising from changes in demographic assumptions**	**Actuarial changes arising from changes in financial assumption**	**Experience adjustments**	**Sub-total included in OCI**	**Contributions by employer**	**March 31, 2023**
Defined benefit obligation	5.28	0.58	0.32	0.90	(0.89)	-	-	(0.18)	(0.21)	(0.39)	-	4.90
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**5.28**	**0.58**	**0.32**	**0.90**	**(0.89)**	**-**	**-**	**(0.18)**	**(0.21)**	**(0.39)**	**-**	**4.90**

Changes in the defined benefit obligation and fair value ofplan assets as at March 31, 2022:

Rs in lakhs

	Gratuity cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income							
	April 1, 2021	**Service cost**	**Net interest expense**	**Sub-total included in profit or loss**	**Benefits paid**	**Return on plan assets (excluding amounts included in net interest expense)**	**Actuarial changes arising from changes in demographic assumptions**	**Actuarial changes arising from changes in financial assumption**	**Experience adjustments**	**Sub-total included in OCI**	**Contributions by employer**	**March 31, 2022**
Defined benefit obligation	6.04	0.60	0.34	0.94	(0.99)	-	-	(0.07)	(0.65)	(0.71)	-	5.28
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**6.04**	**0.60**	**0.34**	**0.94**	**(0.99)**	**-**	**-**	**(0.07)**	**(0.65)**	**(0.71)**	**-**	**5.28**

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The major categories of plan assets of the fair value of the total plan assets are as follows:

	March 31, 2023	March 31, 2022
Unquoted investments:		
Asset invested in insurance scheme with the LIC	-	-
Total	-	-

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

	March 31, 2023	March 31, 2022
Discount rate:	%	%
Pension plan	**7.20%**	**6.00%**
Future salary increases:		
Pension plan	**5.00%**	**5.00%**
Life expectation for pensioners at the age of 65:	**Years**	**Years**
Pension plan		
Male	**60**	**60**
Female	**60**	**60**

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

India gratuity plan:

	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.14)	0.15	0.15	(0.15)

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

	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.16)	0.17	0.17	(0.16)

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



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

Duration (Years)	For the year ended March 31, 2023	For the year ended March 31, 2022
1	**1.36**	1.43
2	**1.10**	1.11
3	**0.86**	0.89
4	**0.65**	0.69
5	**0.54**	0.60
Above 5	**1.78**	1.77
Total expected payments	**6.29**	6.50

The average duration of the defined benefit plan obligation at the end of the reporting period is 5 years (March 31, 2022: 4 years).

27. Commitments and contingencies

Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:

At March 31, 2023, the Company had Nil commitments (March 31, 2022: Rs Nil)

Contingent liabilities

Claims against the Company not acknowledged as debts

		March 31, 2023 (Rs. In Lakhs)	March 31, 2022 (Rs. In Lakhs)
i.	Counter guarantees issued in respect of guarantees issued by company's bankers (Net)	**114.20**	118.40

ii. Company filed an arbitration petition (arbitration petition No. 160/2012), against the Delhi Developmental Authority (the "DDA") seeking quashing of invocation of a bank guarantee amounting to Rs 102.80 lakhs by DDA, recovery of Rs 25 lakhs as compensation alleging harassment and mental agony, recovery of Rs 10 lakhs towards cost of proceedings, and interest at the rate of 18% on blocked amount from December 28, 2010 till the date of return of pay order. This dispute pertains to an agreement for construction of a hotel by the subsidiary in Kondli, Delhi, entered into with DDA, as a successful bidder in an auction process conducted for this purpose. As per such agreement the subsidiary was required to provide a bank guarantee of Rs 102.80lakhs as performance security. The DDA allegedly sought to encash the bank guarantee on December 21, 2011 on grounds of non-performance of contractual obligations by the subsidiary. Consequently, on March 12, 2012 Oriole sent a notice of commencement of arbitration to DDA and on May 31, 2012, the subsidiary obtained an injunction (OMP No. 1/2012) from the High Court of Delhi restraining DDA and Axis Bank Limited from proceeding with the encashment of the bank guarantee



until the completion of the arbitration proceedings. An arbitral tribunal was constituted on September 28, 2012 and an arbitration award has been passed on December 06, 2022 against which an objection petition has been filed by the DDA before the High Court of Delhi. Notice is yet not issued. The proceedings are in progress and the management based upon its assessment and expert's advice believes, that any further liability against the aforesaid demand is improbable to crystallize.

28. Related Party Transactions

a) Names of related parties where control exists irrespective of whether transactions have occurred or not,

Holding Company	-Lemon Tree Hotels Limited
Fellow subsidiary companies	- Fleur Hotels Private Limited -Canary Hotels Private Limited - Sukhsagar Complexes Private Limited
Enterprise in which holding company has significant influence	- Mind Leaders Learning India Private Limited
Key Management Personnel	- Ms. Natasha Yashpal(Director) (till November 14, 2022) - -Mr Sameer Singh (Additional Director) (w.e.f. November 14, 2022) - Mr. Rajesh Kumar(Director)

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

(Rs in lakhs)

Transactions with Related Party	Year Ended	Holding Company	Fellow Subsidiary	Enterprise in which holding company has significant influence
Reimbursement of expenses incurred on company's behalf				
Lemon Tree Hotels Limited	31-Mar-23	**1.51**	-	-
	31-Mar-22	0.23	-	-
Loan Taken				
Lemon Tree Hotels Limited	31-Mar-23	**221.55**	-	-
	31-Mar-22	219.00	-	-



Transactions with Related Party	Year Ended	Holding Company	Fellow Subsidiary	Enterprise in which holding company has significant influence
Loan Repayment				
Lemon Tree Hotels Limited	31-Mar-23	**287.78**	-	-
	31-Mar-22	118.00	-	-
Management Fees Paid (Cross Charge)				
Lemon Tree Hotels Limited	31-Mar-23	**13.07**	-	-
	31-Mar-22	11.89	-	-
Amount Received on behalf of the party				
Canary Hotels Private Limited	31-Mar-23	-	**0.24**	-
	31-Mar-22	-	0.21	-
Sukhsagar Complexes Private Limited	31-Mar-23	-	**1.35**	-
	31-Mar-22	-	-	-
Fleur Hotels Private Limited	31-Mar-23	-	**0.25**	-
	31-Mar-22	-	0.51	-
Amount Paid				
Lemon Tree Hotels Limited	31-Mar-23		-	-
	31-Mar-22	0.18	-	-
Balances outstanding at the year end- (Credit)/ Debit				
Lemon Tree Hotels Limited	31-Mar-23	**110.08**	-	-
	31-Mar-22	177.59	-	-
Mind Leaders Learning India Private Limited	31-Mar-23	-	-	
	31-Mar-22	-	-	0.64
Guarantees given for Loan Taken By				
Lemon Tree Hotels Limited	31-Mar-23	**2,500.00**	-	-
	31-Mar-22	2,500.00	-	-



29. Fair value Measurement

This section gives an overview of the significance of financial instruments for the company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument

a. Financial Assets

Rs in lakhs

	March 31, 2023		March 31, 2022	
	FVTPL	**Amortised Cost**	FVTPL	Amortised Cost
Financial Assets				
Trade Receivables	-	**98.84**	-	19.81
Security Deposits (non-current)	-	**10.98**	-	10.80
Other bank balances	-	**135.12**	-	135.22
Cash and Cash Equivalents	-	**82.43**	-	90.74
Total Financial Assets	-	**327.37**	-	256.57

b. Financial Liabilities

Rs in lakhs

	March 31, 2023		March 31, 2022	
	FVTPL	**Amortised Cost**	FVTPL	Amortised Cost
Borrowings (Non-current)	-	**2,483.84**	-	2,380.19
Borrowings (Current)		**394.58**		397.68
Trade Payables	-	**37.18**	-	37.87
Other Current Financial Liabilities	-	**35.79**	-	24.89
Total Financial Liabilities	-	**2,951.39**	-	2,840.63



c. Fair value measurement hierarchy for assets and liabilities

Fair value measurement

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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

i) Level 1

Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

ii) Level 2

Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

iii) Level 3

Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

Financial assets and liabilities measured at fair value

	March 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets	-	-	-	-
Investment in Mutual Funds	-	-	-	-

	March 31, 2022			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets	-	-	-	-
Investment in Mutual Funds	-	-	-	-

The management assessed that fair values of cash and cash equivalents, trade receivables, trade payables, bank overdrafts, bank deposits with banks, other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of loans, security deposits, borrowings and other financial assets and liabilities are considered to be the same as their fair values, as there is an immaterial change in the lending rates.

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30. Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings, deposits and payables/receivables in foreign currencies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

Rs in lakhs

	March 31, 2023	March 31, 2022
Variable rate borrowings	**2,775.66**	2,608.87
Fixed rate borrowings	**102.76**	-

Interest rate sensitivity

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

		Increase/decrease in basis points	**Effect on profit before tax**
			Rs in lakhs
31-March-23			
Rs.		50	13.46
Rs.		-50	(13.46)
31-March-22			
Rs.		50	13.04
Rs.		-50	(13.04)

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Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has no exposure in foreign currency.

Credit risk

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

(a) Trade receivables

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.
An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 8. The Company does not hold collateral as security.

Rs in lakhs

Ageing	March 31, 2023	March 31, 2022
Not due		-
0-60 days past due	79.42	16.52
61-120 days past due	11.63	1.33
121-180 days past due	5.85	0.39
180-365 days past due	1.94	1.57
365-730 days past due		-
more than 730 days		-

Provision for doubtful debts (including provision for expected credit loss)

Rs in lakhs

Ageing	March 31, 2023	March 31, 2022
Not due		-
0-60 days past due	-	-
61-120 days past due	0.03	-
121-180 days past due	0.19	-
180-365 days past due	0.26	0.09
more than 365 days	2.91	2.82

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Reconciliation of provision for doubtful debts – Trade receivables (including provision for expected credit loss)

Rs in lakhs

Particulars	March 31,2023	March 31,2022
Provision at beginning	**2.91**	3.90
Addition during the year	0.48	-
Reversal during the year	-	0.99
Utilised during the year	-	-
Provision at closing	**3.39**	2.91

Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows.TheCompany's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

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

Rs in lakhs

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2023						
Borrowings	102.77	55.18	236.63	1,666.37	829.55	2,890.50
Trade and other payables	37.18	-	-	-	-	37.18
Financial Liabilities	35.79	-	-	-	-	35.79
	175.74	**55.18**	**236.63**	**1,666.37**	**829.55**	**2,963.47**
Year ended March 31, 2022						
Borrowings	169.00	32.75	195.94	1,236.19	1,160.54	2,794.42
Trade and other payables	37.87	-	-	-	-	37.87
Financial Liabilities	24.89	-	-	-	-	24.89
	231.76	**32.75**	**195.94**	**1,236.19**	**1,160.54**	**2,857.18**

31. Capital management

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



The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

	March 31, 2023	March 31,2022
Borrowings (Note 12& 14)	2,878.42	2,777.87
Trade payables (Note 14)	37.18	37.87
Less: cash and cash equivalents (Note 8)	82.43	90.74
Net debt	**2833.17**	**2,725.00**
Total capital(Note 10& 11)	1549.25	1,609.59
Capital and net debt	**4382.42**	**4,334.59**
	64.65%	**62.87%**

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

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and 31 March 2022.

32. Segment Reporting

The Company is into Hoteliering business. The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore there is no reportable segment for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about geographical areas

The Company has only domestic operations and hence no information required for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about major customers

The details of customer individually accounted for more than 10% of the revenue as at March 31, 2023 and March 31, 2022 is given hereinbelow:

(Rs. In Lakhs)

Party	March 31, 2023	March 31, 2022
Subroto Mukherjee Sports	**34.91**	-
Connaught Plaza Restaurants Pvt.Ltd	**41.64**	-
Technip India Ltd.	**32.80**	-
APOLLO HospitalsEnterpriseLimited	-	36.76
Make My Trip India Private Limited	-	33.96

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33. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006.

(Rs. Lakhs)

	March 31, 2023	March31, 2022
the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	19.02	2.52
the amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
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 enterprisefor the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

34.

Supplementary information as per requirement of Schedule III of the Companies Act.

a) Detail of shareholding of promoters of the company

As at March 31, 2023

S.No.	Promoter Name	Number of shares at the beginning of the year 2022	Percentage of total Share Capital	Change during the year	Number of shares at the end of the year 2023	Percentage of Total shares	Percentage change during the year
1	Lemon tree Hotels Limited	3,700,000	100%	-	3,700,000	100%	-

As at March 31, 2022

S.No.	Promoter Name	Number of shares at the beginning of the year 2021	Percent age of total Share Capital	Change during the year	Number of shares at the end of the year 2022	Percentage of Total shares	Percent age change during the year
1	Lemon tree Hotels Limited	3,700,000	100%	-	3,700,000	100%	-

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b) Ratio Analysis and its elements

S.No.	Ratio	Numerator	Denominator	March 2023	March 2022	% Variance	Reason for variance
1	Current Ratio	Current Asset	Current liabilities	0.54	0.36	50.10%	Change is due to increase in debtors during the current year
2	Debt Equity Ratio	Total Debt	Shareholder equity	1.86	1.73	7.66%	-
3	Debt service coverage Ratio	Earnings available for debt service	debt service	0.70	(0.07)	(1,071.89%)	Change in profitability levels as compared to previous year
4	Return on Equity	Net profit after taxes	Average shareholders equity	(3.85%)	(17.55%)	(78.04%)	Decrease is due to increase in profit in current year
5	Inventory Turnover Ratio	Cost of Good Sold	Average Inventory	4.77	4.26	11.98%	-
6	Trade Receivable turnover Ratio	Net credit sales	Avg. accounts receivable	12.65	11.61	8.97%	-
7	Trade Payables turnover Ratio	NA	NA	NA	NA	NA	
8	Net capital Turnover Ratio	Net Sales	Working capital	(3.38)	(1.01)	234.02%	Change is due to increase in revenue in current year
9	Net Profit Ratio	Net Profit	Net sales	(8.09%)	(101.6%)	(92.04%)	Change in profitability levels as compared to previous year
10	Return on capital employed	EBIT	Capital employed	(1.61%)	(7.3%)	(77.83%)	Change in profitability levels as compared to previous year
11	Return on investment	Income generated from investments(Fixed Deposits)	Average invested funds in treasury investments	NA	NA	NA	-

(i) Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and otheramortizations + Interest + otheradjustments like loss on sale of Fixed assets etc.

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(ii) DebtService = Interest&Lease Payments + Principal Repayments.

(iii) Capital Employed= Networth+ Total Debt+DeferredTaxLiability-Net Intangible aseets

c) Trade Receivables ageing schedule based on requirement of Schedule III:

As at March 31, 2023

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	96.90	1.94	-	-	-	98.84
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Unbilled Revenue	-	-	-	-	-	-

As at March 31, 2022

(Rs. In Lakhs)

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Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	18.24	1.57	-	-	-	19.81
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Unbilled Revenue	-	-	-	-	-	-

d) Trade payables Ageing Schedule based on the requirement of Schedule III

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New Delhi
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As at March 31, 2023 (Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	19.02	-	-	-	19.02
Total outstanding dues of creditors other than micro enterprises and small enterprises	13.09	-	-	-	13.09
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	5.07	-	-	-	5.07

As at March 31, 2022 (Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	2.52	-	-	-	2.52
Total outstanding dues of creditors other than micro enterprises and small enterprises	34.78	0.39	0.13	0.05	35.35
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	-	-	-	-	-

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e) **Other Statutory Information**

(i). The Company have not traded or invested in Crypto currency or Virtual currency during the financial year.

(ii). The Company have not 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.

(iii). The Company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property

(iv). The company has not entered into any transaction with companies struck off.

(v). The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(vi). The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vii). During the year, the company has not entered into any scheme of arrangements in terms of section 230 to 237 of the Companies Act, 2013 and accordingly, the prescribed disclosures of Schedule III are not required to be given.

(viii).The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or,

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(ix).The Company is not required to spend towards Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013, since there is no average profit in the last 3 years calculated as per the provisions of the Act.

(x). No bank has declared the company as "willful defaulter".

(ix).The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.



35. Previous period's figures have been regrouped/reclassified wherever necessary to correspond with the current period's classification/disclosure.

As per our report of even date

For APAS& CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

For and on behalf of the Board of Directors of Oriole Dr Fresh Hotels Private Limited

APAS & CO. LLP FRN-000340C/C400308 New Delhi CHARTERED ACCOUNTANTS

Rajeev Ranjan
Partner
Membership No. 535395

Sameer Singh
Additional Director
DIN:08080489

Rajesh Kumar
Director
DIN: 05251730

Place : New Delhi

Date :May25, 2023

BOARD'S REPORT

TO THE MEMBERS
OF ORIOLE DR. FRESH HOTELS PRIVATE LIMITED

Your Directors have pleasure in presenting the 20th Annual Report of the Company together with Audited Financial Statements for the financial year ended 31st March, 2024.

FINANCIAL RESULTS AND OPERATIONS

(Rupees in Lakhs)

Particulars	For the Financial Year Ended 31.03.2024	For the Financial Year Ended 31.03.2023
Total Income	**783.54**	**759.37**
Earnings Before Depreciation and amortisation & Tax	**(66.46)**	**0.41**
Less: Depreciation & Amortisation expenses	**63.46**	**61.14**
Loss Before Tax	**(129.92)**	**(60.73)**
Less : Current tax	-	-
Loss After Tax	**(129.92)**	**(60.73)**
Other Comprehensive Income Re-measurement of defined benefit plans	**(0.91)**	**0.39**
Total Comprehensive Loss for the year	**(130.83)**	**(60.34)**

PERFORMANCE REVIEW

During the Financial Year under review, the Company had one hotel operating under the brand "Red Fox Hotel" at East Delhi and the Income of the Company from hotel business increased to Rs. 778.72 Lakhs in the current year as compared to the previous year income of Rs. 750.98 Lakhs.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There has been no change in the nature of the business of the Company during the financial year under review.

BOARD OF DIRECTORS

The Composition of the Board of Directors as on 31st March, 2024:

S. No.	Name of Directors	Designation
1	Mr. Rajesh Kumar	Director
2	Mr. Gaurav Goyal*	Additional Director

*Mr. Gaurav Goyal was appointed as an Additional Director of the Company w.e.f January 10, 2024.

Appointments:

During the Financial Year under review, Mr. Gaurav Goyal was appointed as an additional director of the Company w.e.f. 10th January,
2024 to hold office till the ensuing Annual General Meeting. In the opinion of the Board, the Director appointed during the Financial Year
under review is the person of integrity, expertise and experience which would help the Company in future growth.

Resignations:

Mr. Sameer Singh has resigned from the position of Director of the Company w.e.f. the closing hours of 10th January, 2024. The Board wishes to place on record it's sincere appreciation for the contribution made by him during his tenure.

In accordance with the Companies Act, 2013 and the Articles of Association of the Company, one of your Directors, viz. Mr. Rajesh Kumar retires by rotation, and being eligible, offers his candidature for re-appointment. Your approval for his re-appointment as Director shall be sought in the Notice convening the Annual General meeting of the Company.

The Company is not required to appoint Independent Directors and Key Managerial Personnel during the financial year under review as the Company doesn't meet the criteria laid down in the Companies Act, 2013 read with applicable rules.

BOARD MEETINGS HELD

During the Financial Year under review, the Board of Directors have met 8 (Eight) times i.e. 25th May, 2023, 20th July, 2023, 19th September, 2023, 6th December, 2023, 10th January, 2024, 1st February, 2024, 1st March, 2024 and 14th March, 2024. The maximum time gap between any two meetings did not exceed the time limit prescribed under the Companies Act, 2013.

The Attendance of Directors for the Board meetings held during the Financial Year under review:

S. No.	Name of Directors	Number of Meetings entitled to Attend	Number of Meetings Attended
1	Mr. Rajesh Kumar	8	8
2	Mr. Sameer Singh*	5	5
3	Mr. Gaurav Goyal**	3	3

*Resigned from the Company w.e.f closing hours of 10th January, 2024
**Appointed as an Additional Director w.e.f 10th January, 2024

COMMITTEES OF THE BOARD

The Company is not required to constitute Audit Committee, Corporate Social Responsibility Committee and Nomination and Remuneration Committee of the Board, as the Company does not meet the criteria laid down for mandatorily forming such committees as per the requirement of Companies Act, 2013 read with rules made thereunder. Accordingly, Company was not required to frame Vigil Mechanism/Whistle Blower Policy, Corporate Social Responsibility Policy and Nomination and Remuneration Policy.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135(5) and Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable to the Company.

ANNUAL EVALUATION BY THE BOARD

The Board is not required to evaluate its own performance as the Company does not meet the criteria laid down for mandatorily evaluation of the Board.

RISK MANAGEMENT POLICY

In compliance with the provisions of Section 134 (3) (n) of the Companies Act, 2013, the Board has in place Risk Management Policy and the Company has set up a system for identification of elements of risk and to mitigate such risks beforehand. Furthermore, during the Financial Year under review, the Board of Directors has not detected any element of risk to the business of the Company.

CAPITAL

During the Financial Year under review, the Authorised Share Capital of the Company has been increased from Rs. 21,64,00,000/- (Rupees Twenty One Crore Sixty Four Lakhs Only) divided into 37,40,000 (Thirty Seven Lakhs Forty Thousand Only) Equity Shares of Rs. 10/- (Rupee Ten) each and 17,90,000 (Seventeen Lakhs Ninety Thousand Only) 5% Redeemable Preference Shares of Rs. 100/- (Rupees Hundred) each to Rs. 22,10,00,000/- (Rupees Twenty Two Crores Ten Lakhs Only) divided into 42,00,000 (FortyTwo Lakh) Equity Shares of Rs. 10/- each and 17,90,000 (Seventeen Lakhs Ninety Thousand) 5% Redeemable Preference Shares of Rs. 100/- (Rupees Hundred only)
each.

During the Financial Year under review, the paid up share capital of the Company has been increased from Rs. 3,70,00,000/- (Rupees Three Crore and Seventy Lakhs Only) divided into 37,00,000 (Thirty Seven Lakhs) equity shares of Rs. 10/- (Rupees Ten Only) per share to Rs. 4,10,00,000/-(Rupees Four Crore Ten Lakhs Only) divided into 41,00,000 (Forty One Lakh) Equity Shares of Rs. 10/- each.

DEPOSITS

The Company has not accepted any public deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

DIVIDEND

Your Directors do not propose any dividend on the shares of the Company for the Financial Year ended on 31st March, 2024.

HOLDING AND SUBSIDIARY COMPANY

As on 31st March, 2024, your Company is a wholly owned subsidiary of Lemon Tree Hotels Limited and it does not have any subsidiary company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors hereby confirm that:

(i) In the preparation of the annual accounts, the applicable accounting standards had been followed with proper explanation relating to material departures;
(ii) They have selected such accounting policies in consultation with Statutory Auditors and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 31st March, 2024 and of the profit and loss of the company for the financial year;
(iii) They have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
(iv) The annual accounts of the Company have been prepared on a going concern basis.
(v) They had advised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS

M/s APAS & Co. LLP (Firm Registration No. 000340C/C400308), Chartered Accountants, have been re-appointed as the Statutory Auditor of the Company in the Annual General Meeting of the Company held on September 9, 2022 for a further period of 5 (Five) years upto the conclusion of twenty-third Annual General Meeting of the Company.

The reports given by the Statutory Auditors on the Financial Statements for the Financial Year ended March 31, 2024 forms part of this Annual Report. There have been no qualifications, reservation or adverse remarks made by the Statutory Auditor in their report.

The Statutory Auditors have not reported any frauds under Section 143(12) of the Act.

SIGNIFICANT AND MATERIAL ORDERS

There are no significant or material orders passed by the regulators, courts or tribunals having an impact on the future operations of the Company or its going concern status.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company, being engaged in the hotel business, is classified as providing infrastructure facilities in terms of the Schedule VI to the Act and is exempted from the compliance of the provisions of Section 186 for loans made, guarantees given and security provided in terms of the Section 186 (11) of the Act. However, during the Financial Year under review, the Company has not granted and provided loans, guarantees and made investments in accordance with the provisions of Section 186 of the Companies Act, 2013.

BORROWINGS FROM BANKS/ FINANCIAL INSTITUTIONS

The Company's long term borrowings from banks/ financial institutions outstanding as on 31st March, 2024 is Rs. 2,121.05/- Lakhs as compared to the previous year which was Rs. 2,483.84/- Lakhs.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1)

During the Financial Year under review, the Company has not entered into contracts or arrangements with related parties covered under Section 188(1) of the Companies Act, 2013 except as disclosed in the notes to the Financial Statements.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

PARTICULARS REGARDING CONSERVATION OF ENERGY ETC. UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 AND RULES MADE THEREIN

As per the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2013, the Company continues to adhere to the measures taken for conservation of energy and technology absorption by the Company in operation of its hotel are as follows:

A. Conservation of Energy

The rising energy cost has laid great emphasis on conservation of energy. The Company has taken various measures, including regular monitoring of consumption, reduction of losses and improved maintenance to increase the efficiency and reduce the power cost by use of CFL Lights, Key Tag Energy Saver Systems, timers in the lighting systems in its hotel. Other than the investment required for the above measures, the Company has not made any capital investments.

B. Technology Absorption, Research & Development (R&D)

Technology absorption:

The Company is in the service industry and operates and manages its hotels in India. However, no knowhow and technology has been imported during the year.

Research & Development:

During the financial year under review, the Company has not carried out any activity which can be construed as Research & Development and as of now there is no specific plan for engaging into such activities. As such, there is nothing to report under this section.

C. Foreign exchange earnings and outgo

The information regarding Foreign Exchange earnings and outgo is mentioned hereunder:

(Rupees in Lakhs)

S. No.	Particulars	Financial Year Ended 31st March, 2024	Financial Year Ended 31st March, 2023
1.	Earning in Foreign Currency	10.80	17.69
2.	Outgo in Foreign Currency - Value of Capital Goods Imported on CIF Basis - Commission/ Advertisement & Business promotion	- 3.44	- 1.75

TRANSFER TO RESERVES

During the Financial Year under review, no amount is proposed to be carried to General Reserve.

ADEQUACY OF INTERNAL CONTROLS

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations.

COST RECORDS AND COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

SECRETARIAL STANDARDS

During the Financial Year under review, the Company has complied with all applicable Secretarial Standards issued by Institute of Company Secretaries of India.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

The Company has not made any application under Insolvency and Bankruptcy Code, 2016 during the Financial Year under review.

THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The Company has not done any one-time settlement with the Banks during the Financial Year under review.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. A Committee is also there to redress complaints received regarding

the sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company has not received any complaints during the Financial Year under review.

APPRECIATION

Your Directors place on record their appreciation for the valuable support and cooperation of the Company's Bankers, Government Agencies, Customers, Suppliers, Shareholders, Employees and other statutory authorities, who have reposed their continued trust and confidence in the Company.

Date: 27.05.2024
Place: New Delhi

BY ORDER OF THE BOARD OF DIRECTORS
FOR ORIOLE DR. FRESH HOTELS PRIVATE LIMITED

RAJESH KUMAR
DIRECTOR
DIN: 05251730
ADDRESS: C 701, SUPERTECH ARAVILLE, SECTOR-79, NAVRANGPUR (157), GURGAON, HARYANA 122004

GAURAV GOYAL
ADDITIONAL DIRECTOR
DIN: 10454883
ADD: SAHASTRADHARA ROAD, KULHAN, DEHRADUN, KULHAN, KARANPUR, DEHRADUN, UTTARAKHAND-248001

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ORIOLE DR. FRESH HOTELS PRIVATE LIMITED

Report on the Audit of IND AS Financial Statements

Opinion

We have audited the accompanying IND AS financial statements of ORIOLE DR. FRESH HOTELS PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the IND AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid IND AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the IND AS financial statements under the provisions of the Companies Act, 2013 and the Rules issued there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information other than the Financial Statements and Auditor's Report thereon

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the IND AS financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these IND AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 IND AS financial statements, that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors/Management are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the IND AS financial Statements

Our objectives are to obtain reasonable assurance about whether the IND AS 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.

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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 IND AS financial statements.

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

1. Identify and assess the risks of material misstatement of the IND AS 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.

2. Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the IND AS 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.

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

Materiality is the magnitude of misstatements in the interim condensed standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit we report that:

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

   ii. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

   iii. The Balance Sheet, the Statement of Profit and Loss (including the Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   iv. In our opinion, the aforesaid IND AS Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act.

   v. On the basis of the written representations received from the directors as on 31st March, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

   vi. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure II". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   vii. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, according to the explanations given to us, no managerial remuneration has been paid by the Company to its directors during the year, therefore the provisions of the section are not applicable.

   viii. 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:

      i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS financial statements. Refer Note 27 to the financial statements.

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

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

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) 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 (a) and (b) above, contain any material misstatement.

v. The company has neither declared dividend nor paid any dividend during the year.

2. 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, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in "Annexure I" a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.

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3. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the year ended March 31, 2024 wherein:

   a. an accounting software did not have audit trail feature enabled throughout the year,

   b. In respect of a revenue management software used for maintaining its revenue records, has a feature of recording audit trail (edit log) facility at the application level and the same has operated from July 1, 2023 for all relevant transactions recorded; however the software does not have feature of audit trail at database level to log direct data changes.

Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with, in respect of accounting software(s) for the period for which the audit trail feature was enabled and operating.

For APAS & CO LLP
CHARTERED ACCOUNTANTS
Firm Regn No. 000340C/C400308

PLACE : DELHI
DATED : May 27, 2024
UDIN : 24535395BKCAW1633

(RAJEEV RANJAN)
PARTNER
M No. 535395

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ANNEXURE- I TO THE INDEPENDENT AUDITOR'S REPORT

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

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The company has maintained proper records showing full particulars of intangible assets.

b) The Property, Plant and Equipment have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies were noticed on such verification.

c) According to the information and explanations given by the management, the title deeds of immoveable properties included in property, plant and equipment are held in the name of the Company.

d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

e) Based on audit procedures performed and the representation obtained from the management, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. a) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on physical verification.

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b) During the year, the Company has been sanctioned working capital limits in excess of Rs 5 crore by banks based on the security of Current Assets. There are no material variations between the quarterly statement of current assets filed during the year with the banks and the books of accounts.

iii. The Company, during the year, has not made investment, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties Therefore, the provisions of clause 3(iii)(a) to 3(iii)(f) of the Order are not applicable.

iv. In our opinion, and according to the information and explanations given to us, The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. To the best of our knowledge and as explained, the central government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act 2013.

vii. a) As per information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other statutory dues with the appropriate authorities. As informed to us there are no outstanding statutory dues in arrears as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) as on the balance sheet date which have not been deposited on account of any dispute.

viii. Based on our audit procedures and on the basis of information and explanations given to us by the management, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

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b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised.

d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have, prima facie, been used for long-term purposes by the company.

e) The Company does not have any subsidiaries, joint ventures or associate companies and therefore the clause 3(ix)(e) and 3(ix)(f) is not applicable.

x. a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans during the year. Accordingly, the provisions of clause 3(x) of the Order are not applicable to the Company and hence not commented upon.

b) During the year, the Company has made preferential allotment or private placement of shares. In our opinion and according to the information and explanations given to us, the Company has complied with the requirements of section 42 and section 62 of the Act and the Rules framed thereunder with respect to the same. Further, the amounts so raised have been utilized by the Company for the purposes for which these funds were raised.

xi. a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the company and no material fraud on the Company has been noticed or reported during the year.

b) We report that no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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

xii. The Company is not a Nidhi company and therefore clause 3(xii) of the Order related to such companies is not applicable to the Company.



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xiii. All transactions entered during the year with the related party are in compliance with the provisions of sections 188 where applicable and the details with respect to all related party transactions have been disclosed in the Financial Statements as required by applicable accounting standards. Section 177 of the Companies Act, 2013 is not applicable on the Company.

xiv. a) According to the information and explanations given to us, the Company is not required to have an internal audit system under section 138 of the Act. However, the Company has an internal audit system which, in our opinion, is commensurate with the size and nature of its business.

b) We have considered the internal audit reports of the company issued till date, in determining the nature, timing and extent of our audit procedures.

xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

xvi. a) In our opinion, in view of its business activities, the Company is not required to be registered under Section 451A of Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year without a valid Certificate of Registration (CoR) from the RBI as per the Reserve Bank of India Act, 1934.

xvii. The Company has incurred cash losses amounting to **Rs. 66.47 Lacs** in the current financial year but had not incurred cash losses in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly clause 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.

xx. The Company is not required to spend any amount on corporate social responsibility under section 135 of the Companies Act. Therefore, the provisions of clause 3(xx) of the Order are not applicable.

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xxi. The reporting under clause 3(xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For APAS & CO LLP
CHARTERED ACCOUNTANTS
Firm Regn No. 000340C/C400308

PLACE : DELHI
DATED : May 27, 2024
UDIN : 24535395BKCAUV9533

Rajeev Ranjan
(RAJEEV RANJAN)
PARTNER
M No. 535395

APAS & CO LLP
CHARTERED ACCOUNTATNS

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ANNEXURE- II TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of ORIOLE DR. FRESH HOTELS PRIVATE LIMITED ("the Company") as of 31st March 2024 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting with reference to these Standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal

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financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Standalone Ind AS 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 judgment, 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 system over financial reporting with reference to these Standalone Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these financial statements

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Standalone Ind AS financial statements and such internal financial controls over financial reporting were operating effectively as at 31st March 2024, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on "Audit of Internal Financial Controls Over Financial Reporting" issued by the Institute of Chartered Accountants of India.

For APAS & CO LLP
CHARTERED ACCOUNTANTS
Firm Regn No. 000340C/C400308

PLACE : DELHI
DATED : May 27, 2024
UDIN : 24535395BKCAUU9533

(RAJEEV RANJAN)
PARTNER
M No. 535395

Oriole Dr. Fresh Hotels Private Limited
CIN:U85110DL2004PTC128937
Balance Sheet as at March 31, 2024

	Note	March 31, 2024 Rs in lakhs	March 31, 2023 Rs in lakhs
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	4,065.92	4,100.19
(b) Intangible assets	4	0.08	0.12
(c) Financial assets	5		
(i) Other financial assets		152.25	146.10
(e) Non-current tax assets (net)		35.68	12.45
		4,253.93	4,258.86
Current assets			
(a) Inventories	7	16.22	15.37
(b) Financial assets	8		
(i) Trade receivables		57.60	98.84
(ii) Cash and Cash equivalents		60.40	82.43
(c)Other current assets	9	62.63	63.10
		196.85	259.74
Total Assets		4,450.78	4,518.60
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	10	410.00	370.00
(b) Other Equity	11	1,372.54	1,179.25
Total Equity		1,782.54	1,549.25
Liabilities			
Non-current liabilities			
(a) Financial liabilities	12		
(i) Borrowings		2,121.05	2,483.84
(b) Provisions	13	5.09	3.59
		2,126.14	2,487.43
Current liabilities			
(a) Financial liabilities	14		
(i) Borrowings		433.90	394.58
(ii) Trade payables			
- total outstanding dues of micro enterprises and small enterprises		15.62	19.02
- total outstanding dues of creditors other than micro enterprises and		44.01	18.16
(iii) Other Current financial liabilities		29.20	35.79
(b) Other current liabilities	15	14.36	10.59
(c) Provisions	13	5.01	3.78
		542.10	481.92
Total Liabilities		2,668.24	2,969.35
Total Equity and Liabilities		4,450.78	4,518.60
Summary of material accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For APAS & CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

Rajeev Ranjan
Partner
Membership No. 535395

Place : New Delhi
Date : May 27, 2024

For and on behalf of the Board of Directors of
Oriole Dr. Fresh Hotels Private Limited

Gaurav Goyal
Additional Director
DIN: 10454883

Place : New Delhi
Date : May 27, 2024

Rajesh Kumar
Director
DIN: 05251730

APAS & CO. LLP ★ FRN: 000340C/C400308 ★ CHARTERED ACCOUNTANTS New Delhi

Oriole Dr. Fresh Hotels Private Limited
CIN:U85110DL2004PTC128937
Statement of Profit and Loss for the year ended March 31, 2024

	Note	March 31, 2024 Rs in lakhs	March 31, 2023 Rs in lakhs
Revenue from operations	16	778.72	750.98
Other income	17	4.82	8.39
Total Income		783.54	759.37
Expenses			
Cost of food and beverages consumed	18	60.58	53.17
Employee benefits expense	19	196.75	152.35
Other expenses	20	360.58	326.69
Total expenses		617.91	532.21
Earnings before interest, tax, depreciation and amortisation (EBITDA)		165.63	227.16
Finance costs	21	245.22	237.46
Depreciation and amortization expense	22	63.46	61.14
Finance Income	23	(13.13)	(10.71)
Loss before tax		(129.92)	(60.73)
Tax expense:			
-Current tax		-	-
Loss for the year		(129.92)	(60.73)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		(0.91)	0.39
Income tax relating to items that will not be reclassified to profit or loss			
Total Comprehensive Loss for the year		(130.83)	(60.34)
Loss per equity share:			
(1) Basic	24	(3.17)	(1.64)
(2) Diluted	24	(3.17)	(1.64)
Summary of material accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For APAS & CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

Rajeev Ranjan
Partner
Membership No. 535395

Place : New Delhi
Date : May 27, 2024

For and on behalf of the Board of Directors of
Oriole Dr. Fresh Hotels Private Limited

Gaurav Goyal
Additional Director
DIN: 10454883

Rajesh Kumar
Director
DIN: 05251730

Place : New Delhi
Date : May 27, 2024

Oriole Dr. Fresh Hotels Private Limited
CIN:U85110DL2004PTC128937
Cash flow statement for the year ended March 31, 2024

		For the year ended March 31, 2024 (Rs in lakhs)	For the year ended March 31, 2023 (Rs in lakhs)
A.	**Cash flow from operating activities**		
	Loss before tax	**(129.92)**	(60.73)
	Non-cash adjustments to reconcile profit/(loss) before tax to net cash flows:		
	Depreciation and amortisation expenses	**63.46**	61.14
	Finance income (including fair value change in financial instruments)	**(13.13)**	(10.71)
	Finance costs (including fair value change in financial instruments)	**242.34**	233.45
	Provision for gratuity	**1.15**	0.01
	Provision for leave encashment	**0.66**	0.69
	Excess provision/ credit balances written back	**-**	0.19
	Provision for doubtful debts	**0.72**	0.46
	Operating profit before working capital changes:	**165.28**	224.50
	Movements in working capital:		
	Change in trade receivables	**40.51**	(79.49)
	Change in loans and advances and other current assets	**(5.68)**	(12.42)
	Change in inventories	**(0.84)**	(8.44)
	Change in liabilities and provisions	**19.64**	15.86
	Cash generated from Operations	**218.91**	140.01
	Direct taxes paid (net of refunds)	**(23.23)**	(2.42)
	Net cash flow genrated from operating activities (A)	**195.68**	137.59
B.	**Cash flows from investing activities**		
	Purchase of Property, plant and equipment	**(29.15)**	(23.71)
	Interest received	**13.13**	10.71
	Net Cash flows from investing activities (B)	**(16.02)**	(13.00)
C	**Cash flows used in financing activities**		
	Proceeds from issuance of share capital	**364.12**	-
	Proceeds/(Repayment) of borrowings	**(323.47)**	100.55
	Interest paid	**(242.34)**	(233.45)
	Net Cash used in financing activities (C)	**(201.69)**	(132.90)
	Net decrease in cash and cash equivalents (A + B + C)	**(22.03)**	(8.31)
	Cash and cash equivalents at the beginning of the year	**82.43**	90.74
	Cash and cash equivalents at the end of the year	**60.40**	82.43
	Components of cash and cash equivalents		
	Cash on Hand	**9.98**	10.42
	Balances with Scheduled Banks in		
	- Current accounts	**50.42**	72.01
	Total cash and cash equivalents	**60.40**	82.43

Summary of material accounting policies 2.2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For APAS & CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

Rajeev Ranjan
Partner
Membership No. 535395

Place : New Delhi
Date : May 27, 2024

For and on behalf of the Board of Directors of
Oriole Dr. Fresh Hotels Private Limited

Gaurav Goyal
Additional Director
DIN: 10454883

Rajesh Kumar
Director
DIN: 05251730

Place : New Delhi
Date : May 27, 2024

APAS & CO. LLP ★ FRN: 000340C/C400308 ★ CHARTERED ACCOUNTANTS

Oriole Dr. Fresh Hotels Private Limited
CIN:U85110DL2004PTC128937
Statement of Changes in Equity for the year ended March 31, 2024

A. Equity Share Capital

Equity shares of INR 10 each issued, subscribed and fully paid	**No. of shares**	**Amount (Rs in lakhs)**
At April 1, 2022	**37,00,000**	**370.00**
Issue of share capital	-	-
At March 31, 2023	**37,00,000**	**370.00**
Issue of share capital	4,00,000	40.00
At March 31, 2024	**41,00,000**	**410.00**

B. Other Equity
For the year ended March 31, 2024

Rs in lakhs

	Reserves and Surplus			
	Capital reserve	**Securities Premium**	**Retained Earnings**	**Other equity**
Balance at April 1, 2022	153.10	2,273.95	(1,187.46)	**1,239.58**
Total Comprehensive Income for the year	-	-	(60.34)	**(60.34)**
Balance at March 31, 2023	153.10	2,273.95	(1,247.80)	**1,179.25**
Total Comprehensive Income for the year	-	-	(130.83)	**(130.83)**
Issue of share capital	-	324.12	-	**324.12**
Balance at March 31, 2024	**153.10**	**2,598.07**	**(1,378.63)**	**1,372.54**

Summary of material accounting policies 2.2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For APAS & CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

Rajeev Ranjan
Partner
Membership No. 535395

Place : New Delhi
Date : May 27, 2024

For and on behalf of the Board of Directors of
Oriole Dr. Fresh Hotels Private Limited

Gaurav Goyal
Additional Director
DIN: 10454883

Rajesh Kumar
Director
DIN: 05251730

Place : New Delhi
Date : May 27, 2024

APAS & CO. LLP * FRN. 000340C/C400308 * CHARTERED ACCOUNTANTS

1. Corporate Information

Oriole Dr. Fresh Hotels Private Limited (the Company) is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at Asset No. 6, Aerocity Hospitality District, New Delhi 110037.

The principal activities of the Company is to carry out business of developing, owning, acquiring, renovating and promoting hotels, motels, resorts, restaurants, etc. under the brand name of Red Fox Hotel.

The financial statements are approved for issue by the Board of directors on May 27, 2024.

2 Basis of preparation of financial statements and material accounting policies

2.1 Basis of preparation and Compliance with Ind AS

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), and the provisions of the Companies Act ,2013 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities which are measured at fair value/ amortised cost (refer note 29)

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing account standard required a change to the accounting policy hitherto to in use.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, expect where otherwise indicated.

2.2 Significant material policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

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The Company classifies all other liabilities as non-current.

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

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

(b) Foreign currencies

Functional and presentation currency

The Company's financial statements are presented in INR, which is also the Company's functional currency. Presentation currency is the currency in which the company's financial statements are presented. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash. All the financial information presented in Indian Rupees (INR) has been rounded to the nearest of lakhs rupees, except where otherwise stated.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

(c) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

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

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

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

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

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

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

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

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

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

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value. External valuers are involved for valuation of significant assetsand liabilities. The management selects external valuer on various criteria such as market Knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussion with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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



This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 25)
- Contingent consideration (note 27)
- Quantitative disclosures of fair value measurement hierarchy (note 29)
- Financial instruments (including those carried at amortised cost) (note 29)

(d) Revenue recognition

The standard is applied only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated - i.e. the comparative information continues to be reported under previous standards on revenue i.e. Ind AS 18 and Ind AS 11. There was no impact on adoption of Ind AS 115 to the financial statements of the Company.

In arrangements for room revenue and related services, the Company has applied the guidance in Ind AS 115 for recognition of Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering room revenue and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognized.

Sales Tax/ Value Added Tax (VAT)/Goods and Service Tax(GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Rooms, Restaurant, Banquets and Other Services

Income from guest accommodation is recognized on a day to day basis after the guest checks into the Hotels and are stated net of allowances. Incomes from other services are recognized as and when services are rendered. Sales are stated exclusive of Service Tax, Value Added Taxes (VAT), Goods and Service Tax(GST)and Luxury Tax. Differenceof revenue over the billed as at theyear-end is carried in financial statement as unbilled revenue separately.

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, sale of food and beverage are recognized at the points of serving these items to the guests. Sales are stated exclusive of Sales Tax / VAT/ Goods and Service Tax (GST).



Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period,

where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the income statement.

Dividends

Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(e) Taxes

Tax expense represents Current income tax and Deferred tax.

Current income tax

The tax currently payable is based on taxable profit for the period/year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future



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

which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

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

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.
Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date.

If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

Sales/ Value Added Taxes/Goods& Service Tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:
- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

(f) Property, plant and equipment

Property, Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. Freehold land is not depreciated.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on fixed assets is provided as per Schedule II of Companies Act, 2013 on Straight Line Method over its economic useful life of fixed assets as follows:

Fixed Assets	Useful life considered
Plant & Machinery	15 Year
Building	60 Years
Electrical equipments and fittings	10 Years
Office Equipments	5 Years
Furniture and Fixtures	8 Years
Crockery, cutlery and soft furnishings	3 Years
Commercial Vehicles	6 Years
Private Vehicles	8 Years
Computers	3 Years

The Company, based on management estimates, depreciates certain items of building, plant and equipment over estimated useful lives which are lower than the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end, and adjusted prospectively if appropriate.



(g) Intangible assets

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

The useful lives of intangible assets are assessed as 3 years and the same shall be amortised on Straight line basis over its useful life.

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 income statement when the asset is derecognized.

(h) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes)Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Company depreciates building component of investment property over the remaining estimated useful life on the date of purchase after considering total economic useful life of 60 years.

Though the Company measures investment property using deemed cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

(i) Borrowing costs

Borrowing cost includes interest expense as per Effective Interest Rate (EIR).

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset until such time that the assets are substantially ready for their intended use. Where funds are borrowed specifically to finance a project, the amount

capitalised represents the actual borrowing costs incurred. Where surplus funds areavailableout of money borrowed specifically to finance a project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Company during the year. Capitalisation of borrowing costs is suspended and charged to profit and loss during the extended periods when the active development on the qualifying assets is interrupted.

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EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial liability or a shorter period, where appropriate, to the amortised cost of a financial liability after considering all the contractual terms of the financial instrument.

(j) Inventories

Stock of food & beverages, stores and operating supplies are valued at lower of cost and net realisable Value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a first in first out basis.Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make sale.

(k) Impairment of non-financial assets

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

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

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(l) Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent Assets/ Liabilities

Contingent assets are not recognised. However, when realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

Contingent liabilities are disclosed in notes to accounts when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(m) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service

received before the balance sheet date exceeds the contribution already paid, the deficit payable to 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, for example, a reduction in future payment or a cash refund.

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.



Retirement benefit in the form of gratuity is a defined benefit scheme. Gratuity liability of employees is accounted for on the basis of actuarial valuation on projected unit credit method at the close of the year. Company's contribution made to Life Insurance Corporation is expenses off at the time of payment of premium.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.The Company recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Retirement benefits in the form of Superannuation Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

The company treats leaves expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

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(n) 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.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- Equity instruments in subsidiaries carried at cost

Debt instruments at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortisedcost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivable etc. For more information on receivables, refer to Note 8.

Debt instrument at FVTOCI

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:
a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.



Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity instruments

All equity investments (other than equity investments in subsidiaries) in scope of Ind AS 109 are measured at fair value. Equity instruments in subsidiaries are carried at cost in financial statements less impairments if any. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Financial assets that are debt instruments and are measured as at FVTOCI
c) Trade receivables or any contractual right to receive cash or another financial asset

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The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.



Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:
Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

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

Financial liabilities at amortised cost

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

This category generally applies to borrowings. For more information refer Note 12& 14.



Financial guarantee

Financial guarantees issued by the Company on behalf of group companies are designated as 'Insurance Contracts'. The Company assess at the end of each reporting period whether its recognised insurance liabilities (if any) are adequate, using current estimates of future cash flows under its insurance contracts. If that assessment shows that the carrying amount of its insurance liabilities is inadequate in the light of the estimated future cash flows, the entire deficiency is recognised in profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(o) Redeemable preference shares

Redeemable preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

(p) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and 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.

(q) Measurement of EBITDA

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

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Oriole Dr. Fresh Hotels Private Limited
Notes to financial statements for the year ended March 31, 2024

3 Property, plant and equipment

Rs in lakhs

Particulars	Freehold land	Building on freehold land	Plant and Machinery	Electrical fittings	Electrical equipments	Office equipments	Furniture and Fixtures	Computers	Vehicles	Total
Cost										
At April 1, 2022	2,189.39	2,072.69	282.04	101.31	39.51	1.97	61.17	4.67	6.13	4,758.88
Additions	-	-	8.12	-	13.11	-	-	2.48	-	23.71
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2023	2,189.39	2,072.69	290.16	101.31	52.62	1.97	61.17	7.15	6.13	4,782.59
Additions	-	-	17.53	-	6.83	1.47	-	3.32	-	29.15
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2024	2,189.39	2,072.69	307.69	101.31	59.45	3.44	61.17	10.47	6.13	4,811.74
Depreciation										
At April 1, 2022	-	257.79	179.19	88.27	30.77	1.97	55.13	3.93	4.36	621.41
Charge for the year	-	35.80	21.95	0.02	1.54	-	0.82	0.33	0.53	60.99
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2023	-	293.59	201.14	88.29	32.31	1.97	55.95	4.26	4.89	682.40
Charge for the year	-	35.80	21.99	0.02	2.69	0.16	0.82	1.41	0.53	63.42
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2024	-	329.39	223.13	88.31	35.00	2.13	56.77	5.67	5.42	745.82
Net Book value										
At March 31, 2024	2,189.39	1,743.30	84.56	13.00	24.45	1.31	4.40	4.80	0.71	4,065.92
At March 31, 2023	2,189.39	1,779.10	89.02	13.02	20.31	-	5.22	2.89	1.24	4,100.19

a) Certain property, plant and equipment are mortgaged as collateral against borrowings, the details related to which have been described in footnote to note 12 on 'borrowings'.
b) Refer Note 25 for critical judgements, estimates and assumptions.
c) The Property, Plant & Equipment are valued at cost.The company has not used registered valuer for fair valuation/revaluation.

4 Intangible Assets

Rs in lakhs

Particulars	Software	Total
Cost		
At April 1, 2022	4.75	4.75
Additions	-	-
Disposals	-	-
At March 31, 2023	4.75	4.75
Additions	-	-
Disposals	-	-
At March 31, 2024	4.75	4.75
Amortisation		
At April 1, 2022	4.48	4.48
Amortisation	0.15	0.15
Disposals	-	-
At March 31, 2023	4.63	4.63
Amortisation	0.04	0.04
Disposals	-	-
At March 31, 2024	4.67	4.67
Net Block		
At March 31, 2024	0.08	0.08
At March 31, 2023	0.12	0.12

The intangible are assets are valued at cost. The company has not used registered valuer for fair valuation/revaluation.

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5 Financial assets	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(ii) Other financial assets		
Security Deposit	**17.13**	10.98
Other bank balances	**135.12**	135.12
	152.25	146.10

6 Deferred tax assets (net)	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Property, plant & equipment	**314.07**	308.73
Deferred tax liability	**314.07**	308.73
Impact of expenditure charged to the statement of profit and loss in the current/ earlier period but allowable for tax purposes on payment basis	**3.38**	2.97
Provision for doubtful debts and advances	**2.03**	1.72
Effect of unabsorbed depreciation and business loss	**281.97**	276.20
Interest on borrowings	**24.06**	25.93
Provision for gratuity	**1.81**	1.27
Provision for leave compensation	**0.82**	0.64
Deferred tax assets	314.07	308.73
Deferred tax assets (net)	-	-

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for year March 31, 2024 and March 31, 2023:

	March 31, 2024	March 31, 2023
Loss before tax	**(129.92)**	(60.73)
Tax rate	**26.00%**	26.00%
Tax at statutory income tax rate	**(33.78)**	(15.79)
Effect of incomes taxable at nil/lower/MAT rate	**33.78**	15.79
Net	-	-



7 Inventories

(valued at lower of cost and net realisable value, unless otherwise stated)	**As at March 31, 2024 Rs in lakhs**	As at March 31, 2023 Rs in lakhs
Food and beverages (excluding liquor and wine)	**3.00**	4.59
Stores, cutlery, crockery, linen, provisions and others (valued at cost)	**13.22**	10.78
Total	**16.22**	15.37

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8 Financial assets	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(I) Trade receivables		
Trade receivables*	**57.60**	98.84
*read with note 34(c)		
Break-up for security details:		
Trade receivables		
Unsecured, considered good	57.97	98.99
Trade Receivables which have significant increase in credit risk	3.73	3.25
	61.70	102.23
Impairment Allowance (allowance for bad and doubtful debts)		
Unsecured, considered good	0.37	0.14
Trade Receivables which have significant increase in credit risk	3.73	3.25
	4.10	3.39
Total	57.60	98.84

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(II) Cash and cash equivalents		
Balance with banks		
On current & cash credit accounts	**50.42**	72.01
Cash on hand	**9.98**	10.42
	60.40	82.43

At March 31, 2024, the Company had available Nil balance (March 31, 2023: Rs. Nil lakhs) of undrawn committed borrowing facilities.

Break up of current financial assets carried at amortised cost

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Trade receivables	**57.61**	98.87
Cash and cash equivalents	**60.40**	82.43
Total current financial assets carried at amortised cost	**118.01**	181.30

9 Other current assets	As at March 31, 2024 Rs.	As at March 31, 2023 Rs.
Advances recoverable in cash or kind	**1.81**	0.08
Balance with statutory/ government authorities	**22.52**	27.16
Interest accrued on deposits with banks	**33.59**	22.55
Prepaid Expenses	**4.71**	13.31
Total	**62.63**	63.10



10 Equity Share capital

Authorised Share Capital

	Equity shares	
	No. of shares	Rs in lakhs
At April 1, 2022	37,40,000	374.00
Increase/(decrease) during the year	-	-
At March 31, 2023	**37,40,000**	**374.00**
Increase/(decrease) during the year	4,60,000	46.00
At March 31, 2024	**42,00,000**	**420.00**

Terms/rights attached to equity shares

The company has only one class of equity shares having face value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders 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.

Issued equity capital*

Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	Rs in lakhs
At April 1, 2022	**37,00,000**	**370.00**
Increase/(decrease) during the year	-	-
At March 31, 2023	**37,00,000**	**370.00**
Increase/(decrease) during the year	4,00,000	40.00
At March 31, 2024	**41,00,000**	**410.00**

*read with note 34(a)

Shares held by holding company

	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Rs in lakhs	No. of shares	Rs in lakhs
Equity shares of Re. 10 each fully paid up				
Lemon Tree Hotels Limited	41,00,000	410.00	37,00,000	370.00

Details of shareholders holding more than 5% shares in the company

	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% held	No. of shares	% held
Equity shares of Re. 10 each fully paid up				
Lemon Tree Hotels Limited	**41,00,000**	**100.00%**	37,00,000	100.00%

The Company has not issued Bonus Share, Share for consideration other than Cash and has not bought back shares during the period of five years immediately preceding the reporting date.

11 Other equity

Securities Premium Reserve

	Rs in lakhs
At April 1, 2022	**2,273.95**
Increase/(decrease) during the year	-
At March 31, 2023	**2,273.95**
Increase/(decrease) during the year	324.12
At March 31, 2024	**2,598.07**

Retained Earnings

	Rs in lakhs
At April 1, 2022	**(1,187.46)**
Profit/(loss) for the year	(60.34)
At March 31, 2023	**(1,247.80)**
Profit/(loss) for the year	(130.83)
At March 31, 2024	**(1,378.63)**

Capital Reserve (Equity Component of Reedemable Preference shares)

	Rs in lakhs
At April 1, 2022	**153.10**
Increase/(decrease) during the year	-
At March 31, 2023	**153.10**
Increase/(decrease) during the year	-
At March 31, 2024	**153.10**

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Other reserves		
Securities Premium Reserve	**2,598.07**	2,273.95
Retained Earnings	**(1,378.63)**	(1,247.80)
Capital Reserve (Equity Component of Reedemable Preference shares)	**153.10**	153.10
	1,372.54	1,179.25

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12 Financial liabilities

(i) Borrowings

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Non-current borrowings		
Term Loans		
Indian rupee loans from Banks (Secured)		
Yes Bank Limited (Refer note 1 and 2 below)	2,121.05	2,483.84
Total non-current borrowings	2,121.05	2,483.84
Current borrowings		
Term Loans		
Current maturity of long term loans		
Yes Bank Limited (Refer note 1 and 2 below)	366.89	291.81
Total current borrowings	366.89	291.81
Less: Amount clubbed under "current borrowings"	(366.89)	(291.81)
Net current borrowings	-	-

Term loans

1. Rupee Term loan of Rs. 2,500 lakhs from Yes Bank Ltd, the loan is repayable in 48 structured installments including 12 months of moratorium period from the first date of disbursement, carrying interest rate of 9.00% p.a. (March 31, 2023: 9.35%). It is secured by:

a) First charge on all present and future immoveable fixed assets of Red Fox Hotel, Kundli New Delhi.
b) First charge on all moveable fixed assets and current assets both present and future of Red Fox Hotel, Kundli New Delhi.
c) Escrow of all receivables of project including security deposits.
d) Corporate guarantee of Lemon Tree Hotels Limited.
e) DSRA equivalent to three months interest and one quarter principal to be created in case of any over dues beyond 30 days in the form of fixed deposits duly lien marked in favour of YBL.
f) Minimum security cover of 1.5x on immoveable and moveable fixed assets of the project.

2. Rupee Credit line of Rs. 960 lakhs from Yes Bank Ltd, The loan is repayable 36/48 monthly installment after a moratorium period of 12/24 months from the date of first disbursement. carrying interest rate of 9.00% p.a. (March 31, 2023: 9.25%). The loan is secured by:

1). Second Charge on all movable fixed assets and current assets (both present and future) (including Escrow Account opened with YBL) of the Borrower;
2) Escrow of all receivables of the Hotel including security deposits to remain vaild during the tenor of YBL Loan facilities sanctioned to the Borrower.

3. The Company has not defaulted in the repayment of loans and interest at Balance Sheet date.

4. Bank loans availed by the Company are subject to certain covenants relating to interest coverage ratio, debt service coverage ratio, capital gearing ratio, fixed assets coverage ratio.

5. The Company has complied significant covenants from bank and financial institutions as per the terms of the loan agreement.

6. The company has used borrowings from banks/financial institutions for the specific purpose for which it was taken.

7. Basis on several terms and conditions as speceefied in sanction letters, the company submits quarterly returns/statements of current assets with banks/ financial institution and these returns/statements are in agreement with the books of accounts.

13 Provisions

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Provision for gratuity	6.96	4.90
	6.96	4.90
Current	1.87	1.31
Non-current	5.09	3.59

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Provision for leave benefits	3.14	2.47
Current	3.14	2.47
Non-current	-	-
Total current	5.01	3.78
Total non-current	5.09	3.59

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14 Financial liabilities

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(i) Current borrowings		
0% loan from Lemon Tree Hotels Limited repayable on demand	**67.01**	102.77
Current maturities of long-term borrowings (refer note 12)	**366.89**	291.81
	433.90	394.58
(ii) Trade payables		
Trade Payables*		
-Micro and small enterprises	**15.62**	19.02
-Other than Micro and small enterprises	**44.01**	18.16
*read with note 34(d)		
	59.63	37.18
Trade payables	**34.98**	29.87
Trade payables to related parties	**24.65**	7.31
	59.63	37.17

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(iii) Other Current financial liabilities		
Outstanding dues of other creditors	**29.20**	35.79
	29.20	35.79

15 Other current liabilities

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Advance from customers	**9.15**	3.21
Statutory Dues	**5.21**	7.38
	14.36	10.59

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16 Revenue from operations

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Revenue from operations		
Sale of products and services		
- Room rental	**690.07**	672.99
- Food and beverage (excluding liquor and wine)	**51.28**	45.77
- Telephone and telex	**0.16**	0.05
- Other Services	**37.21**	32.17
Revenue from operations	778.72	750.98

17 Other income

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Profit on sale of property, plant and equipment	-	3.01
Rental income	**3.78**	3.48
Excess provision/ credit balances written back	-	0.19
Miscellaneous income	**1.04**	1.71
	4.82	8.39

18 Cost of food and beverages consumed

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
(a) Consumption of food & beverages excluding liquor & wine		
Inventory at the beginning of the year	**4.59**	1.18
Add: Purchases	**58.99**	56.58
	63.58	57.76
Less: Inventory at the end of the year	**3.00**	4.59
Cost of food and beverage consumed	**60.58**	53.17

19 Employee benefit expense

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Salaries, wages and bonus	**169.04**	130.75
Contribution to provident fund and other funds	**13.66**	12.31
Gratuity expense	**1.15**	0.90
Leave compensation expenses	**0.70**	0.84
Staff welfare expenses	**12.20**	7.55
	196.75	152.35

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20 Other expenses

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Consumption of stores, cutlery, crockery, linen, provisions and others	**19.48**	17.96
Power and fuel	**120.42**	125.09
Linen & uniform washing and laundry expenses	**0.80**	0.48
Guest transportation	**32.09**	33.61
Cable TV expenses	**2.67**	2.48
Repair and maintenance		
- Buildings	**20.62**	6.65
- Plant and machinery	**20.86**	23.17
- Others	**7.85**	7.15
Rates and taxes	**20.41**	20.32
Insurance	**4.59**	2.45
Communication costs	**7.74**	5.47
Printing and stationery	**2.13**	2.00
Traveling and conveyance	**0.28**	0.45
Advertising and sales promotion	**0.25**	0.49
Electronic Distribution	**0.13**	0.41
Management & incentive fees	**22.84**	14.58
Commission -other than sole selling agent	**34.96**	27.28
Security and cleaning expenses	**29.79**	23.41
Membership and subscriptions	**1.01**	0.79
Legal and professional fees	**5.77**	7.36
Provision for doubtful debt, loans, advances	**0.72**	0.46
Payment to auditors	**0.80**	0.70
Miscellaneous expenses	**4.37**	3.93
	360.58	326.69

Payment to auditor

As audit fees	0.80	0.70
	0.80	0.70

21 Finance costs

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Interest		
- on term loans from banks	242.34	233.45
Bank charges (including commission on credit card collection)	**2.88**	4.01
	245.22	237.46

22 Depreciation and amortization expense

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Depreciation of tangible assets	**63.42**	60.99
Amortization of intangible assets	**0.04**	0.15
	63.46	61.14



23 **Finance income**

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Interest Income on :		
-Bank Deposits	**12.26**	10.38
-Others	**0.87**	0.33
	13.13	10.71

24 Earnings per share (Basic And Diluted)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.
Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) 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.
The following reflects the income and share data used in the basic and diluted EPS computations:

	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit/(loss) attributable to equity holders (for basic and diluted) (Rs in lakhs)	**(129.92)**	(60.73)
Weighted Average Number of Equity Shares (for basic and diluted)*	**41,00,000**	37,00,000
Basic & Diluted EPS	**(3.17)**	(1.64)

* The weighted average number of shares takes into account the weighted average effect of changes in share transactions during the year. There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.

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25. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Impairment of property, plant and equipment

Each hotel property is an identifiable asset that generates cash inflows and is independent of the cash inflows of the other hotel properties, hence identified as cash generating units. The Company assesses the carrying amount of hotel properties (CGU) to determine whether there is any indication that those assets have suffered an impairment loss. Where the carrying amount of CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. An impairment loss (if any) is recognised in the statement of profit and loss.

While assessing the recoverable amount, the Company used the discounted cash flow approach including various significant estimates and assumptions such as forecast of future revenue, operating margins, growth rate and selection of the discount rates. The key assumptions used for the calculations are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Discount Rate *(pre tax rate of WACC)*	12.00%	12.50%
Long Term Growth Rate	5.00%	5.50%

As at March 31, 2024, the estimated recoverable amount of the CGU exceeded its carrying amount.

b) Loss Allowance on trade receivables

An impairment analysis of trade receivables is performed at each reporting period based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates. Basis this assessment, the allowance for doubtful trade receivables as at March 31, 2024 is considered adequate.

c) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.



26. Gratuity and other post-employment benefit plans

Rs in lakhs

	March 31, 2024	March 31, 2023
Gratuity plan	**6.96**	4.90
Total	**6.96**	4.90

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The Company makes provision of such gratuity asset/ liability in the books of accounts on the basis of actuarial valuation as per the Projected unit credit method.

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2024:

Rs in lakhs

	Gratuity cost charged to profit or loss					Remeasurement gains/(losses) in other comprehensive income						
	April 1, 2023	Service cost	Net interest expense	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumption	Experience adjustments	Sub-total included in OCI	Contributions by employer	March 31, 2024
Defined benefit obligation	4.90	0.80	0.35	1.15	-	-	-	(0.02)	(0.89)	(0.91)	-	6.96
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**4.90**	**0.80**	**0.35**	**1.15**	**-**	**-**	**-**	**(0.02)**	**(0.89)**	**(0.91)**	**-**	**6.96**

Changes in the defined benefit obligation and fair value ofplan assets as at March 31, 2023:

Rs in lakhs

	Gratuity cost charged to profit or loss					Remeasurement gains/(losses) in other comprehensive income						
	April 1, 2022	Service cost	Net interest expense	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumption	Experience adjustments	Sub-total included in OCI	Contributions by employer	March 31, 2023
Defined benefit obligation	5.28	0.58	0.32	0.90	(0.89)	-	-	(0.18)	(0.21)	(0.39)	-	4.90
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**5.28**	**0.58**	**0.32**	**0.90**	**(0.89)**	**-**	**-**	**(0.18)**	**(0.21)**	**(0.39)**	**-**	**4.90**

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The major categories of plan assets of the fair value of the total plan assets are as follows:

	March 31, 2024	March 31, 2023
Unquoted investments:		
Asset invested in insurance scheme with the LIC	-	-
Total	-	-

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

	March 31, 2024	March 31, 2023
Discount rate:	%	%
Pension plan	**7.10%**	**7.20 %**
Future salary increases:		
Pension plan	**5.00%**	**5.00%**
Life expectation for pensioners	**Years**	**Years**
Pension plan		
Male	**60**	**60**
Female	**60**	**60**

A quantitative sensitivity analysis for significant assumption as at March 31, 2024 is as shown below:

India gratuity plan:

	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.20)	0.21	0.22	(0.21)

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

	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.14)	0.15	0.15	(0.15)

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

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

Duration (Years)	**For the year ended March 31, 2024**	For the year ended March 31, 2023
1	**1.94**	1.36
2	**1.50**	1.10
3	**1.18**	0.86
4	**0.94**	0.65
5	**0.76**	0.54
Above 5	**2.58**	1.78
Total expected payments	**8.90**	6.29

The average duration of the defined benefit plan obligation at the end of the reporting period is 4 years (March 31, 2023: 5 years).

27. Commitments and contingencies

Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:

At March 31, 2024, the Company had Nil commitments (March 31, 2023: Rs Nil)

Contingent liabilities

Claims against the Company not acknowledged as debts

		March 31, 2024 (Rs. In Lakhs)	March 31, 2023 (Rs. In Lakhs)
i.	Counter guarantees issued in respect of guarantees issued by company's bankers (Net)	**114.20**	114.20

ii. Company filed an arbitration petition (arbitration petition No. 160/2012), against the Delhi Developmental Authority (the "DDA") seeking quashing of invocation of a bank guarantee amounting to Rs 102.80 lakhs by DDA, recovery of Rs 25 lakhs as compensation alleging harassment and mental agony, recovery of Rs 10 lakhs towards cost of proceedings, and interest at the rate of 18% on blocked amount from December 28, 2010 till the date of return of pay order. This dispute pertains to an agreement for construction of a hotel by the subsidiary in Kondli, Delhi, entered into with DDA, as a successful bidder in an auction process conducted for this purpose. As per such agreement the subsidiary was required to provide a bank guarantee of Rs 102.80lakhs as performance security. The DDA allegedly sought to encash the bank guarantee on December 21, 2011 on grounds of non-performance of contractual obligations by the subsidiary. Consequently, on March 12, 2012 Oriole sent a notice of commencement of arbitration to DDA and on May 31, 2012, the subsidiary obtained an injunction (OMP No. 1/2012) from the High Court of Delhi restraining DDA and Axis Bank Limited from proceeding with the encashment of the bank guarantee until the completion of the arbitration proceedings. Arbitral tribunal was constituted on September 28, 2012 and

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an arbitration award has been passed on December 06, 2022 against which an objection petition has been filed by the DDA before the High Court of Delhi. Notice is yet not issued. The proceedings are in progress and the management based upon its assessment and expert's advice believes that any further liability against the aforesaid demand is improbable to crystallize.

28. Related Party Transactions

a) Names of related parties where control exists irrespective of whether transactions have occurred or not,

Holding Company	-Lemon Tree Hotels Limited
Fellow subsidiary companies	- Fleur Hotels Private Limited - Canary Hotels Private Limited - Sukhsagar Complexes Private Limited
Enterprise in which holding company has significant influence	- Mind Leaders Learning India Private Limited
Key Management Personnel	- Ms. Natasha Yashpal(Director) (till November 14, 2022) - -Mr Sameer Singh (Additional Director) (w.e.f. November 14, 2022) (Upto January 10, 2024) - Mr. Rajesh Kumar (Director) - Mr Gaurav Goyal (Additional Director) (w.e.f January 10, 2024)

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

(Rs in lakhs)

Transactions with Related Party	Year Ended	Holding Company	Fellow Subsidiary
Reimbursement of expenses incurred on company's behalf			
Lemon Tree Hotels Limited	31-Mar-24	**0.17**	-
	31-Mar-23	1.51	-
Loan Taken			
Lemon Tree Hotels Limited	31-Mar-24	**327.35**	-
	31-Mar-23	221.55	-

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Transactions with Related Party	Year Ended	Holding Company	Fellow Subsidiary
Loan Repayment			
Lemon Tree Hotels Limited	31-Mar-24	**363.12**	-
	31-Mar-23	287.78	-
Management Fees Paid (Cross Charge)			
Lemon Tree Hotels Limited	31-Mar-24	**22.83**	-
	31-Mar-23	13.07	-
Issue of shares			
Lemon Tree Hotels Limited	31-Mar-24	**364.12**	-
	31-Mar-23	-	-
Amount Received on behalf of the party			
Canary Hotels Private Limited	31-Mar-24	-	**0.11**
	31-Mar-23	-	0.24
Canary Hotels Private Limited	31-Mar-24	**0.43**	-
	31-Mar-23	-	-
Sukhsagar Complexes Private Limited	31-Mar-24	-	-
	31-Mar-23	-	1.35
Fleur Hotels Private Limited	31-Mar-24	-	-
	31-Mar-23	-	0.25
Balances outstanding at the year end- (Credit)/ Debit			
Lemon Tree Hotels Limited	31-Mar-24	**91.66**	-
	31-Mar-23	110.08	-
Guarantees given for Loan Taken By			
Lemon Tree Hotels Limited	31-Mar-24	**2,500.00**	-
	31-Mar-23	2,500.00	-



29. Fair value Measurement

This section gives an overview of the significance of financial instruments for the company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument

a. Financial Assets

Rs in lakhs

	March 31, 2024		March 31, 2023	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets				
Trade Receivables	-	**57.60**	-	98.84
Security Deposits (non-current)	-	**17.13**	-	10.98
Other bank balances	-	**135.12**	-	135.12
Cash and Cash Equivalents	-	**60.40**	-	82.43
Total Financial Assets	**-**	**270.25**	-	327.37

b. Financial Liabilities

Rs in lakhs

	March 31, 2024		March 31, 2023	
	FVTPL	**Amortised Cost**	FVTPL	Amortised Cost
Borrowings (Non-current)	-	**2,121.05**	-	2,483.84
Borrowings (Current)		**433.90**		394.58
Trade Payables	-	**59.63**	-	37.18
Other Current Financial Liabilities	-	**29.20**	-	35.79
Total Financial Liabilities	**-**	**2,643.78**	-	2,951.39

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c. Fair value measurement hierarchy for assets and liabilities

Fair value measurement

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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

i) Level 1

Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

ii) Level 2

Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

iii) Level 3

Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

The management assessed that fair values of cash and cash equivalents, trade receivables, trade payables, bank overdrafts, bank deposits with banks, other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of loans, security deposits, borrowings and other financial assets and liabilities are considered to be the same as their fair values, as there is an immaterial change in the lending rates.

30. Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings, deposits and payables/receivables in foreign currencies.

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Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

Rs in lakhs

	March 31, 2024	March 31, 2023
Variable rate borrowings	**2,487.93**	2,775.66
Fixed rate borrowings	**67.01**	102.76

Interest rate sensitivity

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

		Increase/decrease in basis points	**Effect on profit before tax**
			Rs in lakhs
31-March-24			
Rs.		50	(13.19)
Rs.		-50	13.19
31-March-23			
Rs.		50	(13.46)
Rs.		-50	13.46

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has no exposure in foreign currency.

Credit risk

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

(a) Trade receivables

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.
An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 8. The Company does not hold collateral as security.

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Rs in lakhs

Ageing	March 31, 2024	March 31, 2023
Not due		-
0-60 days past due	47.64	79.42
61-120 days past due	2.47	11.63
121-180 days past due	0.94	5.85
180-365 days past due	6.26	1.94
365-730 days past due	0.29	-
more than 730 days		-

Provision for doubtful debts (including provision for expected credit loss)

Rs in lakhs

Ageing	March 31, 2024	March 31, 2023
Not due		-
0-60 days past due	0.15	-
61-120 days past due	0.03	0.03
121-180 days past due	0.04	0.19
180-365 days past due	0.71	0.26
more than 365 days	3.17	2.91

Reconciliation of provision for doubtful debts – Trade receivables (including provision for expected credit loss)

Rs in lakhs

Particulars	March 31,2024	March 31,2023
Provision at beginning	**3.39**	**2.91**
Addition during the year	0.71	0.48
Reversal during the year	-	-
Utilised during the year	-	-
Provision at closing	**4.10**	**3.39**

Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. TheCompany's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.



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

Rs in lakhs

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2024						
Borrowings		76.23	290.66	1,767.51	361.52	2,495.92
Trade and other payables	59.63	-	-	-	-	59.63
Financial Liabilities	29.20	-	-	-	-	29.20
	88.83	**76.23**	**290.66**	**1,767.51**	**361.52**	**2,584.75**
Year ended March 31, 2023						
Borrowings	102.77	55.18	236.63	1,666.37	829.55	2,890.50
Trade and other payables	37.18	-	-	-	-	37.18
Financial Liabilities	35.79	-	-	-	-	35.79
	175.74	**55.18**	**236.63**	**1,666.37**	**829.55**	**2,963.47**

31. Capital management

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

	March 31, 2024	March 31,2023
Borrowings (Note 12& 14)	2,554.95	2,878.42
Trade payables (Note 14)	59.63	37.18
Less: cash and cash equivalents (Note 8)	60.40	82.43
Net debt	**2,554.19**	**2833.17**
Total capital(Note 10& 11)	1782.54	1549.25
Capital and net debt	**4,336.73**	**4382.42**
	58.90 %	**64.65%**

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

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and 31 March 2023.

32. Segment Reporting

The Company is into Hoteliering business. The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore there is no reportable segment for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about geographical areas

The Company has only domestic operations and hence no information required for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about major customers

The details of customer individually accounted for more than 10% of the revenue as at March 31, 2024 and March 31, 2023 is given hereinbelow:

(Rs. In Lakhs)

Party	March 31, 2024	March 31, 2023
CDAC	**123.35**	-
VV Giri National Labour Institute	**82.95**	-
Subroto Mukherjee Sports	-	34.91
Connaught Plaza Restaurants Pvt.Ltd	-	41.64
Technip India Ltd.	-	32.80



33. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006.

(Rs. Lakhs)

	March 31, 2024	March31, 2023
the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	15.62	19.02
the amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
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 enterprisefor the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

34. Supplementary information as per requirement of Schedule III of the Companies Act.

a) Detail of shareholding of promoters of the company

As at March 31, 2024

S.No.	Promoter Name	Number of shares at the beginning of the year 2023	Percentage of total Share Capital	Change during the year	Number of shares at the end of the year 2024	Percentage of Total shares	Percentage change during the year
1	Lemon tree Hotels Limited	3,700,000	100%	400,000	4,100,000	100%	-

As at March 31, 2023

S.No.	Promoter Name	Number of shares at the beginning of the year 2022	Percent age of total Share Capital	Change during the year	Number of shares at the end of the year 2023	Percentage of Total shares	Percent age change during the year
1	Lemon tree Hotels Limited	3,700,000	100%	-	3,700,000	100%	-

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b) Ratio Analysis and its elements

S.No.	Ratio	Numerator	Denominator	March 2024	March 2023	% Variance	Reason for variance
1	Current Ratio	Current Asset	Current liabilities	0.36	0.54	(32.63%)	Change is due to more working capital requirement during the year.
2	Debt Equity Ratio	Total Debt	Shareholder equity	1.43	1.86	(22.85%)	-
3	Debt service coverage Ratio	Earnings available for debt service	debt service	0.29	0.51	(42.95%)	Change is due decrease in profit as compared to previous year
4	Return on Equity	Net profit after taxes	Average shareholders equity	(7.80%)	(3.85%)	102.83%	Decrease is due to increase in loss in current year
5	Inventory Turnover Ratio	Cost of Good Sold	Average Inventory	3.83	4.77	(19.53%)	-
6	Trade Receivable turnover Ratio	Net credit sales	Avg. accounts receivable	9.96	12.65	(21.36%)	-
7	Trade Payables turnover Ratio	NA	NA	NA	NA	NA	
8	Net capital Turnover Ratio	Net Sales	Working capital	(2.26)	(3.38)	(33.27%)	Change is due to increase in revenue in current year
9	Net Profit Ratio	Net Profit	Net sales	(16.68%)	(8.09%)	(106.33%)	Increase in losses as compared to previous year
10	Return on capital employed	EBIT	Capital employed	2.36%	3.75%	(37.18%)	Change in increase in loss as compared to previous year
11	Return on investment	Income generated from investments(Fixed Deposits)	Average invested funds in treasury investments	NA	NA	NA	-



(i) Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

(ii) DebtService = Interest&Lease Payments + Principal Repayments.

(iii) Capital Employed= Networth+ Total Debt+DeferredTaxLiability-Net Intangible aseets

c) Trade Receivables ageing schedule based on requirement of Schedule III:

As at March 31, 2024 (Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	51.05	6.26	0.29	-	-	57.60
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Unbilled Revenue	-	-	-	-	-	-

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As at March 31, 2023 (Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	96.90	1.94	-	-	-	98.84
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Unbilled Revenue	-	-	-	-	-	-

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d) Trade payables Ageing Schedule based on the requirement of Schedule III

As at March 31, 2024 (Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	15.62	-	-	-	15.62
Total outstanding dues of creditors other than micro enterprises and small enterprises	0.98	42.85	0.19	-	44.01
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	-	-	-	-	-

As at March 31, 2023 (Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	19.02	-	-	-	19.02
Total outstanding dues of creditors other than micro enterprises and small enterprises	13.09	-	-	-	13.09
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	5.07	-	-	-	5.07

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e) **Other Statutory Information**

(i). The Company have not traded or invested in Crypto currency or Virtual currency during the financial year.

(ii). The Company have not 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.

(iii). The Company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property

(iv). The company has not entered into any transaction with companies struck off.

(v). The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(vi). The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vii). During the year, the company has not entered into any scheme of arrangements in terms of section 230 to 237 of the Companies Act, 2013 and accordingly, the prescribed disclosures of Schedule III are not required to be given.

(viii).The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or,

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(ix).The Company is not required to spend towards Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013, since there is no average profit in the last 3 years calculated as per the provisions of the Act.

(x). No bank has declared the company as "willful defaulter".

(ix).The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

35. As per the proviso to Rule 3(1) of Companies (Accounts) Rules, 2014, for the financial year commencing on or after the 1st day of April 2023, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses SAP S/4 HANA as its accounting software operated for recording all the accounting transactions for the year ended March 31, 2024. SAP S/4 HANA has a feature of recording audit trail (edit log) facility which has not been enabled through out the year.



In respect of maintaining revenue records, the Company has used an revenue management software. The said software has a feature of recording audit trail (edit log) facility from July 9, 2023, except the software does not have feature of audit trail at database level.

The Management has adequate internal controls over financial reporting which were operating effectively for the year ended March 31, 2024. The Management is in the process of evaluating the options to ensure compliance with the requirements of proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 referred above in respect of audit trail (edit log).

36. Previous period's figures have been regrouped/reclassified wherever necessary to correspond with the current period's classification/disclosure.

As per our report of even date

For APAS& CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

Rajeev Ranjan
Partner
Membership No. 535395

For and on behalf of the Board of Directors of Oriole Dr Fresh Hotels Private Limited

Gaurav Goyal
Additional Director
DIN:10454883

Rajesh Kumar
Director
DIN: 05251730

Place : New Delhi
Date :May27, 2024

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ORIOLE DR. FRESH HOTELS PRIVATE LIMITED

Report on the Audit of IND AS Financial Statements

Opinion

We have audited the accompanying IND AS financial statements of ORIOLE DR. FRESH HOTELS PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the IND AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid IND AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the IND AS financial statements under the provisions of the Companies Act, 2013 and the Rules issued there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information other than the Financial Statements and Auditor's Report thereon

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the IND AS financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these IND AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 IND AS financial statements, that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors/Management are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the IND AS financial Statements

Our objectives are to obtain reasonable assurance about whether the IND AS 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.

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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 IND AS financial statements.

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

1. Identify and assess the risks of material misstatement of the IND AS 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.

2. Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the IND AS 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.

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

Materiality is the magnitude of misstatements in the interim condensed standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit we report that:

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

   ii. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

   iii. The Balance Sheet, the Statement of Profit and Loss (including the Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   iv. In our opinion, the aforesaid IND AS Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act.

   v. On the basis of the written representations received from the directors as on 31st March, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

   vi. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure II". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   vii. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, according to the explanations given to us, no managerial remuneration has been paid by the Company to its directors during the year, therefore the provisions of the section are not applicable.

   viii. 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:

      i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS financial statements. Refer Note 27 to the financial statements.

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

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

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) 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 (a) and (b) above, contain any material misstatement.

v. The company has neither declared dividend nor paid any dividend during the year.

2. 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, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in "Annexure I" a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.

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3. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the year ended March 31, 2024 wherein:

   a. an accounting software did not have audit trail feature enabled throughout the year,

   b. In respect of a revenue management software used for maintaining its revenue records, has a feature of recording audit trail (edit log) facility at the application level and the same has operated from July 1, 2023 for all relevant transactions recorded; however the software does not have feature of audit trail at database level to log direct data changes.

Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with, in respect of accounting software(s) for the period for which the audit trail feature was enabled and operating.

For APAS & CO LLP
CHARTERED ACCOUNTANTS
Firm Regn No. 000340C/C400308

PLACE : DELHI
DATED : May 27, 2024
UDIN : 24535395BKCAW1633

(RAJEEV RANJAN)
PARTNER
M No. 535395

APAS & CO LLP
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ANNEXURE- I TO THE INDEPENDENT AUDITOR'S REPORT

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

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The company has maintained proper records showing full particulars of intangible assets.

b) The Property, Plant and Equipment have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies were noticed on such verification.

c) According to the information and explanations given by the management, the title deeds of immoveable properties included in property, plant and equipment are held in the name of the Company.

d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

e) Based on audit procedures performed and the representation obtained from the management, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. a) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on physical verification.

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b) During the year, the Company has been sanctioned working capital limits in excess of Rs 5 crore by banks based on the security of Current Assets. There are no material variations between the quarterly statement of current assets filed during the year with the banks and the books of accounts.

iii. The Company, during the year, has not made investment, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties Therefore, the provisions of clause 3(iii)(a) to 3(iii)(f) of the Order are not applicable.

iv. In our opinion, and according to the information and explanations given to us, The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. To the best of our knowledge and as explained, the central government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act 2013.

vii. a) As per information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other statutory dues with the appropriate authorities. As informed to us there are no outstanding statutory dues in arrears as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) as on the balance sheet date which have not been deposited on account of any dispute.

viii. Based on our audit procedures and on the basis of information and explanations given to us by the management, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

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b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised.

d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have, prima facie, been used for long-term purposes by the company.

e) The Company does not have any subsidiaries, joint ventures or associate companies and therefore the clause 3(ix)(e) and 3(ix)(f) is not applicable.

x. a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans during the year. Accordingly, the provisions of clause 3(x) of the Order are not applicable to the Company and hence not commented upon.

b) During the year, the Company has made preferential allotment or private placement of shares. In our opinion and according to the information and explanations given to us, the Company has complied with the requirements of section 42 and section 62 of the Act and the Rules framed thereunder with respect to the same. Further, the amounts so raised have been utilized by the Company for the purposes for which these funds were raised.

xi. a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the company and no material fraud on the Company has been noticed or reported during the year.

b) We report that no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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

xii. The Company is not a Nidhi company and therefore clause 3(xii) of the Order related to such companies is not applicable to the Company.



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xiii. All transactions entered during the year with the related party are in compliance with the provisions of sections 188 where applicable and the details with respect to all related party transactions have been disclosed in the Financial Statements as required by applicable accounting standards. Section 177 of the Companies Act, 2013 is not applicable on the Company.

xiv. a) According to the information and explanations given to us, the Company is not required to have an internal audit system under section 138 of the Act. However, the Company has an internal audit system which, in our opinion, is commensurate with the size and nature of its business.

b) We have considered the internal audit reports of the company issued till date, in determining the nature, timing and extent of our audit procedures.

xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

xvi. a) In our opinion, in view of its business activities, the Company is not required to be registered under Section 451A of Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year without a valid Certificate of Registration (CoR) from the RBI as per the Reserve Bank of India Act, 1934.

xvii. The Company has incurred cash losses amounting to **Rs. 66.47 Lacs** in the current financial year but had not incurred cash losses in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly clause 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.

xx. The Company is not required to spend any amount on corporate social responsibility under section 135 of the Companies Act. Therefore, the provisions of clause 3(xx) of the Order are not applicable.

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xxi. The reporting under clause 3(xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For APAS & CO LLP
CHARTERED ACCOUNTANTS
Firm Regn No. 000340C/C400308

PLACE : DELHI
DATED : May 27, 2024
UDIN : 24535395BKCAUV9533

Rajeev Ranjan
(RAJEEV RANJAN)
PARTNER
M No. 535395

APAS & CO LLP
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ANNEXURE- II TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of ORIOLE DR. FRESH HOTELS PRIVATE LIMITED ("the Company") as of 31st March 2024 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting with reference to these Standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal

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financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Standalone Ind AS 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 judgment, 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 system over financial reporting with reference to these Standalone Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these financial statements

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Standalone Ind AS financial statements and such internal financial controls over financial reporting were operating effectively as at 31st March 2024, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on "Audit of Internal Financial Controls Over Financial Reporting" issued by the Institute of Chartered Accountants of India.

For APAS & CO LLP
CHARTERED ACCOUNTANTS
Firm Regn No. 000340C/C400308

PLACE : DELHI
DATED : May 27, 2024
UDIN : 24535395BKCAUU9533

(RAJEEV RANJAN)
PARTNER
M No. 535395

Oriole Dr. Fresh Hotels Private Limited
CIN:U85110DL2004PTC128937
Balance Sheet as at March 31, 2024

	Note	March 31, 2024 Rs in lakhs	March 31, 2023 Rs in lakhs
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	4,065.92	4,100.19
(b) Intangible assets	4	0.08	0.12
(c) Financial assets	5		
(i) Other financial assets		152.25	146.10
(e) Non-current tax assets (net)		35.68	12.45
		4,253.93	4,258.86
Current assets			
(a) Inventories	7	16.22	15.37
(b) Financial assets	8		
(i) Trade receivables		57.60	98.84
(ii) Cash and Cash equivalents		60.40	82.43
(c)Other current assets	9	62.63	63.10
		196.85	259.74
Total Assets		4,450.78	4,518.60
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	10	410.00	370.00
(b) Other Equity	11	1,372.54	1,179.25
Total Equity		1,782.54	1,549.25
Liabilities			
Non-current liabilities			
(a) Financial liabilities	12		
(i) Borrowings		2,121.05	2,483.84
(b) Provisions	13	5.09	3.59
		2,126.14	2,487.43
Current liabilities			
(a) Financial liabilities	14		
(i) Borrowings		433.90	394.58
(ii) Trade payables			
- total outstanding dues of micro enterprises and small enterprises		15.62	19.02
- total outstanding dues of creditors other than micro enterprises and		44.01	18.16
(iii) Other Current financial liabilities		29.20	35.79
(b) Other current liabilities	15	14.36	10.59
(c) Provisions	13	5.01	3.78
		542.10	481.92
Total Liabilities		2,668.24	2,969.35
Total Equity and Liabilities		4,450.78	4,518.60
Summary of material accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For APAS & CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

Rajeev Ranjan
Partner
Membership No. 535395

Place : New Delhi
Date : May 27, 2024

For and on behalf of the Board of Directors of
Oriole Dr. Fresh Hotels Private Limited

Gaurav Goyal
Additional Director
DIN: 10454883

Place : New Delhi
Date : May 27, 2024

Rajesh Kumar
Director
DIN: 05251730

APAS & CO. LLP ★ FRN: 000340C/C400308 ★ CHARTERED ACCOUNTANTS New Delhi

Oriole Dr. Fresh Hotels Private Limited
CIN:U85110DL2004PTC128937
Statement of Profit and Loss for the year ended March 31, 2024

	Note	March 31, 2024 Rs in lakhs	March 31, 2023 Rs in lakhs
Revenue from operations	16	**778.72**	750.98
Other income	17	**4.82**	8.39
Total Income		**783.54**	759.37
Expenses			
Cost of food and beverages consumed	18	**60.58**	53.17
Employee benefits expense	19	**196.75**	152.35
Other expenses	20	**360.58**	326.69
Total expenses		**617.91**	532.21
Earnings before interest, tax, depreciation and amortisation (EBITDA)		**165.63**	227.16
Finance costs	21	**245.22**	237.46
Depreciation and amortization expense	22	**63.46**	61.14
Finance Income	23	**(13.13)**	(10.71)
Loss before tax		**(129.92)**	(60.73)
Tax expense:			
-Current tax		**-**	-
Loss for the year		**(129.92)**	(60.73)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		**(0.91)**	0.39
Income tax relating to items that will not be reclassified to profit or loss			
Total Comprehensive Loss for the year		**(130.83)**	(60.34)
Loss per equity share:			
(1) Basic	24	**(3.17)**	(1.64)
(2) Diluted	24	**(3.17)**	(1.64)
Summary of material accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For APAS & CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

Rajeev Ranjan
Partner
Membership No. 535395

Place : New Delhi
Date : May 27, 2024

For and on behalf of the Board of Directors of
Oriole Dr. Fresh Hotels Private Limited

Gaurav Goyal
Additional Director
DIN: 10454883

Rajesh Kumar
Director
DIN: 05251730

Place : New Delhi
Date : May 27, 2024

Oriole Dr. Fresh Hotels Private Limited
CIN:U85110DL2004PTC128937
Cash flow statement for the year ended March 31, 2024

		For the year ended March 31, 2024 (Rs in lakhs)	For the year ended March 31, 2023 (Rs in lakhs)
A.	**Cash flow from operating activities**		
	Loss before tax	**(129.92)**	(60.73)
	Non-cash adjustments to reconcile profit/(loss) before tax to net cash flows:		
	Depreciation and amortisation expenses	**63.46**	61.14
	Finance income (including fair value change in financial instruments)	**(13.13)**	(10.71)
	Finance costs (including fair value change in financial instruments)	**242.34**	233.45
	Provision for gratuity	**1.15**	0.01
	Provision for leave encashment	**0.66**	0.69
	Excess provision/ credit balances written back	**-**	0.19
	Provision for doubtful debts	**0.72**	0.46
	Operating profit before working capital changes:	**165.28**	224.50
	Movements in working capital:		
	Change in trade receivables	**40.51**	(79.49)
	Change in loans and advances and other current assets	**(5.68)**	(12.42)
	Change in inventories	**(0.84)**	(8.44)
	Change in liabilities and provisions	**19.64**	15.86
	Cash generated from Operations	**218.91**	140.01
	Direct taxes paid (net of refunds)	**(23.23)**	(2.42)
	Net cash flow genrated from operating activities (A)	**195.68**	137.59
B.	**Cash flows from investing activities**		
	Purchase of Property, plant and equipment	**(29.15)**	(23.71)
	Interest received	**13.13**	10.71
	Net Cash flows from investing activities (B)	**(16.02)**	(13.00)
C	**Cash flows used in financing activities**		
	Proceeds from issuance of share capital	**364.12**	-
	Proceeds/(Repayment) of borrowings	**(323.47)**	100.55
	Interest paid	**(242.34)**	(233.45)
	Net Cash used in financing activities (C)	**(201.69)**	(132.90)
	Net decrease in cash and cash equivalents (A + B + C)	**(22.03)**	(8.31)
	Cash and cash equivalents at the beginning of the year	**82.43**	90.74
	Cash and cash equivalents at the end of the year	**60.40**	82.43
	Components of cash and cash equivalents		
	Cash on Hand	**9.98**	10.42
	Balances with Scheduled Banks in		
	- Current accounts	**50.42**	72.01
	Total cash and cash equivalents	**60.40**	82.43

Summary of material accounting policies 2.2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For APAS & CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

Rajeev Ranjan
Partner
Membership No. 535395

Place : New Delhi
Date : May 27, 2024

For and on behalf of the Board of Directors of
Oriole Dr. Fresh Hotels Private Limited

Gaurav Goyal
Additional Director
DIN: 10454883

Rajesh Kumar
Director
DIN: 05251730

Place : New Delhi
Date : May 27, 2024

APAS & CO. LLP ★ FRN: 000340C/C400308 ★ CHARTERED ACCOUNTANTS

Oriole Dr. Fresh Hotels Private Limited
CIN:U85110DL2004PTC128937
Statement of Changes in Equity for the year ended March 31, 2024

A. Equity Share Capital

Equity shares of INR 10 each issued, subscribed and fully paid	**No. of shares**	**Amount (Rs in lakhs)**
At April 1, 2022	**37,00,000**	**370.00**
Issue of share capital	-	-
At March 31, 2023	**37,00,000**	**370.00**
Issue of share capital	4,00,000	40.00
At March 31, 2024	**41,00,000**	**410.00**

B. Other Equity
For the year ended March 31, 2024

Rs in lakhs

	Reserves and Surplus			
	Capital reserve	**Securities Premium**	**Retained Earnings**	**Other equity**
Balance at April 1, 2022	153.10	2,273.95	(1,187.46)	**1,239.58**
Total Comprehensive Income for the year	-	-	(60.34)	**(60.34)**
Balance at March 31, 2023	153.10	2,273.95	(1,247.80)	**1,179.25**
Total Comprehensive Income for the year	-	-	(130.83)	**(130.83)**
Issue of share capital	-	324.12	-	**324.12**
Balance at March 31, 2024	**153.10**	**2,598.07**	**(1,378.63)**	**1,372.54**

Summary of material accounting policies 2.2

The accompanying notes are an integral part of the financial statements.

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1. Corporate Information

Oriole Dr. Fresh Hotels Private Limited (the Company) is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at Asset No. 6, Aerocity Hospitality District, New Delhi 110037.

The principal activities of the Company is to carry out business of developing, owning, acquiring, renovating and promoting hotels, motels, resorts, restaurants, etc. under the brand name of Red Fox Hotel.

The financial statements are approved for issue by the Board of directors on May 27, 2024.

2 Basis of preparation of financial statements and material accounting policies

2.1 Basis of preparation and Compliance with Ind AS

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), and the provisions of the Companies Act ,2013 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities which are measured at fair value/ amortised cost (refer note 29)

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing account standard required a change to the accounting policy hitherto to in use.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, expect where otherwise indicated.

2.2 Significant material policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

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The Company classifies all other liabilities as non-current.

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

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

(b) Foreign currencies

Functional and presentation currency

The Company's financial statements are presented in INR, which is also the Company's functional currency. Presentation currency is the currency in which the company's financial statements are presented. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash. All the financial information presented in Indian Rupees (INR) has been rounded to the nearest of lakhs rupees, except where otherwise stated.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

(c) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

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

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

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

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

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

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

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

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

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

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value. External valuers are involved for valuation of significant assetsand liabilities. The management selects external valuer on various criteria such as market Knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussion with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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



This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 25)
- Contingent consideration (note 27)
- Quantitative disclosures of fair value measurement hierarchy (note 29)
- Financial instruments (including those carried at amortised cost) (note 29)

(d) Revenue recognition

The standard is applied only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated - i.e. the comparative information continues to be reported under previous standards on revenue i.e. Ind AS 18 and Ind AS 11. There was no impact on adoption of Ind AS 115 to the financial statements of the Company.

In arrangements for room revenue and related services, the Company has applied the guidance in Ind AS 115 for recognition of Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering room revenue and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognized.

Sales Tax/ Value Added Tax (VAT)/Goods and Service Tax(GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Rooms, Restaurant, Banquets and Other Services

Income from guest accommodation is recognized on a day to day basis after the guest checks into the Hotels and are stated net of allowances. Incomes from other services are recognized as and when services are rendered. Sales are stated exclusive of Service Tax, Value Added Taxes (VAT), Goods and Service Tax(GST)and Luxury Tax. Differenceof revenue over the billed as at theyear-end is carried in financial statement as unbilled revenue separately.

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, sale of food and beverage are recognized at the points of serving these items to the guests. Sales are stated exclusive of Sales Tax / VAT/ Goods and Service Tax (GST).



Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period,

where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the income statement.

Dividends

Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(e) Taxes

Tax expense represents Current income tax and Deferred tax.

Current income tax

The tax currently payable is based on taxable profit for the period/year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future



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

which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

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

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.
Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date.

If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

Sales/ Value Added Taxes/Goods& Service Tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:
- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

(f) Property, plant and equipment

Property, Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. Freehold land is not depreciated.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on fixed assets is provided as per Schedule II of Companies Act, 2013 on Straight Line Method over its economic useful life of fixed assets as follows:

Fixed Assets	Useful life considered
Plant & Machinery	15 Year
Building	60 Years
Electrical equipments and fittings	10 Years
Office Equipments	5 Years
Furniture and Fixtures	8 Years
Crockery, cutlery and soft furnishings	3 Years
Commercial Vehicles	6 Years
Private Vehicles	8 Years
Computers	3 Years

The Company, based on management estimates, depreciates certain items of building, plant and equipment over estimated useful lives which are lower than the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end, and adjusted prospectively if appropriate.



(g) Intangible assets

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

The useful lives of intangible assets are assessed as 3 years and the same shall be amortised on Straight line basis over its useful life.

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 income statement when the asset is derecognized.

(h) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes)Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Company depreciates building component of investment property over the remaining estimated useful life on the date of purchase after considering total economic useful life of 60 years.

Though the Company measures investment property using deemed cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

(i) Borrowing costs

Borrowing cost includes interest expense as per Effective Interest Rate (EIR).

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset until such time that the assets are substantially ready for their intended use. Where funds are borrowed specifically to finance a project, the amount

capitalised represents the actual borrowing costs incurred. Where surplus funds areavailableout of money borrowed specifically to finance a project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Company during the year. Capitalisation of borrowing costs is suspended and charged to profit and loss during the extended periods when the active development on the qualifying assets is interrupted.

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EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial liability or a shorter period, where appropriate, to the amortised cost of a financial liability after considering all the contractual terms of the financial instrument.

(j) Inventories

Stock of food & beverages, stores and operating supplies are valued at lower of cost and net realisable Value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a first in first out basis.Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make sale.

(k) Impairment of non-financial assets

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

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

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(l) Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent Assets/ Liabilities

Contingent assets are not recognised. However, when realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

Contingent liabilities are disclosed in notes to accounts when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(m) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service

received before the balance sheet date exceeds the contribution already paid, the deficit payable to 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, for example, a reduction in future payment or a cash refund.

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.



Retirement benefit in the form of gratuity is a defined benefit scheme. Gratuity liability of employees is accounted for on the basis of actuarial valuation on projected unit credit method at the close of the year. Company's contribution made to Life Insurance Corporation is expenses off at the time of payment of premium.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.The Company recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Retirement benefits in the form of Superannuation Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

The company treats leaves expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

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(n) 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.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- Equity instruments in subsidiaries carried at cost

Debt instruments at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortisedcost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivable etc. For more information on receivables, refer to Note 8.

Debt instrument at FVTOCI

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:
a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.



Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity instruments

All equity investments (other than equity investments in subsidiaries) in scope of Ind AS 109 are measured at fair value. Equity instruments in subsidiaries are carried at cost in financial statements less impairments if any. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Financial assets that are debt instruments and are measured as at FVTOCI
c) Trade receivables or any contractual right to receive cash or another financial asset

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The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.



Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:
Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

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

Financial liabilities at amortised cost

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

This category generally applies to borrowings. For more information refer Note 12& 14.



Financial guarantee

Financial guarantees issued by the Company on behalf of group companies are designated as 'Insurance Contracts'. The Company assess at the end of each reporting period whether its recognised insurance liabilities (if any) are adequate, using current estimates of future cash flows under its insurance contracts. If that assessment shows that the carrying amount of its insurance liabilities is inadequate in the light of the estimated future cash flows, the entire deficiency is recognised in profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(o) Redeemable preference shares

Redeemable preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

(p) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and 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.

(q) Measurement of EBITDA

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

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Oriole Dr. Fresh Hotels Private Limited
Notes to financial statements for the year ended March 31, 2024

3 Property, plant and equipment

Rs in lakhs

Particulars	Freehold land	Building on freehold land	Plant and Machinery	Electrical fittings	Electrical equipments	Office equipments	Furniture and Fixtures	Computers	Vehicles	Total
Cost										
At April 1, 2022	2,189.39	2,072.69	282.04	101.31	39.51	1.97	61.17	4.67	6.13	4,758.88
Additions	-	-	8.12	-	13.11	-	-	2.48	-	23.71
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2023	2,189.39	2,072.69	290.16	101.31	52.62	1.97	61.17	7.15	6.13	4,782.59
Additions	-	-	17.53	-	6.83	1.47	-	3.32	-	29.15
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2024	2,189.39	2,072.69	307.69	101.31	59.45	3.44	61.17	10.47	6.13	4,811.74
Depreciation										
At April 1, 2022	-	257.79	179.19	88.27	30.77	1.97	55.13	3.93	4.36	621.41
Charge for the year	-	35.80	21.95	0.02	1.54	-	0.82	0.33	0.53	60.99
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2023	-	293.59	201.14	88.29	32.31	1.97	55.95	4.26	4.89	682.40
Charge for the year	-	35.80	21.99	0.02	2.69	0.16	0.82	1.41	0.53	63.42
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2024	-	329.39	223.13	88.31	35.00	2.13	56.77	5.67	5.42	745.82
Net Book value										
At March 31, 2024	2,189.39	1,743.30	84.56	13.00	24.45	1.31	4.40	4.80	0.71	4,065.92
At March 31, 2023	2,189.39	1,779.10	89.02	13.02	20.31	-	5.22	2.89	1.24	4,100.19

a) Certain property, plant and equipment are mortgaged as collateral against borrowings, the details related to which have been described in footnote to note 12 on 'borrowings'.
b) Refer Note 25 for critical judgements, estimates and assumptions.
c) The Property, Plant & Equipment are valued at cost.The company has not used registered valuer for fair valuation/revaluation.

4 Intangible Assets

Rs in lakhs

Particulars	Software	Total
Cost		
At April 1, 2022	4.75	4.75
Additions	-	-
Disposals	-	-
At March 31, 2023	4.75	4.75
Additions	-	-
Disposals	-	-
At March 31, 2024	4.75	4.75
Amortisation		
At April 1, 2022	4.48	4.48
Amortisation	0.15	0.15
Disposals	-	-
At March 31, 2023	4.63	4.63
Amortisation	0.04	0.04
Disposals	-	-
At March 31, 2024	4.67	4.67
Net Block		
At March 31, 2024	0.08	0.08
At March 31, 2023	0.12	0.12

The intangible are assets are valued at cost. The company has not used registered valuer for fair valuation/revaluation.

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5 Financial assets	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(ii) Other financial assets		
Security Deposit	**17.13**	10.98
Other bank balances	**135.12**	135.12
	152.25	146.10

6 Deferred tax assets (net)	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Property, plant & equipment	**314.07**	308.73
Deferred tax liability	**314.07**	308.73
Impact of expenditure charged to the statement of profit and loss in the current/ earlier period but allowable for tax purposes on payment basis	**3.38**	2.97
Provision for doubtful debts and advances	**2.03**	1.72
Effect of unabsorbed depreciation and business loss	**281.97**	276.20
Interest on borrowings	**24.06**	25.93
Provision for gratuity	**1.81**	1.27
Provision for leave compensation	**0.82**	0.64
Deferred tax assets	314.07	308.73
Deferred tax assets (net)	-	-

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for year March 31, 2024 and March 31, 2023:

	March 31, 2024	March 31, 2023
Loss before tax	**(129.92)**	(60.73)
Tax rate	**26.00%**	26.00%
Tax at statutory income tax rate	**(33.78)**	(15.79)
Effect of incomes taxable at nil/lower/MAT rate	**33.78**	15.79
Net	-	-



7 Inventories

(valued at lower of cost and net realisable value, unless otherwise stated)	**As at March 31, 2024 Rs in lakhs**	As at March 31, 2023 Rs in lakhs
Food and beverages (excluding liquor and wine)	**3.00**	4.59
Stores, cutlery, crockery, linen, provisions and others (valued at cost)	**13.22**	10.78
Total	**16.22**	15.37

(This space has been intentionally left blank)



8 Financial assets	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(I) Trade receivables		
Trade receivables*	**57.60**	98.84
*read with note 34(c)		
Break-up for security details:		
Trade receivables		
Unsecured, considered good	57.97	98.99
Trade Receivables which have significant increase in credit risk	3.73	3.25
	61.70	102.23
Impairment Allowance (allowance for bad and doubtful debts)		
Unsecured, considered good	0.37	0.14
Trade Receivables which have significant increase in credit risk	3.73	3.25
	4.10	3.39
Total	57.60	98.84

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(II) Cash and cash equivalents		
Balance with banks		
On current & cash credit accounts	**50.42**	72.01
Cash on hand	**9.98**	10.42
	60.40	82.43

At March 31, 2024, the Company had available Nil balance (March 31, 2023: Rs. Nil lakhs) of undrawn committed borrowing facilities.

Break up of current financial assets carried at amortised cost

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Trade receivables	**57.61**	98.87
Cash and cash equivalents	**60.40**	82.43
Total current financial assets carried at amortised cost	**118.01**	181.30

9 Other current assets	As at March 31, 2024 Rs.	As at March 31, 2023 Rs.
Advances recoverable in cash or kind	**1.81**	0.08
Balance with statutory/ government authorities	**22.52**	27.16
Interest accrued on deposits with banks	**33.59**	22.55
Prepaid Expenses	**4.71**	13.31
Total	**62.63**	63.10



10 Equity Share capital

Authorised Share Capital

	Equity shares	
	No. of shares	Rs in lakhs
At April 1, 2022	37,40,000	374.00
Increase/(decrease) during the year	-	-
At March 31, 2023	**37,40,000**	**374.00**
Increase/(decrease) during the year	4,60,000	46.00
At March 31, 2024	**42,00,000**	**420.00**

Terms/rights attached to equity shares

The company has only one class of equity shares having face value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders 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.

Issued equity capital*

Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	Rs in lakhs
At April 1, 2022	**37,00,000**	**370.00**
Increase/(decrease) during the year	-	-
At March 31, 2023	**37,00,000**	**370.00**
Increase/(decrease) during the year	4,00,000	40.00
At March 31, 2024	**41,00,000**	**410.00**

*read with note 34(a)

Shares held by holding company

	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Rs in lakhs	No. of shares	Rs in lakhs
Equity shares of Re. 10 each fully paid up				
Lemon Tree Hotels Limited	41,00,000	410.00	37,00,000	370.00

Details of shareholders holding more than 5% shares in the company

	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% held	No. of shares	% held
Equity shares of Re. 10 each fully paid up				
Lemon Tree Hotels Limited	**41,00,000**	**100.00%**	37,00,000	100.00%

The Company has not issued Bonus Share, Share for consideration other than Cash and has not bought back shares during the period of five years immediately preceding the reporting date.

11 Other equity

Securities Premium Reserve

	Rs in lakhs
At April 1, 2022	**2,273.95**
Increase/(decrease) during the year	-
At March 31, 2023	**2,273.95**
Increase/(decrease) during the year	324.12
At March 31, 2024	**2,598.07**

Retained Earnings

	Rs in lakhs
At April 1, 2022	**(1,187.46)**
Profit/(loss) for the year	(60.34)
At March 31, 2023	**(1,247.80)**
Profit/(loss) for the year	(130.83)
At March 31, 2024	**(1,378.63)**

Capital Reserve (Equity Component of Reedemable Preference shares)

	Rs in lakhs
At April 1, 2022	**153.10**
Increase/(decrease) during the year	-
At March 31, 2023	**153.10**
Increase/(decrease) during the year	-
At March 31, 2024	**153.10**

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Other reserves		
Securities Premium Reserve	**2,598.07**	2,273.95
Retained Earnings	**(1,378.63)**	(1,247.80)
Capital Reserve (Equity Component of Reedemable Preference shares)	**153.10**	153.10
	1,372.54	1,179.25

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12 Financial liabilities

(i) Borrowings

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Non-current borrowings		
Term Loans		
Indian rupee loans from Banks (Secured)		
Yes Bank Limited (Refer note 1 and 2 below)	2,121.05	2,483.84
Total non-current borrowings	2,121.05	2,483.84
Current borrowings		
Term Loans		
Current maturity of long term loans		
Yes Bank Limited (Refer note 1 and 2 below)	366.89	291.81
Total current borrowings	366.89	291.81
Less: Amount clubbed under "current borrowings"	(366.89)	(291.81)
Net current borrowings	-	-

Term loans

1. Rupee Term loan of Rs. 2,500 lakhs from Yes Bank Ltd, the loan is repayable in 48 structured installments including 12 months of moratorium period from the first date of disbursement, carrying interest rate of 9.00% p.a. (March 31, 2023: 9.35%). It is secured by:

a) First charge on all present and future immoveable fixed assets of Red Fox Hotel, Kundli New Delhi.
b) First charge on all moveable fixed assets and current assets both present and future of Red Fox Hotel, Kundli New Delhi.
c) Escrow of all receivables of project including security deposits.
d) Corporate guarantee of Lemon Tree Hotels Limited.
e) DSRA equivalent to three months interest and one quarter principal to be created in case of any over dues beyond 30 days in the form of fixed deposits duly lien marked in favour of YBL.
f) Minimum security cover of 1.5x on immoveable and moveable fixed assets of the project.

2. Rupee Credit line of Rs. 960 lakhs from Yes Bank Ltd, The loan is repayable 36/48 monthly installment after a moratorium period of 12/24 months from the date of first disbursement. carrying interest rate of 9.00% p.a. (March 31, 2023: 9.25%). The loan is secured by:

1). Second Charge on all movable fixed assets and current assets (both present and future) (including Escrow Account opened with YBL) of the Borrower;
2) Escrow of all receivables of the Hotel including security deposits to remain vaild during the tenor of YBL Loan facilities sanctioned to the Borrower.

3. The Company has not defaulted in the repayment of loans and interest at Balance Sheet date.

4. Bank loans availed by the Company are subject to certain covenants relating to interest coverage ratio, debt service coverage ratio, capital gearing ratio, fixed assets coverage ratio.

5. The Company has complied significant covenants from bank and financial institutions as per the terms of the loan agreement.

6. The company has used borrowings from banks/financial institutions for the specific purpose for which it was taken.

7. Basis on several terms and conditions as speceefied in sanction letters, the company submits quarterly returns/statements of current assets with banks/ financial institution and these returns/statements are in agreement with the books of accounts.

13 Provisions

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Provision for gratuity	6.96	4.90
	6.96	4.90
Current	1.87	1.31
Non-current	5.09	3.59

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Provision for leave benefits	3.14	2.47
Current	3.14	2.47
Non-current	-	-
Total current	5.01	3.78
Total non-current	5.09	3.59

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14 Financial liabilities

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(i) Current borrowings		
0% loan from Lemon Tree Hotels Limited repayable on demand	**67.01**	102.77
Current maturities of long-term borrowings (refer note 12)	**366.89**	291.81
	433.90	394.58
(ii) Trade payables		
Trade Payables*		
-Micro and small enterprises	**15.62**	19.02
-Other than Micro and small enterprises	**44.01**	18.16
*read with note 34(d)		
	59.63	37.18
Trade payables	**34.98**	29.87
Trade payables to related parties	**24.65**	7.31
	59.63	37.17

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(iii) Other Current financial liabilities		
Outstanding dues of other creditors	**29.20**	35.79
	29.20	35.79

15 Other current liabilities

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Advance from customers	**9.15**	3.21
Statutory Dues	**5.21**	7.38
	14.36	10.59

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16 Revenue from operations

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Revenue from operations		
Sale of products and services		
- Room rental	**690.07**	672.99
- Food and beverage (excluding liquor and wine)	**51.28**	45.77
- Telephone and telex	**0.16**	0.05
- Other Services	**37.21**	32.17
Revenue from operations	778.72	750.98

17 Other income

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Profit on sale of property, plant and equipment	-	3.01
Rental income	**3.78**	3.48
Excess provision/ credit balances written back	-	0.19
Miscellaneous income	**1.04**	1.71
	4.82	8.39

18 Cost of food and beverages consumed

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
(a) Consumption of food & beverages excluding liquor & wine		
Inventory at the beginning of the year	**4.59**	1.18
Add: Purchases	**58.99**	56.58
	63.58	57.76
Less: Inventory at the end of the year	**3.00**	4.59
Cost of food and beverage consumed	**60.58**	53.17

19 Employee benefit expense

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Salaries, wages and bonus	**169.04**	130.75
Contribution to provident fund and other funds	**13.66**	12.31
Gratuity expense	**1.15**	0.90
Leave compensation expenses	**0.70**	0.84
Staff welfare expenses	**12.20**	7.55
	196.75	152.35

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20 Other expenses

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Consumption of stores, cutlery, crockery, linen, provisions and others	**19.48**	17.96
Power and fuel	**120.42**	125.09
Linen & uniform washing and laundry expenses	**0.80**	0.48
Guest transportation	**32.09**	33.61
Cable TV expenses	**2.67**	2.48
Repair and maintenance		
- Buildings	**20.62**	6.65
- Plant and machinery	**20.86**	23.17
- Others	**7.85**	7.15
Rates and taxes	**20.41**	20.32
Insurance	**4.59**	2.45
Communication costs	**7.74**	5.47
Printing and stationery	**2.13**	2.00
Traveling and conveyance	**0.28**	0.45
Advertising and sales promotion	**0.25**	0.49
Electronic Distribution	**0.13**	0.41
Management & incentive fees	**22.84**	14.58
Commission -other than sole selling agent	**34.96**	27.28
Security and cleaning expenses	**29.79**	23.41
Membership and subscriptions	**1.01**	0.79
Legal and professional fees	**5.77**	7.36
Provision for doubtful debt, loans, advances	**0.72**	0.46
Payment to auditors	**0.80**	0.70
Miscellaneous expenses	**4.37**	3.93
	360.58	326.69

Payment to auditor

As audit fees	0.80	0.70
	0.80	0.70

21 Finance costs

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Interest		
- on term loans from banks	242.34	233.45
Bank charges (including commission on credit card collection)	**2.88**	4.01
	245.22	237.46

22 Depreciation and amortization expense

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Depreciation of tangible assets	**63.42**	60.99
Amortization of intangible assets	**0.04**	0.15
	63.46	61.14



23 **Finance income**

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Interest Income on :		
-Bank Deposits	**12.26**	10.38
-Others	**0.87**	0.33
	13.13	10.71

24 Earnings per share (Basic And Diluted)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.
Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) 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.
The following reflects the income and share data used in the basic and diluted EPS computations:

	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit/(loss) attributable to equity holders (for basic and diluted) (Rs in lakhs)	**(129.92)**	(60.73)
Weighted Average Number of Equity Shares (for basic and diluted)*	**41,00,000**	37,00,000
Basic & Diluted EPS	**(3.17)**	(1.64)

* The weighted average number of shares takes into account the weighted average effect of changes in share transactions during the year. There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.

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25. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Impairment of property, plant and equipment

Each hotel property is an identifiable asset that generates cash inflows and is independent of the cash inflows of the other hotel properties, hence identified as cash generating units. The Company assesses the carrying amount of hotel properties (CGU) to determine whether there is any indication that those assets have suffered an impairment loss. Where the carrying amount of CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. An impairment loss (if any) is recognised in the statement of profit and loss.

While assessing the recoverable amount, the Company used the discounted cash flow approach including various significant estimates and assumptions such as forecast of future revenue, operating margins, growth rate and selection of the discount rates. The key assumptions used for the calculations are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Discount Rate *(pre tax rate of WACC)*	12.00%	12.50%
Long Term Growth Rate	5.00%	5.50%

As at March 31, 2024, the estimated recoverable amount of the CGU exceeded its carrying amount.

b) Loss Allowance on trade receivables

An impairment analysis of trade receivables is performed at each reporting period based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates. Basis this assessment, the allowance for doubtful trade receivables as at March 31, 2024 is considered adequate.

c) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.



26. Gratuity and other post-employment benefit plans

Rs in lakhs

	March 31, 2024	March 31, 2023
Gratuity plan	**6.96**	4.90
Total	**6.96**	4.90

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The Company makes provision of such gratuity asset/ liability in the books of accounts on the basis of actuarial valuation as per the Projected unit credit method.

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2024:

Rs in lakhs

	Gratuity cost charged to profit or loss					Remeasurement gains/(losses) in other comprehensive income						
	April 1, 2023	Service cost	Net interest expense	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumption	Experience adjustments	Sub-total included in OCI	Contributions by employer	March 31, 2024
Defined benefit obligation	4.90	0.80	0.35	1.15	-	-	-	(0.02)	(0.89)	(0.91)	-	6.96
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**4.90**	**0.80**	**0.35**	**1.15**	**-**	**-**	**-**	**(0.02)**	**(0.89)**	**(0.91)**	**-**	**6.96**

Changes in the defined benefit obligation and fair value ofplan assets as at March 31, 2023:

Rs in lakhs

	Gratuity cost charged to profit or loss					Remeasurement gains/(losses) in other comprehensive income						
	April 1, 2022	Service cost	Net interest expense	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumption	Experience adjustments	Sub-total included in OCI	Contributions by employer	March 31, 2023
Defined benefit obligation	5.28	0.58	0.32	0.90	(0.89)	-	-	(0.18)	(0.21)	(0.39)	-	4.90
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**5.28**	**0.58**	**0.32**	**0.90**	**(0.89)**	**-**	**-**	**(0.18)**	**(0.21)**	**(0.39)**	**-**	**4.90**

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The major categories of plan assets of the fair value of the total plan assets are as follows:

	March 31, 2024	March 31, 2023
Unquoted investments:		
Asset invested in insurance scheme with the LIC	-	-
Total	-	-

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

	March 31, 2024	March 31, 2023
Discount rate:	%	%
Pension plan	**7.10%**	**7.20 %**
Future salary increases:		
Pension plan	**5.00%**	**5.00%**
Life expectation for pensioners	**Years**	**Years**
Pension plan		
Male	**60**	**60**
Female	**60**	**60**

A quantitative sensitivity analysis for significant assumption as at March 31, 2024 is as shown below:

India gratuity plan:

	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.20)	0.21	0.22	(0.21)

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

	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.14)	0.15	0.15	(0.15)

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

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

Duration (Years)	**For the year ended March 31, 2024**	For the year ended March 31, 2023
1	**1.94**	1.36
2	**1.50**	1.10
3	**1.18**	0.86
4	**0.94**	0.65
5	**0.76**	0.54
Above 5	**2.58**	1.78
Total expected payments	**8.90**	6.29

The average duration of the defined benefit plan obligation at the end of the reporting period is 4 years (March 31, 2023: 5 years).

27. Commitments and contingencies

Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:

At March 31, 2024, the Company had Nil commitments (March 31, 2023: Rs Nil)

Contingent liabilities

Claims against the Company not acknowledged as debts

		March 31, 2024 (Rs. In Lakhs)	March 31, 2023 (Rs. In Lakhs)
i.	Counter guarantees issued in respect of guarantees issued by company's bankers (Net)	**114.20**	114.20

ii. Company filed an arbitration petition (arbitration petition No. 160/2012), against the Delhi Developmental Authority (the "DDA") seeking quashing of invocation of a bank guarantee amounting to Rs 102.80 lakhs by DDA, recovery of Rs 25 lakhs as compensation alleging harassment and mental agony, recovery of Rs 10 lakhs towards cost of proceedings, and interest at the rate of 18% on blocked amount from December 28, 2010 till the date of return of pay order. This dispute pertains to an agreement for construction of a hotel by the subsidiary in Kondli, Delhi, entered into with DDA, as a successful bidder in an auction process conducted for this purpose. As per such agreement the subsidiary was required to provide a bank guarantee of Rs 102.80lakhs as performance security. The DDA allegedly sought to encash the bank guarantee on December 21, 2011 on grounds of non-performance of contractual obligations by the subsidiary. Consequently, on March 12, 2012 Oriole sent a notice of commencement of arbitration to DDA and on May 31, 2012, the subsidiary obtained an injunction (OMP No. 1/2012) from the High Court of Delhi restraining DDA and Axis Bank Limited from proceeding with the encashment of the bank guarantee until the completion of the arbitration proceedings. Arbitral tribunal was constituted on September 28, 2012 and

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an arbitration award has been passed on December 06, 2022 against which an objection petition has been filed by the DDA before the High Court of Delhi. Notice is yet not issued. The proceedings are in progress and the management based upon its assessment and expert's advice believes that any further liability against the aforesaid demand is improbable to crystallize.

28. Related Party Transactions

a) Names of related parties where control exists irrespective of whether transactions have occurred or not,

Holding Company	-Lemon Tree Hotels Limited
Fellow subsidiary companies	- Fleur Hotels Private Limited - Canary Hotels Private Limited - Sukhsagar Complexes Private Limited
Enterprise in which holding company has significant influence	- Mind Leaders Learning India Private Limited
Key Management Personnel	- Ms. Natasha Yashpal(Director) (till November 14, 2022) - -Mr Sameer Singh (Additional Director) (w.e.f. November 14, 2022) (Upto January 10, 2024) - Mr. Rajesh Kumar (Director) - Mr Gaurav Goyal (Additional Director) (w.e.f January 10, 2024)

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

(Rs in lakhs)

Transactions with Related Party	Year Ended	Holding Company	Fellow Subsidiary
Reimbursement of expenses incurred on company's behalf			
Lemon Tree Hotels Limited	31-Mar-24	**0.17**	-
	31-Mar-23	1.51	-
Loan Taken			
Lemon Tree Hotels Limited	31-Mar-24	**327.35**	-
	31-Mar-23	221.55	-

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Transactions with Related Party	Year Ended	Holding Company	Fellow Subsidiary
Loan Repayment			
Lemon Tree Hotels Limited	31-Mar-24	**363.12**	-
	31-Mar-23	287.78	-
Management Fees Paid (Cross Charge)			
Lemon Tree Hotels Limited	31-Mar-24	**22.83**	-
	31-Mar-23	13.07	-
Issue of shares			
Lemon Tree Hotels Limited	31-Mar-24	**364.12**	-
	31-Mar-23	-	-
Amount Received on behalf of the party			
Canary Hotels Private Limited	31-Mar-24	-	**0.11**
	31-Mar-23	-	0.24
Canary Hotels Private Limited	31-Mar-24	**0.43**	-
	31-Mar-23	-	-
Sukhsagar Complexes Private Limited	31-Mar-24	-	-
	31-Mar-23	-	1.35
Fleur Hotels Private Limited	31-Mar-24	-	-
	31-Mar-23	-	0.25
Balances outstanding at the year end- (Credit)/ Debit			
Lemon Tree Hotels Limited	31-Mar-24	**91.66**	-
	31-Mar-23	110.08	-
Guarantees given for Loan Taken By			
Lemon Tree Hotels Limited	31-Mar-24	**2,500.00**	-
	31-Mar-23	2,500.00	-



29. Fair value Measurement

This section gives an overview of the significance of financial instruments for the company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument

a. Financial Assets

Rs in lakhs

	March 31, 2024		March 31, 2023	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets				
Trade Receivables	-	**57.60**	-	98.84
Security Deposits (non-current)	-	**17.13**	-	10.98
Other bank balances	-	**135.12**	-	135.12
Cash and Cash Equivalents	-	**60.40**	-	82.43
Total Financial Assets	**-**	**270.25**	-	327.37

b. Financial Liabilities

Rs in lakhs

	March 31, 2024		March 31, 2023	
	FVTPL	**Amortised Cost**	FVTPL	Amortised Cost
Borrowings (Non-current)	-	**2,121.05**	-	2,483.84
Borrowings (Current)		**433.90**		394.58
Trade Payables	-	**59.63**	-	37.18
Other Current Financial Liabilities	-	**29.20**	-	35.79
Total Financial Liabilities	**-**	**2,643.78**	-	2,951.39

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c. Fair value measurement hierarchy for assets and liabilities

Fair value measurement

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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

i) Level 1

Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

ii) Level 2

Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

iii) Level 3

Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

The management assessed that fair values of cash and cash equivalents, trade receivables, trade payables, bank overdrafts, bank deposits with banks, other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of loans, security deposits, borrowings and other financial assets and liabilities are considered to be the same as their fair values, as there is an immaterial change in the lending rates.

30. Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings, deposits and payables/receivables in foreign currencies.

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Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

Rs in lakhs

	March 31, 2024	March 31, 2023
Variable rate borrowings	**2,487.93**	2,775.66
Fixed rate borrowings	**67.01**	102.76

Interest rate sensitivity

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

		Increase/decrease in basis points	**Effect on profit before tax**
			Rs in lakhs
31-March-24			
Rs.		50	(13.19)
Rs.		-50	13.19
31-March-23			
Rs.		50	(13.46)
Rs.		-50	13.46

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has no exposure in foreign currency.

Credit risk

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

(a) Trade receivables

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.
An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 8. The Company does not hold collateral as security.

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Rs in lakhs

Ageing	March 31, 2024	March 31, 2023
Not due		-
0-60 days past due	47.64	79.42
61-120 days past due	2.47	11.63
121-180 days past due	0.94	5.85
180-365 days past due	6.26	1.94
365-730 days past due	0.29	-
more than 730 days		-

Provision for doubtful debts (including provision for expected credit loss)

Rs in lakhs

Ageing	March 31, 2024	March 31, 2023
Not due		-
0-60 days past due	0.15	-
61-120 days past due	0.03	0.03
121-180 days past due	0.04	0.19
180-365 days past due	0.71	0.26
more than 365 days	3.17	2.91

Reconciliation of provision for doubtful debts – Trade receivables (including provision for expected credit loss)

Rs in lakhs

Particulars	March 31,2024	March 31,2023
Provision at beginning	**3.39**	**2.91**
Addition during the year	0.71	0.48
Reversal during the year	-	-
Utilised during the year	-	-
Provision at closing	**4.10**	**3.39**

Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. TheCompany's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.



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

Rs in lakhs

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2024						
Borrowings		76.23	290.66	1,767.51	361.52	2,495.92
Trade and other payables	59.63	-	-	-	-	59.63
Financial Liabilities	29.20	-	-	-	-	29.20
	88.83	**76.23**	**290.66**	**1,767.51**	**361.52**	**2,584.75**
Year ended March 31, 2023						
Borrowings	102.77	55.18	236.63	1,666.37	829.55	2,890.50
Trade and other payables	37.18	-	-	-	-	37.18
Financial Liabilities	35.79	-	-	-	-	35.79
	175.74	**55.18**	**236.63**	**1,666.37**	**829.55**	**2,963.47**

31. Capital management

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

	March 31, 2024	March 31,2023
Borrowings (Note 12& 14)	2,554.95	2,878.42
Trade payables (Note 14)	59.63	37.18
Less: cash and cash equivalents (Note 8)	60.40	82.43
Net debt	**2,554.19**	**2833.17**
Total capital(Note 10& 11)	1782.54	1549.25
Capital and net debt	**4,336.73**	**4382.42**
	58.90 %	**64.65%**

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

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and 31 March 2023.

32. Segment Reporting

The Company is into Hoteliering business. The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore there is no reportable segment for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about geographical areas

The Company has only domestic operations and hence no information required for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about major customers

The details of customer individually accounted for more than 10% of the revenue as at March 31, 2024 and March 31, 2023 is given hereinbelow:

(Rs. In Lakhs)

Party	March 31, 2024	March 31, 2023
CDAC	**123.35**	-
VV Giri National Labour Institute	**82.95**	-
Subroto Mukherjee Sports	-	34.91
Connaught Plaza Restaurants Pvt.Ltd	-	41.64
Technip India Ltd.	-	32.80



33. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006.

(Rs. Lakhs)

	March 31, 2024	March31, 2023
the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	15.62	19.02
the amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
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 enterprisefor the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

34. Supplementary information as per requirement of Schedule III of the Companies Act.

a) Detail of shareholding of promoters of the company

As at March 31, 2024

S.No.	Promoter Name	Number of shares at the beginning of the year 2023	Percentage of total Share Capital	Change during the year	Number of shares at the end of the year 2024	Percentage of Total shares	Percentage change during the year
1	Lemon tree Hotels Limited	3,700,000	100%	400,000	4,100,000	100%	-

As at March 31, 2023

S.No.	Promoter Name	Number of shares at the beginning of the year 2022	Percent age of total Share Capital	Change during the year	Number of shares at the end of the year 2023	Percentage of Total shares	Percent age change during the year
1	Lemon tree Hotels Limited	3,700,000	100%	-	3,700,000	100%	-

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b) Ratio Analysis and its elements

S.No.	Ratio	Numerator	Denominator	March 2024	March 2023	% Variance	Reason for variance
1	Current Ratio	Current Asset	Current liabilities	0.36	0.54	(32.63%)	Change is due to more working capital requirement during the year.
2	Debt Equity Ratio	Total Debt	Shareholder equity	1.43	1.86	(22.85%)	-
3	Debt service coverage Ratio	Earnings available for debt service	debt service	0.29	0.51	(42.95%)	Change is due decrease in profit as compared to previous year
4	Return on Equity	Net profit after taxes	Average shareholders equity	(7.80%)	(3.85%)	102.83%	Decrease is due to increase in loss in current year
5	Inventory Turnover Ratio	Cost of Good Sold	Average Inventory	3.83	4.77	(19.53%)	-
6	Trade Receivable turnover Ratio	Net credit sales	Avg. accounts receivable	9.96	12.65	(21.36%)	-
7	Trade Payables turnover Ratio	NA	NA	NA	NA	NA	
8	Net capital Turnover Ratio	Net Sales	Working capital	(2.26)	(3.38)	(33.27%)	Change is due to increase in revenue in current year
9	Net Profit Ratio	Net Profit	Net sales	(16.68%)	(8.09%)	(106.33%)	Increase in losses as compared to previous year
10	Return on capital employed	EBIT	Capital employed	2.36%	3.75%	(37.18%)	Change in increase in loss as compared to previous year
11	Return on investment	Income generated from investments(Fixed Deposits)	Average invested funds in treasury investments	NA	NA	NA	-



(i) Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

(ii) DebtService = Interest&Lease Payments + Principal Repayments.

(iii) Capital Employed= Networth+ Total Debt+DeferredTaxLiability-Net Intangible aseets

c) Trade Receivables ageing schedule based on requirement of Schedule III:

As at March 31, 2024 (Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	51.05	6.26	0.29	-	-	57.60
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Unbilled Revenue	-	-	-	-	-	-

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As at March 31, 2023 (Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	96.90	1.94	-	-	-	98.84
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Unbilled Revenue	-	-	-	-	-	-

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d) Trade payables Ageing Schedule based on the requirement of Schedule III

As at March 31, 2024 (Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	15.62	-	-	-	15.62
Total outstanding dues of creditors other than micro enterprises and small enterprises	0.98	42.85	0.19	-	44.01
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	-	-	-	-	-

As at March 31, 2023 (Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	19.02	-	-	-	19.02
Total outstanding dues of creditors other than micro enterprises and small enterprises	13.09	-	-	-	13.09
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	5.07	-	-	-	5.07

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e) **Other Statutory Information**

(i). The Company have not traded or invested in Crypto currency or Virtual currency during the financial year.

(ii). The Company have not 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.

(iii). The Company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property

(iv). The company has not entered into any transaction with companies struck off.

(v). The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(vi). The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vii). During the year, the company has not entered into any scheme of arrangements in terms of section 230 to 237 of the Companies Act, 2013 and accordingly, the prescribed disclosures of Schedule III are not required to be given.

(viii).The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or,

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(ix).The Company is not required to spend towards Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013, since there is no average profit in the last 3 years calculated as per the provisions of the Act.

(x). No bank has declared the company as "willful defaulter".

(ix).The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

35. As per the proviso to Rule 3(1) of Companies (Accounts) Rules, 2014, for the financial year commencing on or after the 1st day of April 2023, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses SAP S/4 HANA as its accounting software operated for recording all the accounting transactions for the year ended March 31, 2024. SAP S/4 HANA has a feature of recording audit trail (edit log) facility which has not been enabled through out the year.



In respect of maintaining revenue records, the Company has used an revenue management software. The said software has a feature of recording audit trail (edit log) facility from July 9, 2023, except the software does not have feature of audit trail at database level.

The Management has adequate internal controls over financial reporting which were operating effectively for the year ended March 31, 2024. The Management is in the process of evaluating the options to ensure compliance with the requirements of proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 referred above in respect of audit trail (edit log).

36. Previous period's figures have been regrouped/reclassified wherever necessary to correspond with the current period's classification/disclosure.

As per our report of even date

For APAS& CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

Rajeev Ranjan
Partner
Membership No. 535395

For and on behalf of the Board of Directors of Oriole Dr Fresh Hotels Private Limited

Gaurav Goyal
Additional Director
DIN:10454883

Rajesh Kumar
Director
DIN: 05251730

Place : New Delhi
Date :May27, 2024

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ORIOLE DR. FRESH HOTELS PRIVATE LIMITED

Report on the Audit of IND AS Financial Statements

Opinion

We have audited the accompanying IND AS financial statements of **ORIOLE DR. FRESH HOTELS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the IND AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid IND AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the loss and total 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 Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the IND AS financial statements under the provisions of the Companies Act, 2013 and the Rules issued there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information other than the Financial Statements and Auditor's Report thereon

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

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

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In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the IND AS financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these IND AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 IND AS financial statements, that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors/Management are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the IND AS financial Statements

Our objectives are to obtain reasonable assurance about whether the IND AS 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 IND AS financial statements.

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

1. Identify and assess the risks of material misstatement of the IND AS 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.

2. Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the IND AS 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.

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

Materiality is the magnitude of misstatements in the interim condensed standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit we report that:

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

   ii. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

   iii. The Balance Sheet, the Statement of Profit and Loss (including the Other Comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   iv. In our opinion, the aforesaid IND AS Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act.

   v. On the basis of the written representations received from the directors as on 31st March, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

   vi. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure II". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   vii. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, being a private Limited Company, the provisions of Section 197 read with schedule V to the Companies Act, 2013 with regard to managerial remuneration paid and provided are not applicable to the Company.

   viii. 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:

      i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS financial statements. Refer Note 27 to the financial statements.

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

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

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) 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 (a) and (b) above, contain any material misstatement.

v. The company has neither declared dividend nor paid any dividend during the year.

2. 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, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in "Annexure I" a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.

3. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the year ended March 31, 2025 wherein:

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a) the accounting software has a feature of recording audit trail (edit log) facility and the audit trail at the application level has operated throughout the year for all relevant transactions recorded in the software except that the audit trail feature was enabled for certain tables/master records only from March 29, 2025. Further, audit trail was not enabled at the database level to log any direct data changes. Consequently, we are unable to comment whether there were any instances of the audit trail feature being tampered with.

As audit trail feature was not enabled for the year ended March 31, 2024, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable.

b) In respect of a revenue management software used for maintaining its revenue records, it has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that the audit trail (edit log) at database level was enabled on March 19, 2025 and the software do not have feature to capture whether audit trail (edit log) has been tampered or not. Consequently, we are unable to comment whether there were any instances of the audit trail feature being tampered with.

Additionally, the audit trail that was enabled and operated for the year ended March 31, 2024, has been preserved by the Company as per the statutory requirements for record retention. (Refer Note 35 of the financial statements)

For APAS & CO LLP
CHARTERED ACCOUNTANTS
Firm Regn No. 000340C/C400308

Rajeev Ranjan

(RAJEEV RANJAN)
PARTNER
M No. 535395

PLACE : DELHI
DATED : May 27, 2025
UDIN :25535395BMJNVO4147



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ANNEXURE- I TO THE INDEPENDENT AUDITOR'S REPORT

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

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The company has maintained proper records showing full particulars of intangible assets.

b) The Property, Plant and Equipment have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies were noticed on such verification.

c) According to the information and explanations given by the management, the title deeds of immoveable properties included in property, plant and equipment are held in the name of the Company.

d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

e) Based on audit procedures performed and the representation obtained from the management, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. a) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on physical verification.

b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets during any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company

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iii. The Company, during the year, has not made investment, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties Therefore, the provisions of clause 3(iii)(a) to 3(iii)(f) of the Order are not applicable.

iv. In our opinion, and according to the information and explanations given to us, The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. To the best of our knowledge and as explained, the central government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act 2013.

vii. a) As per information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other statutory dues with the appropriate authorities. As informed to us there are no outstanding statutory dues in arrears as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) as on the balance sheet date which have not been deposited on account of any dispute.

viii. Based on our audit procedures and on the basis of information and explanations given to us by the management, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised.



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d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have, prima facie, been used for long-term purposes by the company.

e) The Company does not have any subsidiaries, joint ventures or associate companies and therefore the clause 3(ix)(e) and 3(ix)(f) is not applicable.

x. a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans during the year. Accordingly, the provisions of clause 3(x) of the Order are not applicable to the Company and hence not commented upon.

b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the company and no material fraud on the Company has been noticed or reported during the year.

b) We report that no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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

xii. The Company is not a Nidhi company and therefore clause 3(xii) of the Order related to such companies is not applicable to the Company.

xiii. All transactions entered during the year with the related party are in compliance with the provisions of sections 188 where applicable and the details with respect to all related party transactions have been disclosed in the Financial Statements as required by applicable accounting standards. Section 177 of the Companies Act, 2013 is not applicable on the Company.

xiv. a) According to the information and explanations given to us, the Company is not required to have an internal audit system under section 138 of the Act. However, the Company has an internal audit system which, in our opinion, is commensurate with the size and nature of its business.

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b) We have considered the internal audit reports of the company issued till date, in determining the nature, timing and extent of our audit procedures.

xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

xvi. a) In our opinion, in view of its business activities, the Company is not required to be registered under Section 45IA of Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year without a valid Certificate of Registration (CoR) from the RBI as per the Reserve Bank of India Act, 1934.

xvii. The Company has incurred cash losses amounting to **Rs. 106.01 Lacs** in the current financial year and incurred cash losses amounting to **Rs. 66.46 Lacs** in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly clause 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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 fail due.

xx. The Company is not required to spend any amount on corporate social responsibility under section 135 of the Companies Act. Therefore, the provisions of clause 3(xx) of the Order are not applicable.

APAS & CO LLP * FIRM * CHARTERED ACCOUNTANTS

APAS & CO LLP
CHARTERED ACCOUNTATNS

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ROAD NO. 44, PITAMPURA
DELHI - 110034
TEL.: 011-49058720
E-MAIL: apas.delhi@gmail.com

xxi. The reporting under clause 3(xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For APAS & CO LLP
CHARTERED ACCOUNTANTS
Firm Regn No. 000340C/C400308

Rajeev Ranjan

(RAJEEV RANJAN)
PARTNER
M No. 535395

PLACE : DELHI
DATED : May 27, 2025
UDIN : 25535395BMJNVO4147

APAS & CO. LLP FRN 000340C/C400308 New Delhi CHARTERED ACCOUNTANTS

[redacted]

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ANNEXURE- II TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **ORIOLE DR. FRESH HOTELS PRIVATE LIMITED** ("the Company") as of 31st March 2025 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting with reference to these Standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over

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financial reporting with reference to these Standalone Ind AS 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 judgment, 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 system over financial reporting with reference to these Standalone Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these financial statements

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

APAS & CO. LLP
FRN 000340C/C400308
New Delhi
CHARTERED ACCOUNTANTS

[redacted]

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Opinion

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

For APAS & CO LLP
CHARTERED ACCOUNTANTS
Firm Regn No. 000340C/C400308

Rajeev Ranjan

(RAJEEV RANJAN)
PARTNER
M No. 535395

PLACE : DELHI
DATED : May 27, 2025
UDIN : 25535395BMJNVO4147



Oriole Dr. Fresh Hotels Private Limited
CIN :U85110DL2004PTC128937
Balance Sheet as at March 31, 2025

	Note	March 31, 2025 Rs in lakhs	March 31, 2024 Rs in lakhs
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	4,041.25	4,065.92
(b) Intangible assets	4	0.08	0.08
(c) Financial assets	5		
(i) Other financial assets		146.10	152.25
(d) Deferred tax assets (net)	6	-	-
(e) Non-current tax assets (net)		32.86	35.68
		4,220.29	4,253.93
Current assets			
(a) Inventories	7	14.09	16.22
(b) Financial assets	8		
(i) Trade receivables		90.68	57.60
(ii) Cash and Cash equivalents		34.37	60.40
(c)Other current assets	9	119.46	62.63
		258.60	196.85
Total Assets		4,478.89	4,450.78
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	10	410.00	410.00
(b) Other Equity	11	1,203.86	1,372.54
Total Equity		1,613.86	1,782.54
Liabilities			
Non-current liabilities			
(a) Financial liabilities	12		
(i) Borrowings		1,728.05	2,121.05
(b) Provisions	13	5.55	5.09
		1,733.60	2,126.14
Current liabilities			
(a) Financial liabilities	14		
(i) Borrowings		1,008.90	433.90
(ii) Trade payables			
- total outstanding dues of micro enterprises and small enterprises		21.12	15.62
- total outstanding dues of creditors other than micro enterprises and small enterprises		22.23	44.01
(iii) Other Current financial liabilities		55.55	29.20
(b) Other current liabilities	15	18.70	14.36
(c) Provisions	13	4.93	5.01
		1,131.43	542.10
Total Liabilities		2,865.03	2,668.24
Total Equity and Liabilities		4,478.89	4,450.78
Summary of material accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For APAS & CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

Rajeev Ranjan
Partner
Membership No. 535395

Place : New Delhi
Date : May 27, 2025

For and on behalf of the Board of Directors of
Oriole Dr. Fresh Hotels Private Limited

Gaurav Goyal
Director
DIN. 10454883

Rajesh Kumar
Director
DIN: 05251730

Place : New Delhi
Date : May 27, 2025

Oriole Dr. Fresh Hotels Private Limited
CIN :U85110DL2004PTC128937
Statement of Profit and Loss for the year ended March 31, 2025

	Note	March 31, 2025 Rs in lakhs	March 31, 2024 Rs in lakhs
Revenue from operations	16	806.82	778.72
Other income	17	4.83	4.82
Total Income		811.65	783.54
Expenses			
Cost of food and beverages consumed	18	66.66	60.58
Employee benefits expense	19	216.24	196.75
Other expenses	20	409.44	360.58
Total expenses		692.34	617.91
Earnings before interest, tax, depreciation and amortisation (EBITDA)		119.31	165.63
Finance costs	21	239.44	245.22
Depreciation and amortization expense	22	63.46	63.46
Finance Income	23	(14.17)	(13.13)
Loss before tax		(169.42)	(129.92)
Tax expense:			
-Current tax		-	-
Loss for the year		(169.42)	(129.92)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		0.74	(0.91)
Income tax relating to items that will not be reclassified to profit or loss			
Total Comprehensive Loss for the year		(168.68)	(130.83)
Loss per equity share:			
(1) Basic	24	(4.13)	(3.17)
(2) Diluted	24	(4.13)	(3.17)
Summary of material accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For APAS & CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

Rajeev Ranjan
Rajeev Ranjan
Partner
Membership No. 535395

For and on behalf of the Board of Directors of
Oriole Dr. Fresh Hotels Private Limited

Gaurav Goyal
Director
DIN: 10454883

Rajesh Kumar
Director
DIN: 05251730

Place : New Delhi
Date : May 27, 2025

Place : New Delhi
Date : May 27, 2025

Oriole Dr. Fresh Hotels Private Limited
CIN :U85110DL2004PTC128937
Statement of Changes in Equity for the year ended March 31, 2025

A. Equity Share Capital

Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	Amount (Rs in lakhs)
At April 1, 2023	3,700,000	370.00
Issue of share capital	400,000	40.00
At March 31, 2024	4,100,000	410.00
Issue of share capital	-	-
At March 31, 2025	4,100,000	410.00

B. Other Equity
For the year ended March 31, 2025

Rs in lakhs

	Reserves and Surplus			
	Capital reserve	Securities Premium	Retained Earnings	Other equity
Balance at April 1, 2023	153.10	2,273.95	(1,247.80)	**1,179.25**
Total Comprehensive Income for the year	-	-	(130.83)	**(130.83)**
Issue of share capital		324.12		**324.12**
Balance at March 31, 2024	153.10	2,598.07	(1,378.63)	**1,372.54**
Changes in accounting policy or prior period errors	-	-	-	**-**
Restated balance at 1 April 2021	153.10	2,598.07	(1,378.63)	**1,372.54**
Total Comprehensive Income for the year	-	-	(168.68)	**(168.68)**
Issue of share capital	-	-	-	**-**
Balance at March 31, 2025	**153.10**	**2,598.07**	**(1,547.31)**	**1,203.86**

Summary of material accounting policies 2.2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For APAS & CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

Rajeev Ranjan
Partner
Membership No. 535395

For and on behalf of the Board of Directors of
Oriole Dr. Fresh Hotels Private Limited

Gaurav Goyal
Director
DIN: 10454883

Rajesh Kumar
Director
DIN: 05251730

Place : New Delhi
Date : May 27, 2025

Place : New Delhi
Date : May 27, 2025

Oriole Dr. Fresh Hotels Private Limited
CIN :U85110DL2004PTC128937
Cash flow statement for the year ended March 31, 2025

	For the year ended March 31, 2025 (Rs in lakhs)	For the year ended March 31, 2024 (Rs in lakhs)
A. Cash flow from operating activities		
Loss before tax	(169.42)	(129.92)
Non-cash adjustments to reconcile profit (loss) before tax to net cash flows:		
Depreciation and amortisation expenses	63.46	63.46
Finance income (including fair value change in financial instruments)	(14.17)	(13.13)
Finance costs (including fair value change in financial instruments)	237.08	242.34
Provision for gratuity	1.28	1.15
Provision for leave encashment	(0.14)	0.66
Provision for doubtful debts	0.48	0.72
Operating profit before working capital changes:	118.57	165.28
Movements in working capital:		
Change in trade receivables	(33.57)	40.51
Change in loans and advances and other current assets	(50.68)	(5.68)
Change in inventories	2.13	(0.84)
Change in liabilities and provisions	14.40	19.64
Cash generated from Operations	50.85	218.91
Direct taxes paid (net of refunds)	2.82	(23.23)
Net cash flow genrated from operating activities (A)	53.67	195.68
B. Cash flows from investing activities		
Purchase of Property, plant and equipment	(38.79)	(29.15)
Interest received	14.17	13.13
Net Cash flows used investing activities (B)	(24.62)	(16.02)
C Cash flows used in financing activities		
Proceeds from issuance of share capital	-	364.12
Proceeds/(Repayment) of borrowings	181.99	(323.47)
Interest paid	(237.08)	(242.34)
Net Cash used in financing activities (C)	(55.09)	(201.69)
Net decrease in cash and cash equivalents (A + B + C)	(26.03)	(22.03)
Cash and cash equivalents at the beginning of the year	60.40	82.43
Cash and cash equivalents at the end of the year	34.37	60.40
Components of cash and cash equivalents		
Cash on Hand	10.09	9.98
Balances with Scheduled Banks in		
- Current accounts	24.28	50.42
Total cash and cash equivalents	34.37	60.40

Summary of material accounting policies 2.2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For APAS & CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

Rajeev Ranjan
Partner
Membership No. 535395

Place : New Delhi
Date : May 27, 2025

For and on behalf of the Board of Directors of
Oriole Dr. Fresh Hotels Private Limited

Gaurav Goyal
Director
DIN: 10454883

Rajesh Kumar
Director
DIN: 05251730

Place : New Delhi
Date : May 27, 2025

1. Corporate Information

Oriole Dr. Fresh Hotels Private Limited (the Company) is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at Asset No. 6, Aerocity Hospitality District, New Delhi 110037.

The principal activities of the Company is to carry out business of developing, owning, acquiring, renovating and promoting hotels, motels, resorts, restaurants, etc. under the brand name of Red Fox Hotel.

The financial statements are approved for issue by the Board of directors on May 27, 2025.

2 Basis of preparation of financial statements and material accounting policies

2.1 Basis of preparation and Compliance with Ind AS

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), and the provisions of the Companies Act ,2013 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities which are measured at fair value/ amortised cost (refer note 29)

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing account standard required a change to the accounting policy hitherto to in use.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, expect where otherwise indicated.

2.2 Significant material policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

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

(b) Foreign currencies

Functional and presentation currency

The Company's financial statements are presented in INR, which is also the Company's functional currency. Presentation currency is the currency in which the company's financial statements are presented. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash. All the financial information presented in Indian Rupees (INR) has been rounded to the nearest of lakhs rupees, except where otherwise stated.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

(c) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

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

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

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



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

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

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

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

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

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

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value. External valuers are involved for valuation of significant assetsand liabilities. The management selects external valuer on various criteria such as market Knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussion with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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



This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 25)
- Contingent consideration (note 27)
- Quantitative disclosures of fair value measurement hierarchy (note 29)
- Financial instruments (including those carried at amortised cost) (note 29)

(d) Revenue recognition

The standard is applied only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated - i.e. the comparative information continues to be reported under previous standards on revenue i.e. Ind AS 18 and Ind AS 11. There was no impact on adoption of Ind AS 115 to the financial statements of the Company.

In arrangements for room revenue and related services, the Company has applied the guidance in Ind AS 115 for recognition of Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering room revenue and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognized.

Sales Tax/ Value Added Tax (VAT)/Goods and Service Tax(GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Rooms, Restaurant, Banquets and Other Services

Income from guest accommodation is recognized on a day to day basis after the guest checks into the Hotels and are stated net of allowances. Incomes from other services are recognized as and when services are rendered. Sales are stated exclusive of Service Tax, Value Added Taxes (VAT), Goods and Service Tax(GST)and Luxury Tax. Difference of revenue over the billed as at theyear-end is carried in financial statement as unbilled revenue separately.

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. sale of food and beverage are recognized at the points of serving these items to the guests. Sales are stated exclusive of Sales Tax / VAT/ Goods and Service Tax (GST).



Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period.

where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the income statement.

Dividends

Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(e) Taxes

Tax expense represents Current income tax and Deferred tax.

Current income tax

The tax currently payable is based on taxable profit for the period/year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future



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

which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

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

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.
Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date.

If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

Sales/ Value Added Taxes/Goods& Service Tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:
- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

(f) Property, plant and equipment

Property, Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. Freehold land is not depreciated.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on fixed assets is provided as per Schedule II of Companies Act, 2013 on Straight Line Method over its economic useful life of fixed assets as follows:

Fixed Assets	Useful life considered
Plant & Machinery	15 Year
Building	60 Years
Electrical equipments and fittings	10 Years
Office Equipments	5 Years
Furniture and Fixtures	8-10 Years
Crockery, cutlery and soft furnishings	3 Years
Commercial Vehicles	6 Years
Private Vehicles	8 Years
Computers	3 Years

The Company, based on management estimates, depreciates certain items of building, plant and equipment over estimated useful lives which are lower than the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end, and adjusted prospectively if appropriate.

(g) Intangible assets

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

The useful lives of intangible assets are assessed as 3 years and the same shall be amortised on Straight line basis over its useful life.

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 income statement when the asset is derecognized.

(h) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes) Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Company depreciates building component of investment property over the remaining estimated useful life on the date of purchase after considering total economic useful life of 60 years.

Though the Company measures investment property using deemed cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

(i) Borrowing costs

Borrowing cost includes interest expense as per Effective Interest Rate (EIR).

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset until such time that the assets are substantially ready for their intended use. Where funds are borrowed specifically to finance aproject, the amount

capitalised represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Company during the year. Capitalisation of borrowing costs is suspended and charged to profit and loss during the extended periods when the active development onthe qualifying assets is interrupted.

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EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial liability or a shorter period, where appropriate, to the amortised cost of a financial liability after considering all the contractual terms of the financial instrument.

(j) Inventories

Stock of food & beverages, stores and operating supplies are valued at lower of cost and net realisable Value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a first in first out basis.Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make sale.

(k) Impairment of non-financial assets

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

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.



(l) Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent Assets/ Liabilities

Contingent assets are not recognised. However, when realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

Contingent liabilities are disclosed in notes to accounts when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(m) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service

received before the balance sheet date exceeds the contribution already paid, the deficit payable to 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, for example, a reduction in future payment or a cash refund.

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.



Retirement benefit in the form of gratuity is a defined benefit scheme. Gratuity liability of employees is accounted for on the basis of actuarial valuation on projected unit credit method at the close of the year. Company's contribution made to Life Insurance Corporation is expenses off at the time of payment of premium.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.The Company recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Retirement benefits in the form of Superannuation Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

The company treats leaves expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

(n) 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.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- Equity instruments in subsidiaries carried at cost

Debt instruments at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivable etc. For more information on receivables, refer to Note 8.

Debt instrument at FVTOCI

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity instruments

All equity investments (other than equity investments in subsidiaries) in scope of Ind AS 109 are measured at fair value. Equity instruments in subsidiaries are carried at cost in financial statements less impairments if any. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Financial assets that are debt instruments and are measured as at FVTOCI
c) Trade receivables or any contractual right to receive cash or another financial asset



The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.



Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:
Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

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

Financial liabilities at amortised cost

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

This category generally applies to borrowings. For more information refer Note 12 & 14.



Financial guarantee

Financial guarantees issued by the Company on behalf of group companies are designated as 'Insurance Contracts'. The Company assess at the end of each reporting period whether its recognised insurance liabilities (if any) are adequate, using current estimates of future cash flows under its insurance contracts. If that assessment shows that the carrying amount of its insurance liabilities is inadequate in the light of the estimated future cash flows, the entire deficiency is recognised in profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(o) Redeemable preference shares

Redeemable preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

(p) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and 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.

(q) Measurement of EBITDA

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

Orbit Inc. Fresh Hotels Private Limited
Notes to financial statements for the year ended March 31, 2025

3 Property, plant and equipment

(₹ in Lakhs)

Particulars	Freehold land	Building on freehold land	Plant and Machinery	Electrical fittings	Electrical equipments	Office equipments	Furniture and Fixtures	Computers	Vehicles	Total
Cost										
At April 1, 2023	2,189.39	2,372.89	290.46	101.31	52.63	1.95	61.17	7.16	6.13	4,782.49
Additions	-	-	17.23	-	3.83	1.49	-	3.30	-	29.15
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2024	2,189.39	2,372.89	307.69	101.31	56.45	3.44	61.17	10.47	6.13	4,811.64
Additions	-	7.13	15.84	-	9.13	-	5.61	1.15	-	38.59
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2025	2,189.39	2,379.82	323.53	101.31	65.58	3.44	66.78	11.55	6.13	4,850.23
Depreciation										
At April 1, 2023	-	293.59	201.11	88.29	32.57	1.97	55.95	4.26	4.89	682.60
Charge for the year	-	35.80	21.09	9.02	2.69	1.16	1.82	.41	0.53	63.42
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2024	-	329.39	223.13	88.31	35.00	2.13	56.72	5.67	5.42	746.02
Charge for the year	-	35.85	20.75	9.02	3.39	1.28	1.04	.89	0.21	63.46
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2025	-	365.24	243.91	88.33	38.39	2.41	57.80	7.66	5.63	809.29
Net Book value										
At March 31, 2025	2,189.39	2,014.58	79.62	12.98	27.19	1.03	8.98	3.89	0.50	4,034.25
At March 31, 2024	2,189.39	2,043.51	84.56	13.00	21.45	1.32	4.46	4.80	0.71	4,065.92

a) Certain property, plant and equipments are mortgage as collateral against borrowings, the details related to which have been described in footnote to note 12 on "borrowings"
b) Refer Note 25 for critical judgements, estimates and assumptions.
c) The Property, Plant & Equipment are valued at cost. The company has not used registered valuer for fair valuation/revaluation

4 Intangible Assets

(₹ in Lakhs)

Particulars	Software	Total
Cost		
At April 1, 2023	4.75	4.75
Additions	-	-
Disposals	-	-
At March 31, 2024	4.75	4.75
Additions	-	
Disposals	-	-
At March 31, 2025	4.75	4.75
Amortisation		
At April 1, 2023	4.63	4.63
Amortisation	0.04	0.04
Disposals	-	-
At March 31, 2024	4.67	4.67
Amortisation	-	
Disposals	-	
At March 31, 2025	4.67	4.67
Net Block		
At March 31, 2025	0.08	0.08
At March 31, 2024	0.08	0.08

The intangible assets are valued at cost. The company has not used registered valuer for fair valuation/revaluation

5	**Financial assets**	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(ii)	**Other financial assets**		
	Security Deposit	**10.98**	17.13
	Other bank balances	**135.12**	135.12
		146.10	152.25

6	**Deferred tax assets (net)**	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
	Property, plant & equipment	**317.48**	314.07
	Deferred tax liability	**317.48**	314.07
	Impact of expenditure charged to the statement of profit and loss in the current/ earlier period but allowable for tax purposes on payment basis	**3.40**	3.38
	Provision for doubtful debts and advances	**2.28**	2.03
	Effect of unabsorbed depreciation and business loss	**287.34**	281.97
	Interest on borrowings	**21.73**	24.06
	Provision for gratuity	**1.95**	1.81
	Provision for leave compensation	**0.78**	0.82
	Deferred tax assets	**317.48**	314.07
	Deferred tax assets (net)	**-**	-

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for year March 31, 2025 and March 31, 2024:

	March 31, 2025	March 31, 2024
Loss before tax	**(169.42)**	(129.92)
Tax rate	**26.00%**	26.00%
Tax at statutory income tax rate	**(44.05)**	(33.78)
Effect of incomes taxable at nil/lower/MAT rate	**44.05**	33.78
Net	**-**	-



7 Inventories **(valued at lower of cost and net realisable value, unless otherwise stated)**	As at **March 31, 2025** **Rs in lakhs**	As at March 31, 2024 Rs in lakhs
Food and beverages (excluding liquor and wine)	**3.29**	3.00
Stores, cutlery, crockery, linen, provisions and others (valued at cost)	**10.80**	13.22
Total	**14.09**	16.22

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8 Financial assets	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(i) Trade receivables		
Trade receivables*	**90.68**	57.60
*read with note 34(c)		
Break-up for security details:		
Trade receivables		
Unsecured, considered good	**91.05**	57.97
Trade Receivables which have significant increase in credit risk	**4.21**	3.73
	95.26	61.70
Impairment Allowance (allowance for bad and doubtful debts)		
Unsecured, considered good	**0.37**	0.37
Trade Receivables which have significant increase in credit risk	**4.21**	3.73
	4.58	4.10
Total	**90.68**	57.60

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(ii) Cash and cash equivalents		
Balance with banks		
On current & cash credit accounts	**24.28**	50.42
Cash on hand	**10.09**	9.98
	34.37	60.40

At March 31, 2025, the Company had available Nil balance (March 31, 2024: Rs. Nil lakhs) of undrawn committed borrowing facilities.

Break up of current financial assets carried at amortised cost

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Trade receivables	**90.68**	57.61
Cash and cash equivalents	**34.37**	60.40
Total current financial assets carried at amortised cost	**125.05**	118.01

9 Other current assets	As at March 31, 2025 Rs.	As at March 31, 2024 Rs.
Advances recoverable in cash or kind	**8.50**	1.81
Balance with statutory/ government authorities	**43.73**	22.52
Interest accrued on deposits with banks	**45.25**	33.59
Prepaid Expenses	**21.98**	4.71
Total	**119.46**	62.63

10 Share capital

Authorised Share Capital

	Equity shares	
	No. of shares	Rs in lakhs
At April 1, 2023	3,740,000	374.00
Increase/(decrease) during the year	460,000	46.00
At March 31, 2024	4,200,000	420.00
Increase/(decrease) during the year	-	-
At March 31, 2025	4,200,000	420.00

	5% Redeemable Preference Shares	
	No. of shares	Rs. in lakhs
At April 1, 2023	1,790,000	1,790.00
Increase/(decrease) during the year	-	-
At March 31, 2024	1,790,000	1,790.00
Increase/(decrease) during the year	-	-
At March 31, 2025	1,790,000	1,790.00

Terms/rights attached to equity shares

The company has only one class of equity shares having face value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders 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.

Issued equity capital*

Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	Rs in lakhs
At April 1, 2023	3,700,000	370.00
Increase/(decrease) during the year	400,000	40.00
At March 31, 2024	4,100,000	410.00
Increase/(decrease) during the year	-	-
At March 31, 2025	4,100,000	410.00

*read with note 34(a)

Shares held by holding company

	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Rs in lakhs	No. of shares	Rs in lakhs
Equity shares of Rs. 10 each fully paid up				
Lemon Tree Hotels Limited	4,100,000	410.00	4,100,000	410.00

Details of shareholders holding more than 5% shares in the company

	As at March 31, 2025		As at March 31, 2024	
	No. of shares	% held	No. of shares	% held
Equity shares of Rs. 10 each fully paid up				
Lemon Tree Hotels Limited	4,100,000	100.00%	4,100,000	100.00%

The Company has not issued Bonus Share, Share for consideration other than Cash and has not bought back shares during the period of five years immediately preceding the reporting date.

11 Other equity

Securities Premium Reserve	Rs in lakhs
At April 1, 2023	2,273.95
Increase/(decrease) during the year	324.12
At March 31, 2024	2,598.07
Increase/(decrease) during the year	-
At March 31, 2025	2,598.07

Retained Earnings	Rs in lakhs
At April 1, 2023	(1,247.80)
Profit/(loss) for the year	(130.83)
At March 31, 2024	(1,378.63)
Profit/(loss) for the year	(168.68)
At March 31, 2025	(1,547.31)

Capital Reserve (Equity Component of Redeemable Preference shares)	Rs in lakhs
At April 1, 2023	153.10
Increase/(decrease) during the year	-
At March 31, 2024	153.10
Increase/(decrease) during the year	-
At March 31, 2025	153.10

Other reserves	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Securities Premium Reserve	2,598.07	2,598.07
Retained Earnings	(1,547.31)	(1,378.63)
Capital Reserve (Equity Component of Redeemable Preference shares)	153.10	153.10
	1,203.86	1,372.54

12 Financial liabilities

(i) Borrowings

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Non-current borrowings		
Term Loans		
Indian rupee loans from Banks (Secured)		
Yes Bank Limited (Refer note 1 and 2 below)	1,728.05	2,121.05
Total non-current borrowings	1,728.05	2,121.05
Current borrowings		
Term Loans		
Current maturity of long term loans		
Yes Bank Limited (Refer note 1 and 2 below)	396.65	366.89
Total current borrowings	396.65	366.89
Less: Amount clubbed under "current borrowings"	(396.65)	(366.89)
Net current borrowings	-	-

Term loans

1. Rupee Term loan of Rs. 2,500 lakhs from Yes Bank Ltd. the loan is repayable in 48 structured installments including 12 months of moratorium period from the first date of disbursement, carrying interest rate of 8.75% p.a. (March 31, 2024: 9.00%). It is secured by:

a) First charge on all present and future immoveable fixed assets of Red Fox Hotel, Kundli New Delhi.

b) First charge on all moveable fixed assets and current assets both present and future of Red Fox Hotel, Kundli New Delhi.

c) Escrow of all receivables of project including security deposits.

d) Corporate guarantee of Lemon Tree Hotels Limited.

e) DSRA equivalent to three months interest and one quarter principal to be created in case of any over dues beyond 30 days in the form of fixed deposits duly lien marked in favour of YBL.

f) Minimum security cover of 1.5x on immoveable and moveable fixed assets of the project.

2. Rupee Credit line of Rs. 960 lakhs from Yes Bank Ltd. The loan is repayable 36/48 monthly installment after a moratorium period of 12/24 months from the date of first disbursement, carrying interest rate of 8.75% p.a. (March 31, 2024: 9.00%). The loan is secured by:

1). Second Charge on all movable fixed assets and current assets (both present and future) (including Escrow Account opened with YBL) of the Borrower;

2) Escrow of all receivables of the Hotel including security deposits to remain vaild during the tenor of YBL Loan facilities sanctioned to the Borrower.

3. The Company has not defaulted in the repayment of loans and interest at Balance Sheet date.

4. Bank loans availed by the Company are subject to certain covenants relating to interest coverage ratio, debt service coverage ratio, capital gearing ratio, fixed assets coverage ratio.

5. The Company has complied significant covenants from bank and financial institutions as per the terms of the loan agreement.

6. The company has used borrowings from banks/financial institutions for the specific purpose for which it was taken.

7. Basis on several terms and conditions as specefied in sanction letters, the company submits quarterly returns/statements of current assets with banks/ financial institution and these returns/statements are in agreement with the books of accounts.

13 Provisions

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Provision for gratuity	7.49	6.96
	7.49	6.96
Current	1.94	1.87
Non-current	5.55	5.09

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Provision for leave benefits	2.99	3.14
Current	2.99	3.14
Non-current	-	-
Total current	4.93	5.01
Total non-current	5.55	5.09

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14 Financial liabilities

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(i) Current borrowings		
0% loan from Lemon Tree Hotels Limited repayable on demand	**7.25**	67.01
9% loan from Carnation Hotels Private Limited repayable on demand	**605.00**	-
Current maturities of long-term borrowings (refer note 12)	**396.65**	366.89
	1,008.90	433.90

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(ii) Trade payables		
Trade Payables*		
-Micro and small enterprises	**21.12**	15.62
-Other than Micro and small enterprises	**22.23**	44.01
*read with note 34(d)		
	43.35	59.63
Trade payables	**27.29**	34.98
Trade payables to related parties	**16.06**	24.65
	43.35	59.63

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(iii) Other Current financial liabilities		
Interest accrued but not due on borrowings	**23.94**	-
Outstanding dues of other creditors	**17.66**	3.86
Outstanding dues of Employees	**13.95**	25.34
	55.55	29.20

15 Other current liabilities

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Advance from customers	**8.15**	9.15
Statutory Dues	**10.55**	5.21
	18.70	14.36

Oriole Dr. Fresh Hotels Private Limited
Notes to financial statements for the year ended March 31, 2025

16 Revenue from operations

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Revenue from operations		
Sale of products and services		
- Room rental	714.41	690.07
- Food and beverage (excluding liquor and wine)	55.66	51.28
- Telephone and telex	0.03	0.16
- Other Services	36.72	37.21
Revenue from operations	806.82	778.72

17 Other income

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Rental income	4.06	3.78
Miscellaneous income	0.77	1.04
	4.83	4.82

18 Cost of food and beverages consumed

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
(a) Consumption of food & beverages excluding liquor & wine		
Inventory at the beginning of the year	3.00	4.59
Add: Purchases	66.95	58.99
	69.95	63.58
Less: Inventory at the end of the year	3.29	3.00
Cost of food and beverage consumed	66.66	60.58

19 Employee benefit expense

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Salaries, wages and bonus	183.03	169.04
Contribution to provident fund and other funds	12.94	13.66
Gratuity expense	1.27	1.15
Leave compensation expenses	0.05	0.70
Staff welfare expenses	18.95	12.20
	216.24	196.75

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Oriole Dr. Fresh Hotels Private Limited
Notes to financial statements for the year ended March 31, 2025

20 Other expenses

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Consumption of stores, cutlery, crockery, linen, provisions and others	20.64	19.48
Power and fuel	124.27	120.42
Linen & uniform washing and laundry expenses	0.84	0.80
Guest transportation	29.34	32.09
Cable TV expenses	3.41	2.67
Repair and maintenance		
- Buildings	50.11	20.62
- Plant and machinery	14.72	20.86
- Others	14.38	7.85
Rates and taxes	18.97	20.41
Plateform Services	8.61	-
Insurance	2.45	4.59
Communication costs	8.99	7.74
Printing and stationery	2.62	2.13
Traveling and conveyance	0.51	0.28
Advertising and sales promotion	0.08	0.25
Electronic Distribution	-	0.13
Management & incentive fees	21.48	22.84
Commission -other than sole selling agent	38.55	34.96
Security and cleaning expenses	29.67	29.79
Membership and subscriptions	1.11	1.01
Legal and professional fees	12.02	5.77
Provision for doubtful debt, loans, advances	0.48	0.72
Payment to auditors	0.80	0.80
Miscellaneous expenses	5.39	4.37
	409.44	360.58

Payment to auditor

As audit fees	0.80	0.80
	0.80	0.80

21 Finance costs

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Interest		
- on term loans from banks	210.45	242.34
- on others	26.63	-
Bank charges (including commission on credit card collection)	2.36	2.88
	239.44	245.22

22 Depreciation and amortization expense

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Depreciation of tangible assets	63.46	63.42
Amortization of intangible assets	-	0.04
	63.46	63.46

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23 **Finance income**

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Interest Income on :		
-Bank Deposits	12.96	12.26
-Others	1.21	0.87
	14.17	13.13

24 Earnings per share (Basic And Diluted)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.
Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) 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.
The following reflects the income and share data used in the basic and diluted EPS computations:

	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit/(loss) attributable to equity holders (for basic and diluted) (Rs in lakhs)	(169.42)	(129.92)
Weighted Average Number of Equity Shares (for basic and diluted)*	4,100,000	4,100,000
Basic & Diluted EPS	(4.13)	(3.17)

* The weighted average number of shares takes into account the weighted average effect of changes in share transactions during the year. There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.

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25. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Impairment of property, plant and equipment

Each hotel property is an identifiable asset that generates cash inflows and is independent of the cash inflows of the other hotel properties, hence identified as cash generating units. The Company assesses the carrying amount of hotel properties (CGU) to determine whether there is any indication that those assets have suffered an impairment loss. Where the carrying amount of CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. An impairment loss (if any) is recognised in the statement of profit and loss.

While assessing the recoverable amount, the Company used the discounted cash flow approach including various significant estimates and assumptions such as forecast of future revenue, operating margins, growth rate and selection of the discount rates. The key assumptions used for the calculations are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Discount Rate *(pre tax rate of WACC)*	12.00%	12.00%
Long Term Growth Rate	5.50%	5.00%

As at March 31, 2025, the estimated recoverable amount of the CGU exceeded its carrying amount.

b) Loss Allowance on trade receivables

An impairment analysis of trade receivables is performed at each reporting period based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates. Basis this assessment, the allowance for doubtful trade receivables as at March 31, 2025 is considered adequate.

c) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.



26. Gratuity and other post-employment benefit plans

Rs in lakhs

	March 31, 2025	March 31, 2024
Gratuity plan	**7.48**	6.96
Total	**7.48**	6.96

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.The Company makes provision of such gratuity asset/ liability in the books of accounts on the basis of actuarial valuation as per the Projected unit credit method.

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2025:

Rs in lakhs

	Gratuity cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income							
	April 1, 2024	Service cost	Net interest expense	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumption	Experience adjustments	Sub-total included in OCI	Contributions by employer	March 31, 2025
Defined benefit obligation	6.96	0.77	0.50	1.27	-	-	-	0.13	(0.87)	(0.74)	-	7.49
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**6.96**	**0.77**	**0.50**	**1.27**	**-**	**-**	**-**	**0.13**	**(0.87)**	**(0.74)**	**-**	**7.49**

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2024:

Rs in lakhs

	Gratuity cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income							
	April 1, 2023	Service cost	Net interest expense	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumption	Experience adjustments	Sub-total included in OCI	Contributions by employer	March 31, 2024
Defined benefit obligation	4.90	0.80	0.35	1.15		-	-	(0.02)	(0.89)	(0.91)	-	6.96
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**4.90**	**0.80**	**0.35**	**1.15**	**-**	**-**	**-**	**(0.02)**	**(0.89)**	**(0.91)**	**-**	**6.96**

The major categories of plan assets of the fair value of the total plan assets are as follows:

	March 31, 2025	March 31, 2024
Unquoted investments:		
Asset invested in insurance scheme with the LIC	-	-
Total	-	-

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

	March 31, 2025	March 31, 2024
Discount rate:	%	%
Pension plan	**6.50%**	**7.10%**
Future salary increases:		
Pension plan	**5.00%**	**5.00%**
Life expectation for pensioners	**Years**	**Years**
Pension plan		
Male	**60**	**60**
Female	**60**	**60**

A quantitative sensitivity analysis for significant assumption as at March 31, 2025 is as shown below:

India gratuity plan:

	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.22)	0.24	0.24	(0.23)

A quantitative sensitivity analysis for significant assumption as at March 31, 2024 is as shown below:

	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.20)	0.21	0.22	(0.21)

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

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

Duration (Years)	**For the year ended March 31, 2025**	For the year ended March 31, 2024
1	**2.00**	1.94
2	**1.57**	1.50
3	**1.26**	1.18
4	**1.02**	0.94
5	**0.80**	0.76
Above 5	**2.73**	2.58
Total expected payments	**9.38**	8.90

The average duration of the defined benefit plan obligation at the end of the reporting period is 4 years (March 31, 2024: 4 years).

27. Commitments and contingencies

Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:

At March 31, 2025, the Company had Nil commitments (March 31, 2024: Rs Nil)

Contingent liabilities

Claims against the Company not acknowledged as debts

		March 31, 2025 (Rs. In Lakhs)	March 31, 2024 (Rs. In Lakhs)
i.	Counter guarantees issued in respect of guarantees issued by company's bankers (Net)	**114.20**	114.20

ii. Company filed an arbitration petition (arbitration petition No. 160/2012), against the Delhi Developmental Authority (the "DDA") seeking quashing of invocation of a bank guarantee amounting to Rs 102.80 lakhs by DDA, recovery of Rs 25 lakhs as compensation alleging harassment and mental agony, recovery of Rs 10 lakhs towards cost of proceedings, and interest at the rate of 18% on blocked amount from December 28, 2010 till the date of return of pay order. This dispute pertains to an agreement for construction of a hotel by the subsidiary in Kondli, Delhi, entered into with DDA, as a successful bidder in an auction process conducted for this purpose. As per such agreement the subsidiary was required to provide a bank guarantee of Rs 102.80lakhs as performance security. The DDA allegedly sought to encash the bank guarantee on December 21, 2011 on grounds of non-performance of contractual obligations by the subsidiary. Consequently, on March 12, 2012 Oriole sent a notice of commencement of arbitration to DDA and on May 31, 2012, the subsidiary obtained an injunction (OMP No. 1/2012) from the High Court of Delhi

restraining DDA and Axis Bank Limited from proceeding with the encashment of the bank guarantee until the completion of the arbitration proceedings. An arbitral tribunal was constituted on September 28, 2012 and an arbitration award has been passed on December 06, 2022 against which an objection petition has been filed by the DDA before the High Court of Delhi. Notice is yet not issued. The proceedings are in progress and the management based upon its assessment and expert's advice believes that any further liability against the aforesaid demand is improbable to crystallize.

28. Related Party Transactions

a) Names of related parties where control exists irrespective of whether transactions have occurred or not,

Holding Company	- Lemon Tree Hotels Limited
Fellow subsidiary companies	- Fleur Hotels Limited (formerly known as Fleur Hotels Private Limited) - Canary Hotels Private Limited - Sukhsagar Complexes Private Limited - Totally Foxed Solutions Private Limited - Carnation Hotels Private Limited
Enterprise in which holding company has significant influence	- Mind Leaders Learning India Private Limited
Key Management Personnel	- Mr. Rajesh Kumar (Director) - Mr Gaurav Goyal (Director) (w.e.f January 10, 2024)

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

(Rs in lakhs)

Transactions with Related Party	Year Ended	Holding Company	Fellow Subsidiary	Associate	Enterprise in which holding company has significant influence
Reimbursement of expenses incurred on company's behalf					
Lemon Tree Hotels Limited	31-Mar-25	-	-	-	-
	31-Mar-24	0.17	-	-	-
Loan Taken					
Lemon Tree Hotels Limited	31-Mar-25	93.59	-	-	-

	31-Mar-24	327.35	-	-	-
Carnation Hotels Private Limited	31-Mar-25	-	605.00	-	-
	31-Mar-24	-	-	-	-
Loan Repayment					
Lemon Tree Hotels Limited	31-Mar-25	153.35	-	-	-
	31-Mar-24	363.12	-	-	-
Management Fees Paid (Cross Charge)					
Lemon Tree Hotels Limited	31-Mar-25	21.48	-	-	-
	31-Mar-24	22.83	-	-	-
Issue of Shares					
Lemon Tree Hotels Limited	31-Mar-25	-	-	-	-
	31-Mar-24	364.12	-	-	-
Training Fees (Gross)					
Mind leaders Learning India Private Limited	31-Mar-25	-	-	2.21	-
	31-Mar-24	-	-	-	-
Automation Fees(Gross)					
Totally Foxed Solutions Private Limited	31-Mar-25	-	7.61	-	-
	31-Mar-24	-	-	-	-
Amount Received on behalf of the party					
Canary Hotels Private Limited	31-Mar-25	-	-	-	-
	31-Mar-24	-	0.11	-	-
Balances outstanding at the year end- (Credit)/ Debit					
Lemon Tree Hotels Limited	31-Mar-25	19.04	-	-	-
	31-Mar-24	91.66	-	-	-
Mind Leaders Learning India Private Limited	31-Mar-25	-	-	0.16	-
	31-Mar-24	-	-	-	-
Totally Foxed Solutions Private Limited	31-Mar-25	-	4.11	-	-
	31-Mar-24	-	-	-	-
Carnation Hotels Private Limited	31-Mar-25	-	605.00	-	-
	31-Mar-24	-	-	-	-

Guarantees given for Loan Taken By					
Lemon Tree Hotels Limited	31-Mar-25	2,500.00	-	-	-
	31-Mar-24	2,500.00	-	-	-

29. Fair value Measurement

This section gives an overview of the significance of financial instruments for the company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument

a. Financial Assets

Rs in lakhs

	March 31, 2025		March 31, 2024	
	FVTPL	**Amortised Cost**	FVTPL	Amortised Cost
Financial Assets				
Trade Receivables	-	**90.68**	-	57.60
Security Deposits (non-current)	-	**10.98**	-	17.13
Other bank balances	-	**135.12**	-	135.12
Cash and Cash Equivalents	-	**34.37**	-	60.40
Total Financial Assets	-	**271.15**	-	270.25

b. Financial Liabilities

Rs in lakhs

	March 31, 2025		March 31, 2024	
	FVTPL	**Amortised Cost**	FVTPL	Amortised Cost
Borrowings (Non-current)	-	**1728.05**	-	2121.05
Borrowings (Current)		**1008.90**		433.90
Trade Payables	-	**43.35**	-	59.63
Other Current Financial	-	**55.55**	-	29.20

Liabilities				
Total Financial Liabilities	-	**2,835.85**	-	2,643.78

c. Fair value measurement hierarchy for assets and liabilities

Fair value measurement

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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

i) Level 1

Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

ii) Level 2

Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

iii) Level 3

Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

The management assessed that fair values of cash and cash equivalents, trade receivables, trade payables, bank overdrafts, bank deposits with banks, other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of loans, security deposits, borrowings and other financial assets and liabilities are considered to be the same as their fair values, as there is an immaterial change in the lending rates.

30. Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

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The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings, deposits and payables/receivables in foreign currencies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

Rs in lakhs

	March 31, 2025	March 31, 2024
Variable rate borrowings	**2,124.70**	2,487.94
Fixed rate borrowings	**612.25**	67.01

Interest rate sensitivity

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

		Increase/decrease in basis points	**Effect on profit before tax**
			Rs in lakhs
March 31, 2025			
Rs.		50	(11.62)
Rs.		-50	11.62
March 31, 2024			
Rs.		50	(13.19)
Rs.		-50	13.19

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has no exposure in foreign currency.

Credit risk

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

(a) Trade receivables

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.
An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 8. The Company does not hold collateral as security.

Rs in lakhs

Ageing	March 31, 2025	March 31, 2024
Not due		-
0-60 days past due	84.40	47.64
61-120 days past due	2.06	2.47
121-180 days past due	5.29	0.94
180-365 days past due	0.11	6.26
More than 365	3.40	0.29

Provision for doubtful debts (including provision for expected credit loss)

Rs in lakhs

Ageing	March 31, 2025	March 31, 2024
Not due		-
0-60 days past due	1.11	0.15
61-120 days past due	0.03	0.03
121-180 days past due	0.22	0.04
180-365 days past due	0.01	0.71
more than 365 days	3.21	3.17

Reconciliation of provision for doubtful debts – Trade receivables (including provision for expected credit loss)

Rs in lakhs

Particulars	March 31,2025	March 31,2024
Provision at beginning	**4.10**	**3.39**
Addition during the year	0.48	0.71
Reversal during the year	-	-
Utilised during the year	-	-
Provision at closing	**4.58**	**4.10**

Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

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

Rs in lakhs

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2025						
Borrowings	612.25	113.76	282.89	1,732.39	-	2,741.29
Trade and other payables	43.35	-	-	-	-	43.35
Financial Liabilities	55.55	-	-	-	-	55.55
	711.15	**113.76**	**282.89**	**1,732.39**	**-**	**2,840.19**
Year ended March 31, 2024						
Borrowings		76.23	290.66	1,767.51	361.52	2,495.92
Trade and other payables	59.63	-	-	-	-	59.63
Financial Liabilities	29.20	-	-	-	-	29.20
	88.83	**76.23**	**290.66**	**1,767.51**	**361.52**	**2,584.75**

31. Capital management

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

	March 31, 2025	March 31,2024
Borrowings (Note 12 & 14)	2,736.95	2,554.95
Trade payables (Note 14)	43.35	59.63
Less: cash and cash equivalents (Note 8)	34.37	60.40
Net debt	**2,745.93**	**2,554.19**
Total capital(Note 10 & 11)	1613.86	1782.54
Capital and net debt	**4,359.79**	**4,336.73**
	62.98%	**58.90%**

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

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and 31 March 2024.

32. Segment Reporting

The Company is into Hoteliering business. The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore there is no reportable segment for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about geographical areas

The Company has only domestic operations and hence no information required for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about major customers

The details of customer individually accounted for more than 10% of the revenue as at March 31, 2025 and March 31, 2024 is given here in below:

(Rs. In Lakhs)

Party	March 31, 2025	March 31, 2024
CDAC	-	123.35
VV Giri National Labour Institute	-	82.95



33. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006.

(Rs. Lakhs)

	March 31, 2025	March31, 2024
the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	21.12	15.62
the amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
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 enterprisefor the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

34. Supplementary information as per requirement of Schedule III of the Companies Act.

a) Detail of shareholding of promoters of the company

As at March 31, 2025

S.No.	Promoter Name	Number of shares at the beginning of the year 2024	Percentage of total Share Capital	Change during the year	Number of shares at the end of the year 2025	Percentage of Total shares	Percentage change during the year
1	Lemon tree Hotels Limited	4,100,000	100%	-	4,100,000	100%	-



As at March 31, 2024

S.No.	Promoter Name	Number of shares at the beginning of the year 2023	Percentage of total Share Capital	Change during the year	Number of shares at the end of the year 2024	Percentage of Total shares	Percentage change during the year
1	Lemon tree Hotels Limited	3,700,000	100%	4,00,000	4,100,000	100%	-

b) Ratio Analysis and its elements

S.No.	Ratio	Numerator	Denominator	March 2025	March 2024	% Variance	Reason for variance
1	Current Ratio	Current Asset	Current liabilities	0.23	0.36	(37.06%)	Change is due to more working capital requirement during the year.
2	Debt Equity Ratio	Total Debt	Shareholder equity	1.70	1.43	(22.85%)	-
3	Debt service coverage Ratio	Earnings available for debt service	debt service	0.22	0.29	(24.14%)	-
4	Return on Equity	Net profit after taxes	Average shareholders equity	(9.98%)	(7.80%)	(27.94%)	Increase is due to decrease in loss in current year
5	Inventory Turnover Ratio	Cost of Good Sold	Average Inventory	4.40	3.83	14.88%	-
6	Trade Receivable turnover Ratio	Net credit sales	Avg. accounts receivable	10.88	9.96	9.23	-
7	Trade Payables turnover Ratio	NA	NA	NA	NA	NA	
8	Net capital Turnover Ratio	Net Sales	Working capital	(0.92)	(2.26)	(33.27%)	Change is due to increase in revenue in current year
9	Net Profit Ratio	Net Profit	Net sales	(21.00%)	(16.68%)	4.76%	
10	Return on capital employed	EBIT	Capital employed	1.28%	2.36%	45.76%	Change in decrease in loss as compared to previous year

11	Return on investment	Income generated from investments(Fixed Deposits)	Average invested funds in treasury investments	NA	NA	NA	-

(i) Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and otheramortizations + Interest + otheradjustments like loss on sale of Fixed assets etc.

(ii) DebtService = Interest&Lease Payments + Principal Repayments.

(iii) Capital Employed= Networth+ Total Debt+DeferredTaxLiability-Net Intangible assets

c) Trade Receivables ageing schedule based on requirement of Schedule III:

As at March 31, 2025 (Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	90.39	0.09	0.20	-	-	90.68
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	1.36	0.01	0.20	0.10	2.91	4.58
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables –	-	-	-	-	-	-

credit impaired						
Unbilled Revenue	-	-	-	-	-	-

As at March 31, 2024 (Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	51.05	6.26	0.29	-	-	57.60
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Unbilled Revenue	-	-	-	-	-	-

d) Trade payables Ageing Schedule based on the requirement of Schedule III

As at March 31, 2025 (Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	21.12	-	-	-	21.12
Total outstanding dues of creditors other than micro enterprises and small enterprises	17.17	2.87	0.80	1.11	21.95
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	0.28	-	-	-	0.28

As at March 31, 2024 (Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	15.62	-	-	-	15.62
Total outstanding dues of creditors other than micro enterprises and small enterprises	0.98	42.85	0.19	-	44.01
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	-	-	-	-	-

e) **Other Statutory Information**

(i). The Company have not traded or invested in Crypto currency or Virtual currency during the financial year.

(ii). The Company have not 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.

(iii). The Company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property

(iv). The company has not entered into any transaction with companies struck off.

(v). The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(vi). The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vii). During the year, the company has not entered into any scheme of arrangements in terms of section 230 to 237 of the Companies Act, 2013 and accordingly, the prescribed disclosures of Schedule III are not required to be given.

(viii).The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or,

(b) provide any guarantee, security or the like to or on behalf of n the Ultimate Beneficiaries

(ix).The Company is not required to spend towards Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013, since there is no average profit in the last 3 years calculated as per the provisions of the Act.

(x). No bank has declared the company as "willful defaulter".

(ix).The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

35. As per the proviso to Rule 3(1) of Companies (Accounts) Rules, 2014, for the financial year commencing on or after the 1st day of April 2023, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses an accounting software for recording all the accounting transactions for the year ended March 31, 2025. The software has a feature of recording audit trail (edit log) facility which was enabled



throughout the year except that on certain tables/ master records audit trail (edit log) facility was enabled on March 29, 2025 and the audit trail (edit log) facility is not enabled at database level. Subsequent to the year ended March 31, 2025, the Company has implemented audit trail (edit log) facility on this accounting software.

In respect of maintaining revenue records, the Company has used a revenue management software. The said software has a feature of recording audit trail (edit log) facility which was enabled throughout the year, except that the audit trail (edit log) facility at database level was enabled on March 19, 2025 and the software has limitation to track whether audit trail (edit logs) were tampered or not.

The audit trail that was enabled and operated for the year ended March 31, 2024, has been preserved by the Company as per the statutory requirements for record retention.

The Management has adequate internal controls over financial reporting which were operating effectively for the year ended March 31, 2025.

36. Previous period's figures have been regrouped/reclassified wherever necessary to correspond with the current period's classification/disclosure.

As per our report of even date

For APAS& CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

For and on behalf of the Board of Directors of Oriole Dr Fresh Hotels Private Limited

Rajeev Ranjan
Partner
Membership No. 535395

Gaurav Goyal
Director
DIN:10454883

Rajesh Kumar
Director
DIN: 05251730

Place : New Delhi
Date :May 27, 2025

INDEPENDENT AUDITOR'S REPORT

To The Members of Manakin Resorts Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Manakin Resorts Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2023 and the Statement of Profit and Loss including Other Comprehensive Income, statement of Changes in Equity and Cash Flow Statement for the year then ended, and notes to financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, and its loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 (ICAI) 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 financial statements.

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

- The Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Director's Report, Chairman's statement, but does not include the Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit, or

otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other Matter

The financial statements of the Company for the year ended March 31, 2022, included in these financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 26, 2022.

Responsibilities of management and Those Charged with Governance for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

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

NANGIA & CO. LLP * GURUGRAM * CHARTERED ACCOUNTANTS

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

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

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

c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), and the Cash Flow Statement (and statement of changes in equity) dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.

g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2023;

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 26 to the Ind AS financial statements;

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

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

iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of

the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c) 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 (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under this clause is not applicable

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069



Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

Signed at Gurugram on May 26, 2023
UDIN: 23402826BGVLAN8259

Annexure 'A' to the Independent Auditors Report
[Refer to in our separate report of even date]

Annexure referred to under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date to the members of **Manakin Resorts Private Limited** on the financial statements for the year ended on March 31, 2023 and based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of accounts and other records examined by us in the normal course of audit, we report that:

I In respect of the Company's Property, Plant and Equipment and Intangible Assets

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of physical verification of Property, Plant and Equipment in phased periodical manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Title deeds in respect of all immovable properties are held in the name of the company.

(d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(e) As confirmed by the management, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

II (a) As explained to us physical verification of inventory has been conducted at reasonable intervals by the management at reasonable interval in respect of Food & Beverages, Liquor, Wines and smokes and Stores and spares. In our opinion the coverage and procedure of such verification by the

management is appropriate and there is no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.

(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

III According to the information and explanations given to us and on the basis of examination of records of the Company, the Company has not made any investments provided guarantee or security or granted any advance in the nature of loan, secured or unsecured to Company, Firm, limited liability partnership or any other parties during the year. Accordingly, the requirement to report on clause 3(iii)(a), (b), (c), (d), (e) and (f) of the Order is not applicable to the Company.

IV The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees, and securities provided, as applicable.

V The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

VI The maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

VII In respect of statutory dues:

a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

b) According to the information and explanation given to us, there are no amounts in respect of Income Tax, Goods and Services tax, Sales Tax, Value Added Tax, Employee state Insurance, Duty of Excise, Duty of Custom, Cess and Service Tax etc. that have not been deposited with the appropriate authority on account of any dispute.

VIII As confirmed by the management, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

IX (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.

(b) As confirmed by the management, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) The Company did not raise any funds on short-term basis during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

X (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures

during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

XI (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

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

XII As explained, the Company is not a Nidhi company. Therefore, the provisions of para 3(xii) of the Order are not applicable to the Company.

XIII In our opinion, transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

XIV The Company has implemented internal audit system on a voluntary basis which is commensurate with the size of the Company and nature of its business though it is not required to have an internal audit system under Section 138 of the Companies Act, 2013.

XV In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

XVI In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) (c) and (d) of the Order is not applicable.

XVII The Company has incurred cash losses in the current financial year amounting to Rs. 37.98 Lakhs and in the immediately preceding financial year amounting to Rs. 78.59 Lakhs.

XVIII There has been resignation of statutory auditor of the Company during the year. However, based on information or explanation made available to us, the outgoing auditor has not raised any issue, objections or concerns.

XIX On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, 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 In provisions related to Corporate Social Responsibilities is not applicable to the Company as per section 135 of the Companies Act, 2013. Accordingly, reporting under clause 3(xx) of the order is not applicable for the year.

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069

Prateek Agrawal

Prateek Agrawal
Partner,
Membership No. 402826
Signed at Gurugram on May 26, 2023
UDIN: 23402826BGVLAN8259

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LLP Registration NO. AAJ-1379
Noida - New Delhi - Gurugram - Mumbai - Bengaluru- Chennai - Pune – Dehradun

Annexure 'B' to the Independent Auditors Report
[Refer to in our separate report of even date]

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

We have audited the internal financial controls over financial reporting of **Manakin Resorts Private Limited ("the Company")** as of March 31, 2023 in conjunction with our audit of financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069

Prateek Agrawal

NANGIA & CO. LLP ★ GURUGRAM ★ CHARTERED ACCOUNTANTS

Prateek Agrawal
Partner,
Membership No. 402826
Signed at Gurugram on May 26, 2023
UDIN: 23402826BGVLAN8259

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Manakin Resorts Private Limited (CIN: U55101DL2005PTC212230)
Balance Sheet as at March 31, 2023

	Notes	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
ASSETS			
Non-current assets			
Property, plant and equipment	3	**614.83**	626.56
Intangible assets	4	**2.85**	4.03
Financial assets	5	**-**	
(a) Other financial assets		**7.75**	14.69
Deferred tax asset (net)	6	**-**	40.05
Other non-current assets	7	**24.19**	24.56
		649.62	709.89
Current assets			
Inventories	8	**7.96**	8.35
Financial assets	9		
(i) Trade receivables		**6.48**	-
(ii) Cash and cash equivalents		**38.75**	16.39
(iii) Loans		**498.08**	557.98
(iv) Other financial assets		**227.59**	178.85
Other current assets	10	**23.63**	23.26
		802.49	784.83
Total Assets		**1,452.11**	1,494.72
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	11	**571.43**	571.43
Other Equity	12	**808.85**	861.36
Total Equity		**1,380.28**	1,432.79
Liabilities			
Non-current liabilities			
Financial liabilities			
Provisions	13	**7.36**	5.78
		7.36	5.78
Current liabilities			
Financial liabilities	14		
(i) Trade payables			
- total outstanding dues of micro enterprises and small enterprises		**2.25**	3.79
- total outstanding dues of creditors other than micro enterprises and small enterprises		**15.64**	42.00
(ii) Other financial liabilities		**31.16**	-
Other current liabilities	15	**10.17**	6.08
Provisions	13	**5.25**	4.28
		64.47	56.15
Total Liabilities		**71.83**	61.93
Total Equity and Liabilities		**1,452.11**	1,494.72
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

NANGIA & CO. LLP * GURUGRAM * CHARTERED ACCOUNTANTS

Place : Gurugram
Date : May 26 2023

For and on behalf of the Board of Directors of
Manakin Resorts Private Limited

Davander Tomar
Director
DIN: 00013336

Suman Jaidka
Director
DIN: 05201572

Place : New Delhi
Date : May 26, 2023

Manakin Resorts Private Limited (CIN: U55101DL2005PTC212230)
Statement of Profit and Loss for the year ended March 31, 2023

	Notes	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Revenue from operations	16	**198.54**	-
Other income	16(a)	-	3.63
Total Income		198.54	3.63
Expenses			
Cost of materials consumed	17	**23.98**	-
Employee benefits expense	18	**89.26**	18.37
Other expenses	19	**126.55**	73.13
Total Expenses		239.79	91.50
Earnings before interest, tax, depreciation and amortisation (EBITDA)		**(41.25)**	(87.87)
Finance costs	20	**1.05**	0.22
Depreciation and amortization expense	21	**12.91**	15.39
Finance income	22	**(47.20)**	(54.57)
Loss before tax		**(8.01)**	(48.91)
Tax expense:			
(1) Current tax		-	-
(2) Adjustment of tax relating to earlier years		**0.64**	-
(3) Deferred tax		**40.05**	(11.67)
		40.69	(11.67)
Loss for the year		**(48.70)**	(37.24)
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent years:			
Re-measurement gains/ (losses) on defined benefit plans		**(3.81)**	(0.34)
Net other comprehensive income not to be reclassified to profit or loss in subsequent years		**(3.81)**	**(0.34)**
Other Comprehensive Income for the period , net of tax		**(3.81)**	(0.34)
Total comprehensive income for the period, net of tax		(52.51)	(37.58)
Earnings per share :	23		
(1) Basic		**(0.92)**	(0.66)
(2) Diluted		**(0.92)**	(0.66)
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

NANGIA & CO. LLP ★ GURUGRAM ★ CHARTERED ACCOUNTANTS

Place : Gurugram
Date : May 26 2023

For and on behalf of the Board of Directors of Manakin Resorts Private Limited

Davinder Tomar
Director
DIN: 00013336

Sumant Jaidka
Director
DIN: 05201572

Place : New Delhi
Date : May 26, 2023

Manakin Resorts Private Limited (CIN: U55101DL2005PTC212230)
Statement of Cash flow for the year ended March 31, 2023

	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Operating activities		
Profit/(Loss) before tax	**(8.01)**	(48.91)
Adjustments to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortisation expenses	**12.91**	15.39
Finance income (including fair value change in financial instruments)	**(46.88)**	(54.15)
Profit on sale of Property Plant & Equipment	**-**	(3.63)
	(41.98)	(91.30)
Working Capital Adjustment:		
Change in trade receivables	**(6.48)**	15.68
Change in loans and advances and other current assets	**4.28**	7.56
Change in inventories	**0.39**	-
Change in liabilities and provisions	**6.07**	(11.50)
	(37.72)	(79.56)
Income tax paid (net of refunds)	**(0.26)**	0.97
Net cash used in operating activities	**(37.98)**	(78.59)
Investing activities		
Purchase of Property, plant and equipment including capital advances	**-**	7.60
Sale of Property, plant and equipment	**-**	15.23
Loan (Given)/received back from related party	**59.90**	48.80
Interest received	**0.44**	-
Net cash flow from investing activities	**60.34**	71.63
Financing activities		
Net cash from financing activities	**-**	-
Net increase/(decrease) in cash and cash equivalents	**22.36**	(6.95)
Cash and cash equivalents at the beginning of the year	**16.39**	23.34
Cash and cash equivalents at the end of the year	**38.75**	16.39
Components of cash and cash equivalents		
Cash on hand	**0.20**	0.02
Balances with Scheduled Banks in		
- Current accounts	**38.55**	16.37
Total cash and cash equivalents	**38.75**	16.39

Summary of significant accounting policies 2

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

NANGIA & CO. LLP GURUGRAM CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Manakin Resorts Private Limited

Davander Tomar
Director
DIN No: 02695031

Sumant Jaidka
Director
DIN: 05201572

Place : Gurugram
Date : May 26 2023

Place : New Delhi
Date : May 26, 2023

Manakin Resorts Private Limited (CIN: U55101DL2005PTC212230)
Statement of Changes in Equity

A. Equity Share Capital

Equity shares of INR 10 each issued, subscribed and fully paid	**No. of shares**	**Amount Rs in lakhs**
As at April 1, 2021	5,714,280	571.43
Issue of share capital	-	-
As at March 31, 2022	5,714,280	571.43
Issue of share capital	-	-
As at March 31, 2023	**5,714,280**	**571.43**

B. Other Equity
For the year ended 31 March, 2023

	Securities Premium	**Retained Earnings**	**Total Other equity**
	Rs in lakhs	**Rs in lakhs**	**Rs in lakhs**
Balance at April 1, 2021	**910.32**	**(11.38)**	**898.94**
Total comprehensive income for the year	-	(37.58)	(37.58)
Balance at March 31, 2022	**910.32**	**(48.96)**	**861.36**
Total comprehensive income for the year	-	(52.51)	(52.51)
Balance at March 31, 2023	**910.32**	**(101.47)**	**808.85**

Summary of significant accounting policies 2

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

Place : Gurugram
Date : May 26 2023

NANGIA & CO. LLP * CHARTERED ACCOUNTANTS * GURUGRAM

For and on behalf of the Board of Directors of
Manakin Resorts Private Limited

Davander Tomar
Director
DIN: 00013336

Sumant Jaidka
Director
DIN No: 05201572

Place : New Delhi
Date : May 26, 2023

1. Corporate Information

Manakin Resorts Private Limited (the Company) is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at Asset No.6, Aerocity Hospitality District,New Delhi-110037.

The principal activities of the Company is to carry out business of developing, owning, acquiring, renovating and promoting hotels, motels, resorts, restaurants, etc.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 26, 2023.

2 Basis of preparation

2.1 Significant accounting policies

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on a historical cost or at amortised cost except for the following assets and liabilities:

- Net defined benefit (asset)/liability
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing account standard required a change to the accounting policy hitherto to in use.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, expect where otherwise indicated.

2.2 Summary of significant accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.
A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

NANGIA & CO. LLP
GURUGRAM
CHARTERED ACCOUNTANTS

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

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

(b) Foreign currencies

Transactions and balances
Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or statement of profit and loss are also recognized in OCI or statement of profit and loss, respectively).

(c) Fair value measurement
The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

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

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

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



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

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

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

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

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

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value. External valuers are involved for valuation of significant assets and liabilities. The management selects external valuer on various criteria such as market knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the Valuation Committee verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 24)
- Quantitative disclosures of fair value measurement hierarchy (note 28)
- Financial instruments (including those carried at amortised cost) (note 28)



(d) Revenue recognition

In arrangements for room revenue and related services, the Company has applied the guidance in Ind AS 115 for recognition of Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering room revenue and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognized.

Goods and service tax (GST)/Sales tax/ value added tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Rooms, Restaurant, Banquets and Other Services

Income from guest accommodation is recognized on a day to day basis after the guest checks into the Hotels and are stated net of allowances. Incomes from other services are recognized as and when services are rendered. Sales are stated exclusive of GST, VAT and Luxury Tax. Shortfall of revenue over the billed as at the year-end is carried in financial statement as unbilled revenue separately.

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, sale of food and beverage are recognized at the points of serving these items to the guests. Sales are stated exclusive of Sales Tax/ VAT/GST.

Interest income

For all financial instruments measured at amortized cost and interest bearing financial assets classified as available for sale, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the statement of profit and loss.

Dividends

Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

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Gain/(loss) on sale of investment in mutual funds

Gain/(loss) on sale of investment in mutual funds is recorded as other income on transfer of title from the Company and is determined as the difference between the redemption price and carrying value of the investments.

(e) Taxes

Current income tax
Current income tax assets and liabilities are measured as the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized outside statement of profit and loss is recognized outside statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

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

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(f) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes its purchase import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs for long-term construction projects if the recognition criteria are met.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the property plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on fixed assets is provided as per Schedule II of Companies Act, 2013 on Straight Line Method over its economic useful life of fixed assets as follows:

Fixed Assets	Useful life considered (SLM)
Plant & Machinery	15 Years
Building	60 Years
Electrical installations and fittings	10 Years
Office Equipment's	5 Years
Furniture and Fixtures	8 Years
Vehicles	8 Years
Computers	3 Years
Ship (house Boat)	15 Years

The Company, based on management estimates, depreciates certain items of building, plant and equipment over estimated useful lives which are lower than the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end, and adjusted prospectively if appropriate.

(g) Intangible assets

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

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

The useful lives of intangible assets are assessed as below:

- Software 3 years

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 income statement when the asset is derecognized.

(h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(i) Inventories

Stock of food & beverages, stores and operating supplies are valued at lower of cost and net realisable Value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a first in first out basis.Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make sale.

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(j) Impairment of non-financial assets

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

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(k) Provisions

General

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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(l) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to 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, for example, a reduction in future payment or a cash refund.

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

Past service costs are recognized in statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

The Company treats leaves expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.



(m) 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.

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortized cost

A debt instrument is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables, loans to subsidiaries etc. For more information on receivables, refer to Note 9.

Debt instrument at FVTOCI

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.



Debt instrument at FVTPL
FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets
In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Financial assets that are debt instruments and are measured as at FVTOCI
c) Lease receivables under Ind AS 116
d) Trade receivables or any contractual right to receive cash or another financial asset
e) Loan commitments which are not measured as at FVTPL
f) Financial guarantee contracts which are not measured as at FVTPL

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The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

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Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:
Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

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

Loans and borrowings
This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

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

This category generally applies to borrowings.

Financial guarantee contracts
Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

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Derecognition
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Contributed equity
Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Reclassification of financial assets
The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognized in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognized in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

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Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(n) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and 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.

(o) Segment reporting policies

Identification of segments
The management of the Company reviews the specific performance of its respective hotel properties. However, since all hotels have similarity in terms of products and services, customer classes, method of providing services and the regulatory environment, the individual hotels qualify for aggregation. Thus, the management has considered aggregating all the hotels as one reportable operating segment. Accordingly, the figures appearing in these financial statements relate to the Company's single operating segment.

(p) Measurement of EBITDA

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



3 Property, plant and equipment

Rs in lakhs

Particulars	Freehold land	Building on freehold land	Plant and Machinery	Electrical equipments	Office equipments	Furniture and Fixtures	Computers	Vehicles	Ship (house Boat)	Total
Cost or valuation										
As at April 1, 2021	120.82	552.10	24.10	141.74	25.86	18.94	3.23	4.18	29.65	920.62
Additions	-	-	4.20	-	-	-	-	-	-	4.20
Disposals	-	-	1.52	-	-	-	-	-	29.65	31.17
As at March 31, 2022	120.82	552.10	26.78	141.74	25.86	18.94	3.23	4.18	-	893.65
Additions	-	-	-	-	-	-	-	-		-
Disposals	-	-	-	-	-	-	-	-	-	-
As at March 31, 2023	120.82	552.10	26.78	141.74	25.86	18.94	3.23	4.18	-	893.65
Depreciation										
As at April 1, 2021	-	61.88	18.80	130.94	24.34	17.80	2.58	2.80	13.31	272.45
Charge for the year		10.01	3.06	0.74	0.10	0.01	0.18	0.10	-	14.20
Disposals	-	-	6.25	-	-	-	-	-	13.31	19.56
As at March 31, 2022	-	71.89	15.61	131.68	24.44	17.81	2.76	2.90	-	267.09
Charge for the year		10.01	1.01	0.44	0.07	-	0.10	0.10	-	11.73
Disposals	-	-	-	-	-	-	-	-	-	-
As at March 31, 2023	-	81.90	16.62	132.12	24.51	17.81	2.86	3.00	-	278.82
Net Book value										
As at March 31, 2023	120.82	470.20	10.16	9.62	1.35	1.13	0.37	1.18	-	614.83
As at March 31, 2022	120.82	480.21	11.17	10.06	1.42	1.13	0.47	1.28	-	626.56

4 Intangible Assets

Rs in lakhs

Particulars	Software	Total
Cost or valuation		
As at April 1, 2021	9.26	9.26
Additions	-	-
Disposals	-	-
As at March 31, 2022	9.26	9.26
Additions	-	-
Disposals	-	-
As at March 31, 2023	9.26	9.26
Amortisation and impairment		
As at April 1, 2021	4.05	4.05
Amortisation for the year	1.18	1.18
Disposals	-	-
As at March 31, 2022	5.23	5.23
Amortisation for the year	1.18	1.18
Disposals	-	-
As at March 31, 2023	6.41	6.41
Net Block		
As at March 31, 2023	2.85	2.85
As at March 31, 2022	4.03	4.03

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5 Financial assets

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(a) Other financial assets		
Security deposits	-	6.94
Non current bank balances	7.75	7.75
	7.75	14.69

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	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
6 Deferred tax assets (net)		
Property, plant and equipment	**74.67**	71.00
Deferred tax liability	**74.67**	71.00
Impact of expenditure charged to the statement of profit and loss in the current/ earlier period but allowable for tax purposes on payment basis	**1.83**	1.24
Provision for doubtful debts and advances	**3.75**	3.75
Effect of unabsorbed depreciation and business loss	**22.84**	60.47
Provision for gratuity	**2.64**	2.04
MAT credit entitlement receivable	**42.97**	42.97
Provision for leave compensation	**0.64**	0.58
Deferred tax asset	**74.67**	111.05
	-	40.05

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for year March 31, 2023 and March 31, 2022:

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Profit/(loss) before tax	**(8.01)**	(48.91)
Tax rate	**26.00%**	26.00%
Tax at statutory income tax rate	**(2.08)**	(12.72)
Income tax charge/ (credit) in respect of earlier year	**0.64**	-
Unrecognized tax assets (net) and other adjustments	**42.13**	1.05
Net	**40.69**	(11.67)

7 Other non-current assets	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Advance income tax (net of provision for taxation)	**24.19**	24.56
Total	**24.19**	24.56

8 Inventories (at lower of cost and net realisable value)	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Food and beverages (excluding liquor and wine)	**1.10**	-
Stores, cutlery, crockery, linen, provisions and others	**6.86**	8.35
Total	**7.96**	8.35

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9 Financial assets

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(i) Trade receivables*	**6.48**	-
	6.48	-
Break-up for security details:		
Trade receivables		
Unsecured, considered good	**6.48**	-
Doubtful	**14.41**	14.41
	20.89	14.41
Impairment Allowance (allowance for bad and doubtful debts)		
Unsecured, considered good	-	-
Doubtful	**14.41**	14.41
	14.41	14.41
Total trade receivables	**6.48**	-

* refer note 33(d) for agewise outstanding of trade receivable

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(ii) Cash and cash equivalents		
Balance with banks		
On current accounts	**38.55**	16.37
Cash on hand	**0.20**	0.02
	38.75	16.39

At March 31, 2023, the Company had available Rs. Nil (March 31, 2022: Rs. Nil) of undrawn committed borrowing facilities.
Cash and Bank balances are non- interest bearing.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Balances with banks		
on current accounts	**38.55**	16.37
Cash on hand	**0.20**	0.02
Total cash and cash equivalents	**38.75**	16.39

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(iii) Loans		
Loan to related party*	**498.08**	557.98
	498.08	557.98

*Refer note 33(b) for loans granted to promoter, director, KMP and other related parties.

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(iv) Other financial assets		
Security deposits	**7.95**	1.01
Interest accrued on loans	**219.64**	177.84
	227.59	178.85

Break up of current financial assets carried at amortised cost

Loan to related party	**498.08**	557.98
Trade receivables	**6.48**	-
Cash and cash equivalents	**38.75**	16.39
Security deposits	**7.95**	1.01
Interest accrued on loans	**219.64**	177.84
Total current financial assets carried at amortised cost	**770.90**	753.22

10 Other current assets

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Balance with statutory/ government authorities	**16.99**	15.68
Prepaid expenses	**2.86**	0.41
Advance for supply of goods or rendering of services	**3.78**	7.17
Total	**23.63**	23.26

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11 Equity Share capital

Authorised Share Capital:-

	No. of shares	Rs in lakhs
As at April 1, 2021	6,000,000	600.00
Increase/(decrease) during the year	-	-
As at March 31, 2022	**6,000,000**	**600.00**
Increase/(decrease) during the year	-	
As at March 31, 2023	**6,000,000**	**600.00**

Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders 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.

Issued equity capital:-*

	No. of shares	Rs in lakhs
Equity shares of Rs 10 each issued, subscribed and fully paid		
As at April 1, 2021	**5,714,280**	**571.43**
Increase/(decrease) during the year	-	-
As at March 31, 2022	**5,714,280**	**571.43**
Increase/(decrease) during the year	-	-
As at March 31, 2023	**5,714,280**	**571.43**

*** read with note 33(c) for the details of promoter holding**

Shares held by holding company

	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Rs in lakhs	No. of shares	Rs in lakhs
Equity shares of Rs. 10 each fully paid up				
PSK Resorts & Hotels Private Limited	5,142,852	514.29	5,142,852	514.29

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

	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% Shareholding	No. of shares	% Shareholding
Equity shares of Rs. 10 each fully paid up				
PSK Resorts & Hotels Private Limited	5,142,852	90.00%	5,142,852	90.00%
Lemon Tree Hotels Limited	571,428	10.00%	571,428	10.00%

The Company has not issued Bonus Share, Share for consideration other than Cash and has not bought back shares during the period of five years immediately preceding the reporting date.

12 Other equity

Securities Premium

	Rs in lakhs
As at April 1, 2021	**910.32**
Add: On issue of shares	-
Increase/(decrease) during the year	-
As at March 31, 2022	**910.32**
Increase/(decrease) during the year	-
As at March 31, 2023	**910.32**

Retained Earnings

	Rs in lakhs
As at April 1, 2021	**(11.38)**
Loss for the year	(37.58)
As at March 31, 2022	**(48.96)**
Loss for the year	(52.51)
As at March 31, 2023	**(101.47)**

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Other reserves		
Securities premium	**910.32**	910.32
Retained earnings	**(101.47)**	(48.96)
	808.85	861.36

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13 **Provisions**

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Provision for gratuity		
Current	**2.79**	2.07
Non-current	**7.36**	5.78
	10.15	7.85
Provision for leave benefits		
Current	**2.46**	2.21
Non-current	**-**	-
	2.46	2.21
Total current	**5.25**	4.28
Total non-current	**7.36**	5.78

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14 Financial liabilities	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(i) Trade payables*		
-Micro and small enterprises	**2.25**	3.79
-Other than Micro and small enterprises	**15.64**	42.00
	17.89	45.79
*Refer note 33(e) for ageing outstanding of trade payables		
(ii) Other financial liabilities		
Outstanding dues of other creditors	**31.16**	
	31.16	-

15 Other current liabilities	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Advance from customers	**8.22**	5.60
Statutory liabilities	**1.95**	0.48
	10.17	6.08

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16 Revenue From Operations

	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Sale of products and services		
Room rentals	**161.95**	-
Food and beverage (excluding liquor and wine)	**23.31**	-
Other Services	**13.28**	-
	198.54	-

16(a) Other income

	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Profit on sale of Property, plant and equipment	-	3.63
	-	3.63

17 Cost of material consumed

	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Consumption of food & beverages (excluding liquor & wine)		
Inventory at the beginning of the year	-	-
Add: Purchases	**25.08**	-
	25.08	-
Less: Inventory at the end of the year	**1.10**	-
Cost of food and beverage consumed	**23.98**	-

18 Employee benefit expense

	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Salaries, wages and bonus	**74.03**	15.21
Contribution to provident fund and other funds	**7.14**	2.06
Gratuity expense	**1.29**	1.08
Staff welfare and training expenses	**6.80**	0.02
	89.26	18.37

19 Other expenses

	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Consumption of stores, cutlery, crockery, provisions and others	**7.15**	-
Power and fuel	**39.53**	8.44
Linen and uniform washing and laundry expenses	**3.20**	-
Spa expenses	**1.28**	-
Subscription charges	**0.67**	-
Repair and maintenance		
- Buildings	**9.00**	22.87
- Plant and machinery	**7.09**	0.10
- Others	**9.17**	0.75
Rates and taxes	**4.38**	3.18
Insurance	**4.31**	3.39
Communication costs	**2.16**	1.33
Printing and stationery	**1.30**	0.01
Traveling and conveyance	**2.64**	0.11
Vehicle running and maintenance	**0.07**	0.05
Advertisement and business promotion	**0.38**	-
Commission -other than sole selling agent	**12.37**	0.32
Security and cleaning expenses	**11.57**	4.41
Legal and professional fees	**5.47**	0.75
Membership & Subscription	**0.53**	-
Payment to auditors	**0.20**	0.35
Management Fee	**1.49**	1.19
Provision for doubtful debts	-	14.41
Miscellaneous expenses	**2.59**	11.47
Total	**126.55**	73.13

Payment to auditor

Statutory audit fees	**0.20**	0.20
Other services	-	0.15
	0.20	0.35

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20 Finance cost

	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Interest		
Bank charges (including commission on credit card collection)	**1.05**	0.22
Total	**1.05**	0.22

21 Depreciation and amortization expense

	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Depreciation of tangible assets	**11.73**	14.21
Amortization of intangible assets	**1.18**	1.18
Total	**12.91**	15.39

22 Finance income

	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Interest income on		
Bank deposits	**0.44**	-
Income tax refund	**0.32**	0.42
Loans	**46.44**	54.15
	47.20	54.57

23 Earnings per share (Basic And Diluted)

	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.
Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the company 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.

The following data reflects the inputs to calculation of basic and diluted EPS.

	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Loss after tax (Rs in lakhs)	**48.70**	37.24
Weighted average number of equity shares	**57,14,280**	57,14,280
Basic and Diluted EPS	**0.92**	0.66

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24. Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these judgements, estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The estimates and underlying assumptions are reviewed on an ongoing basis and the revisions to accounting estimates are recognized in the period in which the estimate is revised.

Critical judgements, estimates and assumptions

a. Impairment of property, plant and equipment

Each hotel property is an identifiable asset that generates cash inflows and is independent of the cash inflows of the other hotel properties, hence identified as cash generating units. The Company assesses the carrying amount of hotel properties (CGU) to determine whether there is any indication that those assets have suffered an impairment loss. Where the carrying amount of CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. An impairment loss (if any) is recognised in the statement of profit and loss.

While assessing the recoverable amount, the Company used the discounted cash flow approach including various significant estimates and assumptions such as forecast of future revenue, operating margins, growth rate and selection of the discount rates. The key assumptions used for the calculations are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Discount Rate *(pre tax rate of WACC)*	12.50%	12.00%
Long Term Growth Rate	5.50%	5.00%

As at March 31, 2023, the estimated recoverable amount of the CGU exceeded its carrying amount.

b. Loss allowance on trade receivables

An impairment analysis of trade receivables is performed at each reporting period based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates. Basis this assessment, the allowance for doubtful trade receivables as at March 31, 2023 is considered adequate.



25. Gratuity and other post-employment benefit plans

Rs. in lakhs

	As at March 31, 2023	As at March 31, 2023
Gratuity plan	**10.15**	7.85
Total	**10.15**	7.85

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The Company makes provision of such gratuity asset/ liability in the books of accounts on the basis of actuarial valuation as per the Projected unit credit method.



Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2023:

Rs. in lakhs

	Gratuity cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income							
	April 1, 2022	**Service cost**	**Net interest expense**	**Sub-total included in profit or loss**	**Benefits paid**	**Return on plan assets (excluding amounts included in net interest expense)**	**Actuarial changes arising from changes in demographic assumptions**	**Actuarial changes arising from changes in financial assumptions**	**Experience adjustments**	**Sub-total included in OCI**	**Contributions by employer**	**March 31, 2023**
Defined benefit obligation	7.85	0.82	0.47	1.29	(2.80)	-	-	(0.36)	4.17	3.81	-	10.15
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**7.85**	**0.82**	**0.47**	**1.29**	**(2.80)**	**-**	**-**	**(0.36)**	**4.17**	**3.81**	**-**	**10.15**

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Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2022:

Rs. in lakhs

	Gratuity cost charged to profit or loss					Remeasurement gains/(losses) in other comprehensive income						
	April 1, 2021	**Service cost**	**Net interest expense**	**Sub-total included in profit or loss**	**Benefits paid**	**Return on plan assets (excluding amounts included in net interest expense)**	**Actuarial changes arising from changes in demographic assumptions**	**Actuarial changes arising from changes in financial assumptions**	**Experience adjustments**	**Sub-total included in OCI**	**Contributions by employer**	**March 31, 2022**
Defined benefit obligation	6.67	0.71	0.37	1.08	(0.24)	-	-	(0.10)	0.44	0.34	-	7.85
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**6.67**	**0.71**	**0.37**	**1.08**	**(0.24)**	**-**	**-**	**(0.10)**	**0.44**	**0.34**	**-**	**7.85**

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The major categories of plan assets of the fair value of the total plan assets are as follows:

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

	March 31, 2023	March 31, 2022
	%	%
Discount rate	**7.20%**	**6.00%**
Future salary increases	**5.00%**	**5.00%**

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

India gratuity plan:

	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.28)	0.30	0.30	(0.28)

	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.23)	0.24	0.24	(0.23)

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

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

Rs. In lakhs

Duration (Years)	For the year ended March 31, 2023	For the year ended March 31, 2022
1	2.89	2.13
2	2.24	1.65
3	1.73	1.33
4	1.67	1.03
5	0.98	0.93
Above 5	3.29	2.54
Total expected payments	**12.80**	**9.61**

The average duration of the defined benefit plan obligation at the end of the reporting period is 4years (March 31, 2022: 4 years).

26. Commitments and contingencies

a. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:

At March 31, 2023, the Company had Rs. Nil commitments (March 31, 2022: Rs Nil)

b. Contingent liabilities

Claims against the Company not acknowledged as debts

Rs. in lakhs

	Particulars	As at March 31, 2023	As at March 31, 2022
a.	Counter guarantees issued in respect of guarantees issued by Company's bankers	**7.75**	7.75
b.	Luxury Tax (2013-14)	**6.45**	6.45
c.	Value Added Tax – Kerala	**-**	5.02

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27. Related Party Transactions

a) Names of related parties

Ultimate Holding company	- Lemon Tree Hotels Limited
Holding Company	- PSK Resorts & Hotels Private Limited
Fellow subsidiary companies	- Fleur Hotels Private Limited - Grey Fox Project Management Company Private Limited
Key management personnel	- Mr. Sumant Jaidka - Mr. Davander Tomar
Enterprise in which Holding company has significant influence	- Mind Leaders Learning India Private Limited

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The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year

Rs. in lakhs

Transactions with Related Party	Year Ended	Ultimate holding company	Fellow subsidiary	Enterprise in which Ultimate Holding has significant influence
Reimbursement of expenses incurred on company's behalf				
Lemon Tree Hotels Limited	**31-Mar-23**	**0.10**	-	-
	31-Mar-22	0.12	-	-
Loan Given				
Fleur Hotels Private Limited	**31-Mar-23**	-	**5.00**	-
	31-Mar-22	-	10.00	-
Loan Repayment Received				
Fleur Hotels Private Limited	**31-Mar-23**	-	**64.90**	-
	31-Mar-22	-	58.80	-
Interest on Loan Given				
Grey Fox Project Management Company Private Limited	**31-Mar-23**	-	**12.63**	-
	31-Mar-22	-	11.36	-
Fleur Hotels Private Limited	**31-Mar-23**	-	**33.81**	-
	31-Mar-22	-	36.54	-

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Transactions with Related Party	Year Ended	Ultimate holding company	Fellow subsidiary	Enterprise in which Ultimate Holding has significant influence
Management fees paid(Common Cost Allocation)				
Lemon Tree Hotels Limited	**31-Mar-23**	**1.49**	-	-
	31-Mar-22	1.19	-	-
Balances outstanding at the year-end- Short-term loans and advances				
Grey Fox Project Management Company Private Limited	**31-Mar-23**	-	**140.28**	-
	31-Mar-22	-	140.28	-
Fleur Hotels Private Limited	**31-Mar-23**	-	**357.80**	-
	31-Mar-22	-	417.70	-
Interest accrued on borrowings				
Fleur Hotels Private Limited	**31-Mar-23**	-	**153.10**	-
	31-Mar-22	-	122.67	-
Grey Fox Project Management Company Private Limited	**31-Mar-23**	-	**66.56**	-
	31-Mar-22	-	55.19	-

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Transactions with Related Party	Year Ended	Ultimate holding company	Fellow subsidiary	Enterprise in which Ultimate Holding has significant influence
Balances outstanding at the year-end- Other creditors/Receivables				
Lemon Tree Hotels Limited	**31-Mar-23**	**0.13**	-	-
	31-Mar-22	1.26	-	-
Mind Leaders Learning India Private Limited	**31-Mar-23**	-	-	-
	31-Mar-22	-	-	0.06



Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. For the year ended March 31, 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2022: Rs. Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Commitments with related parties

The company has not entered into any commitments with related parties during the year.

28. Fair value measurement

This section gives an overview of the significance of financial instruments for the company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument

a. Financial Assets

Rs. in lakhs

	March 31, 2023		March 31, 2022	
	FVTPL	**Amortized cost**	**FVTPL**	**Amortized cost**
Financial assets				
Loans	-	**498.08**	-	557.98
Trade receivables	-	**6.48**	-	-
Security deposits	-	**7.95**	-	7.95
Other bank balances	-	**7.75**	-	7.75
Interest accrued on others	-	**219.64**	-	177.84
Cash and cash equivalents	-	**38.75**	-	16.39
Total financial assets	-	**778.65**	-	767.91

b. Financial Liabilities

Rs. in lakhs

	March 31, 2023		March 31, 2022	
	FVTPL	**Amortized cost**	**FVTPL**	**Amortized cost**
Financial liabilities				
Trade payables	-	**17.89**	-	45.80
Other financials liabilities	-	**31.16**	-	-
Total financial liabilities	-	**49.05**	-	**45.80**

c. Fair value measurement hierarchy for assets and liabilities

Fair value measurement

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 under current market conditions.

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The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

i) Level 1

Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

ii) Level 2

Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

iii) Level 3

Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

There are no financial assest's and liabilities as at March 31, 2023 and March 31, 2022 measured at fair value.

The management assessed that fair values of cash and cash equivalents, trade receivables, trade payables, bank overdrafts, Interest accrued on bank deposits with banks, other current financial assets and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

29. Financial risk management objectives and policies

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

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings, deposits and payables/receivables in foreign currencies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

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Credit risk

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

Trade receivables and Security Deposits

Customer credit risk is managed by business through the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of each customer is assessed and credit limits are defined in accordance with this assessment. Outstanding customer receivables and security deposits are regularly monitored.

An impairment analysis is performed for all major customers at each reporting date on an individual basis. In addition, a large number of minor receivables are grouped into homogenous group and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 29. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has no exposure in foreign currency.

(a) Trade receivables

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 29. The Company does not hold collateral as security.

(b) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investment of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2023 and 31 March 2022 is the carrying amount as illustrated in Note 29.



Rs. in lakhs

Ageing	March 31, 2023	March 31, 2022
Not due	-	-
0-60 days past due	**0.12**	-
61-120 days past due	-	-
121-180 days past due	-	-
180-365 days past due	-	-
More than 365 days	**20.76**	14.41

Expected credit loss for trade receivable under simplified approach

Ageing	March 31, 2023	March 31, 2022
Gross carrying amount	**20.89**	14.41
Expected credit loss	**14.41**	14.41
Carrying amount of trade receivable (net of impairment)	**6.48**	-

Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders.

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

Rs. in lakhs

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2023						
Trade and other payables	17.89	-	-	-	-	17.89
Other financial liabilities	31.16	-	-	-	-	31.16
	49.05	-	-	-	-	**49.05**
Year ended March 31, 2022						
Trade and other payables	45.80	-	-	-	-	45.80
	45.80	-	-	-	-	**45.80**

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30. Capital management

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

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

Rs. in lakhs

	As at March31, 2023	As at March 31,2022
Borrowings	-	-
Trade payables (Note 14)	17.89	45.80
Less: cash and cash equivalents (Note 9)	38.75	16.39
Net debt	**(20.86)**	**29.41**
Total capital	1,380.27	1,432.78
Capital and net debt	1,359.41	1,462.19
Gearing ratio	**(1.53%)**	**2.01%**

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023 and March 31, 2022.

31. Segment Reporting

Hoteliering business is the Company's only business segment and domestic operations is the only geographical segment and hence disclosure of segment wise information is not applicable under Ind AS 108 – "Operating Segments".

Information about geographical areas

The Company has only domestic operations and hence no information required for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about major customers

No Customer individually accounted for more than 10% of revenue for year ended March 31, 2023 and March 31, 2022.

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32. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006.

Rs in lakhs

	March 31, 2023	March 31, 2022
the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	2.25	3.79
the amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

33. Supplementary information as per requirement of Schedule III of the Companies Act

a) **Ratio Analysis and its elements**

S.No.	Ratio	Numerator	Denominator	March 2023	March 2022	% Variance	Reason for variance
1	Current Ratio	Current asset	Current liabilities	12.45	13.98	(10.94%)	
2	Return on capital employed	EBIT	Capital employed	(0.04)	(0.07)	(44.50%)	Change is due to Start of operations
3	Return on Equity	Net profit after taxes	Average shareholders equity	(0.03)	(0.03)	34.95%	Change is due to Start of operations
4	Inventory turnover ratio	COGS & Sales	Average Inventory	2.94	-	-	Change is due to Start of operations
5	Trade Receivable Turnover Ratio	Net credit sales	Avg. accounts receivable	61.32	-	-	Change is due to Start of operations
6	Capital Turnover Ratio	Net credit sales	Working Capital	17.75	-	-	Change is due to Start of operations

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7	Trade payables turnover ratio	Net credit purchase(F&B & Liquor wine)	Average Trade Payable	0.75	-	-	Decrease in losses as compared to previous year
8	Net Profit Turnover Ratio	Net Profit	Net Sales	(0.04)	-	-	Decrease in losses as compared to previous year
9	Return on Investment	Income generated from investments(Fixed Deposits)	Time weighted investments	-	-	-	-
10	Debt Equity Ratio	Total debt	Shareholder equity	NA	NA	NA	-
11	Debt Service Coverage Ratio	Earnings available for debt service	debt service	NA	NA	NA	-

(i) Capital Employed = Net worth+ Total Debt + Deferred Tax Liability - Net Intangible assets

b) Disclosure of loans and advances in the nature of loan granted to promoter, director, KMP and other related parties:

Type of Borrower	March 31, 2023 Rs in Lacs		March 31, 2022 Rs in Lacs	
	Amount of loan or advance in the nature of loan outstanding	% of total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	% of total Loans and Advances in the nature of loans
Loan to related parties-fellow subsidiary	498.08	100%	557.98	100%
Total	498.08	100%	557.98	100%

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c) Detail of shareholding of promoters of the Company

As at March 31, 2023

S.No.	Promoter Name	Number of shares at the beginning of the year 2022	% of total Share Capital	Change during the year*	Number of shares at the end of the year 2023	Percentage of Total shares	% change during the year
1	PSK Resorts & Hotels Private Limited	5,142,852	90%	-	5,142,852	90%	-
2	Lemon Tree Hotels Limited	571,428	10%	-	571,428	10%	-

As at March 31, 2022

S.No.	Promoter Name	Number of shares at the beginning of the year 2021	% of total Share Capital	Change during the year*	Number of shares at the end of the year 2022	Percentage of Total shares	% change during the year
1	PSK Resorts & Hotels Private Limited	5,142,852	90%	-	5,142,852	90%	-
2	Lemon Tree Hotels Limited	571,428	10%	-	571,428	10%	-

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d) Trade receivables ageing schedule:

As at March 31, 2023 (Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables –considered good	0.12	-	-	-	6.35	6.47
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables –credit impaired	-	-	-	-	14.41	14.41
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Unbilled Revenue	-	-	-	-	-	-

As at March 31, 2022 (Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables –considered good	-	-	-	-	-	-
(ii) Undisputed Trade Receivables –which have significant increase incredit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables –credit impaired	-	-	-	14.41	-	14.41
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Unbilled Revenue	-	-	-	-	-	-

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e) Trade payables ageing schedule:

As at March 31, 2023 (Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	2.25	-	-	-	2.25
Total outstanding dues of creditors other than micro enterprises and small enterprises	14.53	0	0	1.11	15.64
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	-	-	-	-	-

As at March 31, 2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	3.79	-	-	-	3.79
Total outstanding dues of creditors other than micro enterprises and small enterprises	7.57	2.87	27.39	3.47	41.3
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	0.71	-	-	-	0.71

34. Other Statutory Information

(i) The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.

(ii) The Company has not 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.

(iii) The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property

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(iv) The Company does not have any transaction with companies struck off.

(v) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(vi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vii) During the year, the Company has not entered into any scheme of arrangements in terms of section 230 to 237 of the Companies Act, 2013 and accordingly, the prescribed disclosures of Schedule III are not required to be given.

(viii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or,
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(ix) The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or,
(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(x) The Company is not required to spend towards Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013, since there is no average profit in the last 3 years calculated as per the provisions of the Act.

35. **Standards notified but not yet effective**

There are no new standards that are notified, but not yet effective up to the date of issuance of the Company's financial statements.

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36. The previous year figures have been regrouped, re-arranged and reclassified wherever necessary to conform to this year's classification.

As per our report of even date

For Nangia & Co. LLP
ICAI FRN: **002391C/N500069**
Chartered Accountants

For and on behalf of the Board of Directors of
Manakin Resorts Private Limited

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Prateek Agrawal
Partner
Membership No. 402826

Davander Tomar
Director
Din: 00013336

Sumant Jaidka
Director
Din: 05201572

Place: Gurugram
Date: May 26, 2023

Place: New Delhi
Date: May 26, 2023

INDEPENDENT AUDITOR'S REPORT

To The Members of Manakin Resorts Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Manakin Resorts Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2024 and the Statement of Profit and Loss including Other Comprehensive Income, statement of Changes in Equity and Cash Flow Statement for the year then ended, and notes to financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, and its loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 (ICAI) 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 financial statements.

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

- The Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Director's Report, Chairman's statement, but does not include the Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit, or

otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and Those Charged with Governance for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for not complying with the requirement of audit trail as stated in (i)(vi) below.

c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), and the Cash Flow Statement (and statement of changes in equity) dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(i)(vi) 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 over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.

h) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2024;

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 26 to the Ind AS financial statements;

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

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

iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries



b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c) 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 (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the year ended March 31, 2024 wherein:

a. an accounting software did not have audit trail feature enabled throughout the year,

b. In respect of a revenue management software used for maintaining its revenue records, has a feature of recording audit trail (edit log) facility at the application level and the same has operated from July 1, 2023 for all relevant transactions recorded; however the software does not have feature of audit trail at database level to log direct data changes.

Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with, in respect of accounting software(s) for the period for which the audit trail feature was enabled and operating.

(Refer note no. 33 of the financial statements).

NANGIA & CO. LLP * GURUGRAM * CHARTERED ACCOUNTANTS

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069

NANGIA & CO. LLP * CHARTERED ACCOUNTANTS * GURUGRAM

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

Signed at Gurugram on May 27, 2024
UDIN: 24402826BKEZPF3660

Annexure 'A' to the Independent Auditors Report
[Refer to in our separate report of even date]

Annexure referred to under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date to the members of **Manakin Resorts Private Limited** on the financial statements for the year ended on March 31, 2024 and based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of accounts and other records examined by us in the normal course of audit, we report that:

I In respect of the Company's Property, Plant and Equipment and Intangible Assets

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of physical verification of Property, Plant and Equipment in phased periodical manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Title deeds in respect of all immovable properties are held in the name of the company.

(d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(e) As confirmed by the management, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

II (a) As explained to us physical verification of inventory has been conducted at reasonable intervals by the management at reasonable interval in respect of Food & Beverages, Liquor, Wines and smokes and Stores and spares. In our opinion the coverage and procedure of such verification by the

management is appropriate and there is no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.

(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

III According to the information and explanations given to us and on the basis of examination of records of the Company, the Company has not made any investments provided guarantee or security or granted any advance in the nature of loan, secured or unsecured to Company, Firm, limited liability partnership or any other parties during the year. Accordingly, the requirement to report on clause 3(iii)(a), (b), (c), (d), (e) and (f) of the Order is not applicable to the Company.

IV The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees, and securities provided, as applicable.

V The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

VI The maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

VII In respect of statutory dues:

a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

b) According to the information and explanation given to us, there are no amounts in respect of Income Tax, Goods and Services tax, Sales Tax, Value Added Tax, Employee state Insurance, Duty of Excise, Duty of Custom, Cess and Service Tax etc. that have not been deposited with the appropriate authority on account of any dispute.

Nature of the Statute	**Nature of the Dues**	**Amount (In Rs. Lakhs)**	**Period to which amount relates**	**Forum where dispute is pending**
Luxury Tax Act, 1976	Luxury Tax	15.03	2013-14	Deputy Commissioner (Appeals)
Local Sales Tax Act and Value added Tax	Value Added Tax – Kerala	5.21	2012-13	Deputy Commissioner (Appeals)

VIII As confirmed by the management, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

IX (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.

(b) As confirmed by the management, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) The Company did not raise any funds on short-term basis during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

X (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

XI (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

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

XII As explained, the Company is not a Nidhi company. Therefore, the provisions of para 3(xii) of the Order are not applicable to the Company.

XIII In our opinion, transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

XIV The Company has implemented internal audit system on a voluntary basis which is commensurate with the size of the Company and nature of its business though it is not required to have an internal audit system under Section 138 of the Companies Act, 2013.

XV In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors.

and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

XVI In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) (c) and (d) of the Order is not applicable.

XVII The Company has incurred cash losses in the current financial year amounting to Rs. 37.98 Lakhs and in the immediately preceding financial year amounting to Rs. 78.59 Lakhs.

XVIII There has been no resignation of the statutory auditors during the year and accordingly the requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

XIX On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, 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 In provisions related to Corporate Social Responsibilities is not applicable to the Company as per section 135 of the Companies Act, 2013. Accordingly, reporting under clause 3(xx) of the order is not applicable for the year.

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069



Prateek Agrawal

Prateek Agrawal
Partner,
Membership No. 402826
Signed at Gurugram on May 27, 2024
UDIN: 24402826BKEZPF3660

Annexure 'B' to the Independent Auditors Report
[Refer to in our separate report of even date]

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

We have audited the internal financial controls over financial reporting of **Manakin Resorts Private Limited ("the Company")** as of March 31, 2024 in conjunction with our audit of financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, 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 internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069

Prateek Agrawal

NANGIA & CO. LLP * CHARTERED ACCOUNTANTS * GURUGRAM

Prateek Agrawal
Partner,
Membership No. 402826
Signed at Gurugram on May 27, 2024
UDIN: 24402826BKEZPF3660

001-005, Emaar Digital Greens Tower A
10th Floor, Sector - 61, Gurugram - 122102, India
p: +91 124 4301 552 f: +91 124 4301 552

Manakin Resorts Private Limited (CIN: U55101DL2005PTC212230)
Balance Sheet as at March 31, 2024

	Notes	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
ASSETS			
Non-current assets			
Property, plant and equipment	3	610.55	614.83
Intangible assets	4	1.68	2.85
Financial assets	5		
(a) Other financial assets		7.75	7.75
Deferred tax asset (net)	6	-	-
Other non-current assets	7	24.36	24.19
		644.34	649.62
Current assets			
Inventories	8	8.56	7.96
Financial assets	9		
(i) Trade receivables		12.95	6.48
(ii) Cash and cash equivalents		33.81	38.75
(iii) Loans		505.30	498.08
(iv) Other financial assets		187.49	227.59
Other current assets	10	47.86	23.63
		795.97	802.49
Total Assets		1,440.31	1,452.11
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	11	571.43	571.43
Other Equity	12	782.52	808.85
Total Equity		1,353.95	1,380.28
Liabilities			
Non-current liabilities			
Financial liabilities			
Provisions	13	8.75	7.36
		8.75	7.36
Current liabilities			
Financial liabilities	14		
(i) Trade payables			
- total outstanding dues of micro enterprises and small enterprises		0.13	2.25
- total outstanding dues of creditors other than micro enterprises and small enterprises		35.10	15.64
(ii) Other financial liabilities		28.40	31.16
Other current liabilities	15	7.90	10.17
Provisions	13	6.08	5.25
		77.61	64.47
Total Liabilities		86.36	71.83
Total Equity and Liabilities		1,440.31	1,452.11
Summary of material accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

Place : Gurugram
Date : May 27, 2024

NANGIA & CO. LLP * CHARTERED ACCOUNTANTS * GURUGRAM

For and on behalf of the Board of Directors of Manakin Resorts Private Limited

Davander Tomar
Director
DIN: 00013336

Sumant Jaidka
Director
DIN: 05201572

Place : New Delhi
Date : May 27, 2024

MANAKIN RESORTS PVT. LTD. NEW DELHI

Manakin Resorts Private Limited (CIN: U55101DL2005PTC212230)
Statement of Profit and Loss for the year ended March 31, 2024

	Notes	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Revenue from operations	16	**245.79**	198.54
Other income	16(a)	**8.06**	-
Total Income		**253.85**	198.54
Expenses			
Cost of materials consumed	17	**31.22**	23.98
Employee benefits expense	18	**115.56**	89.26
Other expenses	19	**160.73**	126.55
Total Expenses		**307.51**	239.79
Earnings before interest, tax, depreciation and amortisation (EBITDA)		**(53.66)**	(41.25)
Finance costs	20	**1.69**	1.05
Depreciation and amortization expense	21	**13.00**	12.91
Finance income	22	**(42.32)**	(47.20)
Loss before tax		**(26.03)**	(8.01)
Tax expense:			
(1) Current tax		**-**	-
(2) Adjustment of tax relating to earlier years		**-**	0.64
(3) Deferred tax		**-**	40.05
		-	40.69
Loss for the year		**(26.03)**	(48.70)
Other comprehensive loss			
Other comprehensive loss not to be reclassified to profit or loss in subsequent years:			
Re-measurement losses on defined benefit plans		**(0.30)**	(3.81)
Net other comprehensive loss not to be reclassified to profit or loss in subsequent years		**(0.30)**	**(3.81)**
Other Comprehensive loss for the year, net of tax		**(0.30)**	(3.81)
Total comprehensive loss for the year, net of tax		**(26.33)**	(52.51)
Loss per share :	23		
(1) Basic		**(0.46)**	(0.92)
(2) Diluted		**(0.46)**	(0.92)
Summary of material accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

NANGIA & CO. LLP * GURUGRAM * CHARTERED ACCOUNTANTS

Place : Gurugram
Date : May 27, 2024

For and on behalf of the Board of Directors of Manakin Resorts Private Limited

Davander Tomar
Director
DIN: 00013336

Sumant Jaidka
Director
DIN: 05201572

Place : New Delhi
Date : May 27, 2024

MANAKIN RESORTS PVT. LTD. * NEW DELHI *

Manakin Resorts Private Limited (CIN: U55101DL2005PTC212230)
Statement of Cash flow for the year ended March 31, 2024

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Operating activities		
Loss before tax	**(26.03)**	(8.01)
Adjustments to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortisation expenses	**13.00**	12.91
Finance income (including fair value change in financial instruments)	**(42.10)**	(46.88)
Excess provision Written Back	**8.06**	-
	(47.07)	(41.98)
Working Capital Adjustment:		
Change in trade receivables	**(14.53)**	(6.48)
Change in loans and advances and other current assets	**(24.23)**	4.28
Change in inventories	**(0.60)**	0.39
Change in liabilities and provisions	**14.24**	6.07
	(72.19)	(37.72)
Income tax paid (net of refunds)	**(0.17)**	(0.26)
Net cash used in operating activities	**(72.36)**	(37.98)
Investing activities		
Purchase of Property, plant and equipment including capital advances	**(7.55)**	-
Loan (Given)/received back from related party	**(7.22)**	59.90
Interest received	**82.19**	0.44
Net cash flow from investing activities	**67.42**	60.34
Financing activities		
Net cash from financing activities	-	-
Net (decrease)/increase in cash and cash equivalents	**(4.94)**	22.36
Cash and cash equivalents at the beginning of the year	**38.75**	16.39
Cash and cash equivalents at the end of the year	**33.81**	38.75
Components of cash and cash equivalents		
Cash on hand	**0.19**	0.20
Balances with Scheduled Banks in		
- Current accounts	**33.62**	38.55
Total cash and cash equivalents	**33.81**	38.75

Summary of material accounting policies 2

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

Place : Gurugram
Date : May 27, 2024

For and on behalf of the Board of Directors of Manakin Resorts Private Limited

Davinder Tomar
Director
DIN: 00013336

Sumant Jajdka
Director
DIN: 05201572

Place : New Delhi
Date : May 27, 2024

Manakin Resorts Private Limited (CIN: U55101DL2005PTC212230)
Statement of Changes in Equity

A. Equity Share Capital

Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	Amount Rs in lakhs
As at April 1, 2022	5,714,280	571.43
Issue of share capital	-	-
As at March 31, 2023	5,714,280	571.43
Issue of share capital	-	-
As at March 31, 2024	**5,714,280**	**571.43**

B. Other Equity
For the year ended 31 March, 2024

	Securities Premium	Retained Earnings	Total Other equity
	Rs in lakhs	Rs in lakhs	Rs in lakhs
Balance at April 1, 2022	**910.32**	**(48.96)**	**861.36**
Total comprehensive income for the year	-	(52.51)	(52.51)
Balance at March 31, 2023	**910.32**	**(101.47)**	**808.85**
Total comprehensive income for the year	-	(26.33)	(26.33)
Balance at March 31, 2024	**910.32**	**(127.80)**	**782.52**

Summary of material accounting policies 2

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

Place : Gurugram
Date : May 27, 2024

For and on behalf of the Board of Directors of
Manakin Resorts Private Limited

Davander Tomar
Director
DIN: 00013336

Sumaan Jaidka
Director
DIN No. 05201572

Place : New Delhi
Date : May 27, 2024

1. Corporate Information

Manakin Resorts Private Limited (the Company) is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at Asset No.6, Aerocity Hospitality District, New Delhi-110037.

The principal activities of the Company is to carry out business of developing, owning, acquiring, renovating and promoting hotels, motels, resorts, restaurants, etc.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 27, 2024.

2 Basis of preparation

2.1 Material accounting policies

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on a historical cost or at amortised cost except for the following assets and liabilities:

- Net defined benefit (asset)/liability
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing account standard required a change to the accounting policy hitherto to in use.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, expect where otherwise indicated.

2.2 Summary of material accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.
A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

NANGIA & CO. LLP GURUGRAM CHARTERED ACCOUNTANTS

MANAKIN RESORTS PVT. LTD. NEW DELHI

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

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

(b) Foreign currencies

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or statement of profit and lossare also recognized in OCI or statement of profit and loss, respectively).

(c) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

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

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

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

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

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

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

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

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

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value. External valuers are involved for valuation of significant assets and liabilities. The management selects external valuer on various criteria such as market knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the Valuation Committee verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 24)
- Quantitative disclosures of fair value measurement hierarchy (note 28)
- Financial instruments (including those carried at amortised cost) (note 28)

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(d) Revenue recognition

In arrangements for room revenue and related services, the Company has applied the guidance in Ind AS 115 for recognition of Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering room revenue and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account ofvarious discounts and schemes offered by the Company as part of the contract. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognized.

Goods and service tax (GST)/Sales tax/ value added tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Rooms, Restaurant, Banquets and Other Services

Income from guest accommodation is recognized on a day to day basis after the guest checks into the Hotels and are stated net of allowances. Incomes from other services are recognized as and when services are rendered. Sales are stated exclusive of GST, VAT and Luxury Tax. Shortfall of revenue over the billed as at the year-end is carried in financial statement as unbilled revenue separately.

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, sale of food and beverage are recognized at the points of serving these items to the guests. Sales are stated exclusive of Sales Tax/ VAT/GST.

Interest income

For all financial instruments measured at amortized cost and interest bearing financial assets classified as available for sale, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the statement of profit and loss.

Dividends

Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

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Gain/(loss) on sale of investment in mutual funds

Gain/(loss) on sale of investment in mutual funds is recorded as other income on transfer of title from the Company and is determined as the difference between the redemption price and carrying value of the investments.

(e) Taxes

Current income tax
Current income tax assets and liabilities are measured as the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized outside statement of profit and lossis recognized outside statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

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

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

Deferred tax relating to items recognized outside statement of profit and lossis recognized outside statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(f) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes its purchase import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs for long-term construction projects if the recognition criteria are met.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the property plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on fixed assets is provided as per Schedule II of Companies Act, 2013 on Straight Line Method over its economic useful life of fixed assets as follows:

Fixed Assets	Useful life considered (SLM)
Plant & Machinery	15 Years
Building	60 Years
Electrical installations and fittings	10 Years
Office Equipment's	5 Years
Furniture and Fixtures	8 Years
Vehicles	8 Years
Computers	3 Years

The Company, based on management estimates, depreciates certain items of building, plant and equipment over estimated useful lives which are lower than the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end, and adjusted prospectively if appropriate.

(g) Intangible assets

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

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

The useful lives of intangible assets are assessed as below:

- Software 3 years

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 income statement when the asset is derecognized.

(h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(i) Inventories

Stock of food & beverages, stores and operating supplies are valued at lower of cost and net realisable Value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a first in first out basis.Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make sale.

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(j) Impairment of non-financial assets

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

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(k) Provisions

General

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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(l) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to 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, for example, a reduction in future payment or a cash refund.

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

Past service costs are recognized in statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

The Company treats leaves expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.





(m) 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.

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortized cost

A debt instrument is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables, loans to subsidiaries etc. For more information on receivables, refer to Note 9.

Debt instrument at FVTOCI

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

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Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Financial assets that are debt instruments and are measured as at FVTOCI
c) Lease receivables under Ind AS 116
d) Trade receivables or any contractual right to receive cash or another financial asset
e) Loan commitments which are not measured as at FVTPL
f) Financial guarantee contracts which are not measured as at FVTPL

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The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

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Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:
Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

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

Loans and borrowings
This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

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

This category generally applies to borrowings.

Financial guarantee contracts
Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

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Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognized in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognized in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(n) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and 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.

(o) Segment reporting policies

Identification of segments

The management of the Company reviews the specific performance of its respective hotel properties. However, since all hotels have similarity in terms of products and services, customer classes, method of providing services and the regulatory environment, the individual hotels qualify for aggregation. Thus, the management has considered aggregating all the hotels as one reportable operating segment. Accordingly, the figures appearing in these financial statements relate to the Company's single operating segment.

(p) Measurement of EBITDA

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

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Manakin Resorts Private Limited
Notes to financial statements as at March 31, 2024

3 Property, plant and equipment

Rs in lakhs

Particulars	Freehold land	Building on freehold land	Plant and Machinery	Electrical equipments	Office equipments	Furniture and Fixtures	Computers	Vehicles	Total
Cost or valuation									
As at April 1, 2022	120.82	552.10	26.78	141.74	25.86	18.94	3.23	4.18	893.65
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
As at March 31, 2023	120.82	552.10	26.78	141.74	25.86	18.94	3.23	4.18	893.65
Additions	-	-	3.63	2.10	-	-	1.82	-	7.55
Disposals	-	-	-	-	-	-	-	-	-
As at March 31, 2024	120.82	552.10	30.41	143.84	25.86	18.94	5.05	4.18	901.20
Depreciation									
As at April 1, 2022	-	71.89	15.61	131.68	24.44	17.81	2.76	2.90	267.09
Charge for the year		10.01	1.01	0.44	0.07	-	0.10	0.10	11.73
Disposals	-	-	-	-	-	-	-	-	-
As at March 31, 2023	-	81.90	16.62	132.12	24.51	17.81	2.86	3.00	278.82
Charge for the year		10.01	1.08	0.50	0.04	-	0.15	0.05	11.83
Disposals	-	-	-	-	-	-	-	-	-
As at March 31, 2024	-	91.91	17.70	132.62	24.55	17.81	3.01	3.05	290.65
Net Book value									
As at March 31, 2024	120.82	460.19	12.71	11.22	1.31	1.13	2.04	1.13	610.55
As at March 31, 2023	120.82	470.20	10.16	9.62	1.35	1.13	0.37	1.18	614.83

4 Intangible Assets

Rs in lakhs

Particulars	Software	Total
Cost or valuation		
As at April 1, 2022	9.26	9.26
Additions	-	-
Disposals	-	-
As at March 31, 2023	9.26	9.26
Additions	-	-
Disposals	-	-
As at March 31, 2024	9.26	9.26
Amortisation and impairment		
As at April 1, 2022	5.23	5.23
Amortisation for the year	1.18	1.18
Disposals	-	-
As at March 31, 2023	6.41	6.41
Amortisation for the year	1.17	1.17
Disposals	-	-
As at March 31, 2024	7.58	7.58
Net Block		
As at March 31, 2024	1.68	1.68
As at March 31, 2023	2.85	2.85

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MANAKIN RESORTS PVT. LTD. NEW DELHI

5 Financial assets	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(a) Other financial assets		
Non current bank balances	**7.75**	7.75
	7.75	7.75

* Balances with scheduled banks Rs. 7.75 lakhs (March 31,2023:- Rs. 7.75 lakhs) is under lien as bank guarantees issued given to various Government departments.

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	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
6 Deferred tax assets (net)		
Property, plant and equipment	**77.58**	74.67
Deferred tax liability	**77.58**	74.67
Impact of expenditure charged to the statement of profit and loss in the current/ earlier period but allowable for tax purposes on payment basis	**1.91**	1.83
Provision for doubtful debts and advances	**-**	3.75
Effect of unabsorbed depreciation and business loss	**71.81**	22.84
Provision for gratuity	**3.10**	2.64
MAT credit entitlement receivable	**-**	42.97
Provision for leave compensation	**0.76**	0.64
Deferred tax asset	**77.58**	74.67
Deferred tax asset (net)	**-**	-

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for year March 31, 2024 and March 31, 2023:

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Loss before tax	**(26.03)**	(8.01)
Tax rate	**26.00%**	26.00%
Tax at statutory income tax rate	**(6.77)**	(2.08)
Income tax charge/ (credit) in respect of earlier year	**-**	0.64
Unrecognized tax assets (net) and other adjustments	**6.77**	42.13
Net	**-**	40.69

7 Other non-current assets	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Advance income tax (net of provision for taxation)	**24.36**	24.19
Total	**24.36**	24.19

8 Inventories (at lower of cost and net realisable value)	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Food and beverages (excluding liquor and wine)	**0.78**	1.10
Stores, cutlery, crockery, linen, provisions and others	**7.78**	6.86
Total	**8.56**	7.96

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9 Financial assets	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(i) Trade receivables*	12.95	6.48
	12.95	6.48
Break-up for security details:		
Trade receivables		
Unsecured, considered good	12.95	6.48
Doubtful	6.38	14.41
	19.33	20.89
Impairment Allowance (allowance for bad and doubtful debts)		
Unsecured, considered good	-	-
Doubtful	6.38	14.41
	6.38	14.41
Total trade receivables	12.95	6.48

* refer note 34(d) for agewise outstanding of trade receivable

(ii) Cash and cash equivalents	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Balance with banks		
On current accounts	33.62	38.55
Cash on hand	0.19	0.20
	33.81	38.75

At March 31, 2024, the Company had available Rs. Nil (March 31, 2023: Rs. Nil) of undrawn committed borrowing facilities.
Cash and Bank balances are non- interest bearing.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Balances with banks		
on current accounts	33.62	38.55
Cash on hand	0.19	0.20
Total cash and cash equivalents	33.81	38.75

(iii) Loans	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Loan to related party*	505.30	498.08
	505.30	498.08

*Refer note 34(b) for loans granted to promoter, director, KMP and other related parties.

(iv) Other financial assets	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Security deposits	7.95	7.95
Interest accrued on loans	179.10	219.64
Interest accrued on Deposit	0.44	-
	187.49	227.59

Break up of current financial assets carried at amortised cost

Loan to related party	505.30	498.08
Trade receivables	12.95	6.48
Cash and cash equivalents	33.81	38.75
Security deposits	7.95	7.95
Interest accrued on loans	179.10	219.64
Interest accrued on Deposit	0.44	-
Total current financial assets carried at amortised cost	739.55	770.90

10 Other current assets	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Balance with statutory/ government authorities	19.94	16.99
Prepaid expenses	3.38	2.86
Advance for supply of goods or randering of services	24.54	3.78
Total	47.86	23.63

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MANAKIN RESORTS PRIVATE LIMITED NEW DELHI

11 Equity Share capital

Authorised Share Capital:-	No. of shares	Rs in lakhs
As at April 1, 2022	60,00,000	600.00
Increase/(decrease) during the year	-	-
As at March 31, 2023	60,00,000	600.00
Increase/(decrease) during the year	-	
As at March 31, 2024	60,00,000	600.00

Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders 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.

Issued equity capital:-*	No. of shares	Rs in lakhs
Equity shares of Rs 10 each issued, subscribed and fully paid		
As at April 1, 2022	57,14,280	571.43
Increase/(decrease) during the year	-	-
As at March 31, 2023	57,14,280	571.43
Increase/(decrease) during the year	-	-
As at March 31, 2024	57,14,280	571.43

*** read with note 34(c) for the details of promoter holding**

Shares held by holding company

	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Rs in lakhs	No. of shares	Rs in lakhs
Equity shares of Rs. 10 each fully paid up				
PSK Resorts & Hotels Private Limited*	-	-	51,42,852	514.29
Lemon Tree Hotels Limited**	57,14,280	571.43	-	-

*Merged with Lemon Tree Hotels Limited effective from April 1, 2022 with order dated December 14, 2023. Company is in process of transferring share certificates in name of Lemon Tree Hotels Limited.
**including 1 equity share held by nominee shareholder on behalf of the Company

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

	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% Shareholding	No. of shares	% Shareholding
Equity shares of Rs. 10 each fully paid up				
PSK Resorts & Hotels Private Limited*	-	0.00%	51,42,852	90.00%
Lemon Tree Hotels Limited	57,14,280	100.00%	5,71,428	10.00%

The Company has not issued Bonus Share, Share for consideration other than Cash and has not bought back shares during the period of five years immediately preceding the reporting date.

12 Other equity

Securities Premium	Rs in lakhs
As at April 1, 2022	910.32
Increase/(decrease) during the year	-
As at March 31, 2023	910.32
Increase/(decrease) during the year	-
As at March 31, 2024	910.32

Retained Earnings	Rs in lakhs
As at April 1, 2022	(48.96)
Loss for the year	(52.51)
As at March 31, 2023	(101.47)
Loss for the year	(26.33)
As at March 31, 2024	(127.80)

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Other reserves		
Securities premium	910.32	910.32
Retained earnings	(127.80)	(101.47)
	782.52	808.85

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MANAKIN RESORTS PVT. LTD. NEW DELHI

13 Provisions

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Provision for gratuity		
Current	**3.17**	2.79
Non-current	**8.75**	7.36
	11.92	10.15
Provision for leave benefits		
Current	**2.91**	2.46
Non-current	-	-
	2.91	2.46
Total current	**6.08**	5.25
Total non-current	**8.75**	7.36

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NANGIA & CO. LLP GURUGRAM CHARTERED ACCOUNTANTS

14 Financial liabilities	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(i) Trade payables*		
-Micro and small enterprises	**0.13**	2.25
-Other than Micro and small enterprises	**35.10**	15.64
	35.23	17.89
*Refer note 34(e) for ageing outstanding of trade payables		
(ii) Other financial liabilities		
Outstanding dues of other creditors	**28.40**	31.16
	28.40	31.16

15 Other current liabilities	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Advance from customers	**5.87**	8.22
Statutory liabilities	**2.03**	1.95
	7.90	10.17

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MANAKIN RESORTS PVT. LTD. NEW DELHI

NANGIA & CO. LLP CHARTERED ACCOUNTANTS GURUGRAM

16 Revenue From Operations

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Sale of products and services		
Room rentals	**199.07**	161.95
Food and beverage (excluding liquor and wine)	**25.15**	23.31
Other Services	**21.57**	13.28
	245.79	198.54

16(a) Other income

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Excess provision Written Back	**8.06**	-
	8.06	-

17 Cost of material consumed

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Consumption of food & beverages (excluding liquor & wine)		
Inventory at the beginning of the year	**1.10**	-
Add: Purchases	**30.90**	25.08
	32.00	25.08
Less: Inventory at the end of the year	**0.78**	1.10
Cost of food and beverage consumed	**31.22**	23.98

18 Employee benefit expense

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Salaries, wages and bonus	**99.36**	74.03
Contribution to provident fund and other funds	**8.65**	7.14
Gratuity expense	**1.72**	1.29
Staff welfare and training expenses	**5.83**	6.80
	115.56	89.26

19 Other expenses

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Consumption of stores, cutlery, crockery, provisions and others	**5.16**	7.15
Rent expenses	**2.97**	-
Power and fuel	**51.32**	39.53
Linen and uniform washing and laundry expenses	**4.74**	3.20
Spa expenses	**2.60**	1.28
Subscription charges	**1.13**	0.67
Repair and maintenance		
- Buildings	**20.41**	9.00
- Plant and machinery	**6.05**	7.09
- Others	**8.01**	9.17
Rates and taxes	**5.71**	4.38
Insurance	**1.41**	4.31
Communication costs	**2.35**	2.16
Printing and stationery	**1.06**	1.30
Traveling and conveyance	**2.80**	2.64
Vehicle running and maintenance	-	0.07
Advertisement and business promotion	**0.25**	0.38
Commission -other than sole selling agent	**17.38**	12.37
Security and cleaning expenses	**13.44**	11.57
Legal and professional fees	**4.52**	5.47
Membership & Subscription	**0.83**	0.53
Payment to auditors	**0.32**	0.20
Management Fee	**6.07**	1.49
Miscellaneous expenses	**2.20**	2.59
Total	**160.73**	126.55
Payment to auditor		
Statutory audit fees	**0.20**	0.20
Tax audit audit fees	**0.12**	-
	0.32	0.20

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20 Finance cost

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Interest		
Bank charges (including commission on credit card collection)	**1.69**	1.05
Total	**1.69**	1.05

21 Depreciation and amortization expense

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Depreciation of tangible assets	**11.83**	11.73
Amortization of intangible assets	**1.17**	1.18
Total	**13.00**	12.91

22 Finance income

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Interest income on :		
Bank deposits	**0.44**	0.44
Income tax refund	**0.22**	0.32
Others	**41.66**	46.44
	42.32	47.20

23 Earnings per share (Basic And Diluted)

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs

Basic EPS amounts are calculated by dividing the loss for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.
Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the company 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.

The following data reflects the inputs to calculation of basic and diluted EPS.

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Loss after tax (Rs in lakhs)	**(26.03)**	(48.70)
Weighted average number of equity shares	**5,714,280**	5,714,280
Basic and Diluted EPS	**(0.46)**	(0.92)

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MANAKIN RESORTS PVT. LTD. NEW DELHI

24. Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these judgements, estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The estimates and underlying assumptions are reviewed on an ongoing basis and the revisions to accounting estimates are recognized in the period in which the estimate is revised.

Critical judgements, estimates and assumptions

a. Impairment of property, plant and equipment

Each hotel property is an identifiable asset that generates cash inflows and is independent of the cash inflows of the other hotel properties, hence identified as cash generating units. The Company assesses the carrying amount of hotel properties (CGU) to determine whether there is any indication that those assets have suffered an impairment loss. Where the carrying amount of CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. An impairment loss (if any) is recognised in the statement of profit and loss.

While assessing the recoverable amount, the Company used the discounted cash flow approach including various significant estimates and assumptions such as forecast of future revenue, operating margins, growth rate and selection of the discount rates. The key assumptions used for the calculations are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Discount Rate *(pre tax rate of WACC)*	12.00%	12.50%
Long Term Growth Rate	5.00%	5.50%

As at March 31, 2024, the estimated recoverable amount of the CGU exceeded its carrying amount.

b. Loss allowance on trade receivables

An impairment analysis of trade receivables is performed at each reporting period based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates. Basis this assessment, the allowance for doubtful trade receivables as at March 31, 2024 is considered adequate.

25. Gratuity and other post-employment benefit plans

Rs. in lakhs

	As at March 31, 2024	As at March 31, 2023
Gratuity plan	**11.92**	10.15
Total	**11.92**	10.15

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The Company makes provision of such gratuity asset/ liability in the books of accounts on the basis of actuarial valuation as per the Projected unit credit method.

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Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2024:

Rs. in lakhs

	Gratuity cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income							
	April 1, 2023	Service cost	Net interest expense	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	March 31, 2024
Defined benefit obligation	10.15	0.99	0.73	1.72	(0.25)	-	-	(0.03)	(0.27)	(0.30)	-	11.92
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**10.15**	**0.99**	**0.73**	**1.72**	**(0.25)**	**-**	**-**	**(0.03)**	**(0.27)**	**(0.30)**	**-**	**11.92**

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2023:

Rs. in lakhs

	Gratuity cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income							
	April 1, 2022	**Service cost**	**Net interest expense**	**Sub-total included in profit or loss**	**Benefits paid**	**Return on plan assets (excluding amounts included in net interest expense)**	**Actuarial changes arising from changes in demographic assumptions**	**Actuarial changes arising from changes in financial assumptions**	**Experience adjustments**	**Sub-total included in OCI**	**Contributions by employer**	**March 31, 2023**
Defined benefit obligation	7.85	0.82	0.47	1.29	(2.80)	-	-	(0.36)	4.17	3.81	-	10.15
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**7.85**	**0.82**	**0.47**	**1.29**	**(2.80)**	**-**	**-**	**(0.36)**	**4.17**	**3.81**	**-**	**10.15**

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The major categories of plan assets of the fair value of the total plan assets are as follows:

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

	March 31, 2024	March 31, 2023
	%	%
Discount rate	**7.10%**	**7.20%**
Future salary increases	**5.00%**	**5.00%**

A quantitative sensitivity analysis for significant assumption as at March 31, 2024 is as shown below:

India gratuity plan:

	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.33)	0.35	0.35	(0.34)

	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.28)	0.30	0.30	(0.28)

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

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

Rs. In lakhs

Duration (Years)	For the year ended March 31, 2024	For the year ended March 31, 2023
1	3.28	2.89
2	2.60	2.24
3	2.53	1.73
4	1.48	1.67
5	1.17	0.98
Above 5	3.96	3.29
Total expected payments	**15.02**	**12.80**

The average duration of the defined benefit plan obligation at the end of the reporting period is 4 years (March 31, 2023: 4 years).

26. Commitments and contingencies

a. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:

At March 31, 2024, the Company had Rs. Nil, commitments (March 31, 2023: Rs Nil)

b. Contingent liabilities

Claims against the Company not acknowledged as debts

Rs. in lakhs

	Particulars	As at March 31, 2024	As at March 31, 2023
a.	Counter guarantees issued in respect of guarantees issued by Company's bankers	**7.75**	7.75
b.	Luxury Tax (2013-14)	**15.03**	6.45
c.	Value Added Tax – Kerala	**5.21**	-

27. Related Party Transactions

a) Names of related parties

Ultimate Holding company	- Lemon Tree Hotels Limited
Holding Company	- PSK Resorts & Hotels Private Limited (merged with Lemon Tree Hotels Limited effective from April 1, 2022)
Fellow subsidiary companies	- Fleur Hotels Private Limited - Sukhsagar Complexes Private Limited - Grey Fox Project Management Company Private Limited (merged with Lemon Tree Hotels Limited effective from April 1, 2022)
Key management personnel	- Mr. Sumant Jaidka - Mr. Davander Tomar
Enterprise in which Holding company has significant influence	- Mind Leaders Learning India Private Limited

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year

Rs. in lakhs

Transactions with Related Party	Year Ended	Ultimate holding company	Fellow subsidiary	Enterprise in which Ultimate Holding has significant influence	Key Management Personnel
Reimbursement of expenses incurred on company's behalf					
Lemon Tree Hotels Limited	**31-Mar-24**	**0.09**	-	-	-
	31-Mar-23	0.10	-	-	-
Amount Received					
Lemon Tree Hotels Limited	**31-Mar-24**	**0.22**	-	-	-
	31-Mar-23	-	-	-	-
Loan Given					
Fleur Hotels Private Limited	**31-Mar-24**	-	**10.00**	-	-
	31-Mar-23	-	5.00	-	-
Sukhsagar Complexes Pvt Ltd	**31-Mar-24**	-	**220.00**	-	-
	31-Mar-23	-	-	-	-
Loan Repayment Received					
Fleur Hotels Private Limited	**31-Mar-24**	-	**82.50**	-	-
	31-Mar-23	-	64.90	-	-

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Transactions with Related Party	Year Ended	Ultimate holding company	Fellow subsidiary	Enterprise in which Ultimate Holding has significant influence	Key Management Personnel
Grey Fox Project Management Company Private Limited (merged with Lemon Tree Hotels Limited)	**31-Mar-24**	-	140.28	-	-
	31-Mar-23	-	-	-	-
Interest on Loan Given					
Grey Fox Project Management Company Private Limited (merged with Lemon Tree Hotels Limited)	**31-Mar-24**	-	**12.52**	-	-
	31-Mar-23	-	12.63	-	-
Fleur Hotels Private Limited	**31-Mar-24**	-	**28.67**	-	-
	31-Mar-23	-	33.81	-	-
Sukhsagar Complexes Pvt Ltd	**31-Mar-24**		**0.22**		
	31-Mar-23		-		
Management fees paid (Common Cost Allocation)					
Lemon Tree Hotels Limited	**31-Mar-24**	**6.06**	-	-	-
	31-Mar-23	1.49	-	-	-
Balances outstanding at the year-end- Short-term loans and advances					
Grey Fox Project Management Company Private Limited (merged with Lemon Tree Hotels Limited)	**31-Mar-24**	-	-	-	-
	31-Mar-23	-	140.28	-	-

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Transactions with Related Party	Year Ended	Ultimate holding company	Fellow subsidiary	Enterprise in which Ultimate Holding has significant influence	Key Management Personnel
Fleur Hotels Private Limited	**31-Mar-24**	-	**285.30**	-	-
	31-Mar-23	-	357.80	-	-
Sukhsagar Complexes Pvt Ltd	**31-Mar-24**		**220.00**		
	31-Mar-23		-		
Interest accrued on borrowings					
Fleur Hotels Private Limited	**31-Mar-24**	-	**178.91**	-	-
	31-Mar-23	-	153.10	-	-
Grey Fox Project Management Company Private Limited (merged with Lemon Tree Hotels Limited)	**31-Mar-24**	-	-	-	-
	31-Mar-23	-	66.56	-	-
Sukhsagar Complexes Pvt Ltd	**31-Mar-24**		0.20		
	31-Mar-23		-		
Balances outstanding at the year-end- Other creditors/Receivables					
Lemon Tree Hotels Limited	**31-Mar-24**	**6.55**	-	-	-
	31-Mar-23	0.13	-	-	-

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Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. For the year ended March 31, 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2023: Rs. Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Commitments with related parties

The company has not entered into any commitments with related parties during the year.

28. Fair value measurement

This section gives an overview of the significance of financial instruments for the company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument

a. Financial Assets

Rs. in lakhs

	March 31, 2024		March 31, 2023	
	FVTPL	Amortized cost	FVTPL	Amortized cost
Financial assets				
Loans	-	505.30	-	498.08
Trade receivables	-	12.95	-	6.48
Security deposits	-	7.95	-	7.95
Other bank balances	-	7.75	-	7.75
Interest accrued on fixed deposit and others	-	179.54	-	219.64
Cash and cash equivalents	-	33.81	-	38.75
Total financial assets	-	747.30	-	778.65

b. Financial Liabilities

Rs. in lakhs

	March 31, 2024		March 31, 2023	
	FVTPL	Amortized cost	FVTPL	Amortized cost
Financial liabilities				
Trade payables	-	35.23	-	17.89
Other financials liabilities	-	28.40	-	31.16
Total financial liabilities	-	63.63	-	49.05

c. Fair value measurement hierarchy for assets and liabilities

Fair value measurement

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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

i) Level 1

Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

ii) Level 2

Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

iii) Level 3

Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

There are no financial assest's and liabilities as at March 31, 2024 and March 31, 2023 measured at fair value.

The management assessed that fair values of cash and cash equivalents, trade receivables, trade payables, bank overdrafts, Interest accrued on bank deposits with banks, other current financial assets and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

29. Financial risk management objectives and policies

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

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings, deposits and payables/receivables in foreign currencies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

Credit risk

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

Trade receivables and Security Deposits

Customer credit risk is managed by business through the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of each customer is assessed and credit limits are defined in accordance with this assessment. Outstanding customer receivables and security deposits are regularly monitored.

An impairment analysis is performed for all major customers at each reporting date on an individual basis. In addition, a large number of minor receivables are grouped into homogenous group and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 29. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has no exposure in foreign currency.

(a) Trade receivables

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 28. The Company does not hold collateral as security.

(b) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investment of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2024 and 31 March 2023 is the carrying amount as illustrated in Note 28.

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Rs. in lakhs

Ageing	March 31, 2024	March 31, 2023
Not due	-	-
0-60 days past due	**5.71**	**0.12**
61-120 days past due	**0.89**	-
121-180 days past due	-	-
180-365 days past due	-	-
More than 365 days	**6.35**	**20.76**

Expected credit loss for trade receivable under simplified approach

Ageing	March 31, 2024	March 31, 2023
Gross carrying amount	**19.33**	20.89
Expected credit loss	**6.38**	14.41
Carrying amount of trade receivable (net of impairment)	**12.95**	6.48

Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders.

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

Rs. in lakhs

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2024						
Trade and other payables	35.23	-	-	-	-	35.23
Other financial liabilities	28.40	-	-	-	-	28.40
	63.63	-	-	-	-	**63.63**
Year ended March 31, 2023						
Trade and other payables	17.89	-	-	-	-	17.89
Other financial liabilities	31.16	-	-	-	-	31.16
	49.05	-	-	-	-	**49.05**

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30. Capital management

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

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

Rs. in lakhs

	As at March31, 2024	As at March 31,2023
Borrowings	-	-
Trade payables (Note 14)	35.23	17.89
Less: cash and cash equivalents (Note 9)	33.81	38.75
Net debt	**1.42**	**(20.86)**
Total capital	1,353.95	1,380.28
Capital and net debt	1,355.37	1,359.42
Gearing ratio	**0.10%**	**(1.53%)**

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024 and March 31, 2023.

31. Segment Reporting

Hoteliering business is the Company's only business segment and domestic operations is the only geographical segment and hence disclosure of segment wise information is not applicable under Ind AS 108 – "Operating Segments".

Information about geographical areas

The Company has only domestic operations and hence no information required for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about major customers

No Customer individually accounted for more than 10% of revenue for year ended March 31, 2024 and March 31, 2023.

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32. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006.

Rs in lakhs

	March 31, 2024	March 31, 2023
the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	0.13	2.25
the amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
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 enterprisefor the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

33. As per the proviso to Rule 3(1) of Companies (Accounts) Rules, 2014, for the financial year commencing on or after the 1st day of April 2023, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses SAP S/4 HANA as its accounting software operated for recording all the accounting transactions for the year ended March 31, 2024. SAP S/4 HANA has a feature of recording audit trail (edit log) facility which has not been enabled throughout the year.

In respect of maintaining revenue records, the Company has used revenue management software. The said software has a feature of recording audit trail (edit log) facility from July 1, 2023, except the software does not have feature of audit trail at database level.

The Management has adequate internal controls over financial reporting which were operating effectively for the year ended March 31, 2024. The Management is in the process of evaluating the options to ensure compliance with the requirements of proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 referred above in respect of audit trail (edit log).

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34. Supplementary information as per requirement of Schedule III of the Companies Act

a) **Ratio Analysis and its elements**

S.No.	Ratio	Numerator	Denominator	March 2024	March 2023	% Variance	Reason for variance
1	Current Ratio	Current asset	Current liabilities	10.26	12.45	(17.60%)	-
2	Return on capital employed	EBIT	Capital employed	(0.05)	(0.04)	26.37 %	Increase in losses as compared to previous year.
3	Return on Equity	Net profit after taxes	Average shareholders equity	(0.02)	(0.03)	(44.28%)	Decrease in profit after tax as compared to previous year.
4	Inventory turnover ratio	COGS & Sales	Average Inventory	3.78	2.94	28.58%	Increase in revenue as compared to previous year
5	Trade Receivable Turnover Ratio	Net credit sales	Avg. accounts receivable	25.31	61.32	(58.73%)	Increase in average debtors during the current year.
6	Capital Turnover Ratio	Net credit sales	Working Capital	0.35	0.27	28.75%	Increase in revenue as compared to previous year
7	Trade payables turnover ratio	Net credit purchase (F&B & Liquor wine)	Average Trade Payable	NA	NA	NA	Not applicable to the company considering nature of business of the Company
8	Net Profit Turnover Ratio	Net Profit	Net Sales	(0.11)	(0.04)	162.51 %	Increase in losses as compared to previous year
9	Return on Investment	Income generated from investments(Fixed Deposits)	Time weighted investments	-	-	-	Not applicable to the Company considering the investments

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							are made to subsidiaries with long term growth outlook
10	Debt Equity Ratio	Total debt	Shareholder equity	NA	NA	NA	-
11	Debt Service Coverage Ratio	Earnings available for debt service	debt service	NA	NA	NA	-

(i) Capital Employed = Net worth+ Total Debt + Deferred Tax Liability - Net Intangible assets

b) Disclosure of loans and advances in the nature of loan granted to promoter, director, KMP and other related parties:

Type of Borrower	March 31, 2024 Rs in Lacs		March 31, 2023 Rs in Lacs	
	Amount of loan or advance in the nature of loan outstanding	% of total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	% of total Loans and Advances in the nature of loans
Loan to related parties-fellow subsidiary	505.30	100%	498.08	100%
Total	505.30	100%	498.08	100%

c) Detail of shareholding of promoters of the Company

As at March 31, 2024

S.No.	Promoter Name	Number of shares at the beginning of the year 2023	% of total Share Capital	Change during the year*	Number of shares at the end of the year 2024	Percentage of Total shares	% change during the year
1	PSK Resorts & Hotels Private Limited*	5,142,852	90%	(5,142,852)	-	-	(90%)
2	Lemon Tree Hotels Limited	571,428	10%	5,142,852	5,714,280	100%	90%

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As at March 31, 2023

S.No.	Promoter Name	Number of shares at the beginning of the year 2022	% of total Share Capital	Change during the year*	Number of shares at the end of the year 2023	Percentage of Total shares	% change during the year
1	PSK Resorts & Hotels Private Limited*	5,142,852	90%	-	5,142,852	90%	-
2	Lemon Tree Hotels Limited	571,428	10%	-	571,428	10%	-

'*Merged with Lemon Tree Hotels Limited effective from April 1 , 2022 swith order dated December 14, 2023

d) Trade receivables ageing schedule:

As at March 31, 2024 (Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables –considered good	6.60	-	-	-	6.35	12.95
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	0.03	-	-	-	-	0.03
(iii) Undisputed Trade Receivables –credit impaired	-	-	-	-	6.35	6.35
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Unbilled Revenue	-	-	-	-	-	-

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As at March 31, 2023 (Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables –considered good	0.12	-	-	-	6.35	6.47
(ii) Undisputed Trade Receivables –which have significant increase incredit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables –credit impaired	-	-	-	-	14.41	14.41
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Unbilled Revenue	-	-	-	-	-	-

e) Trade payables ageing schedule:

As at March 31, 2024 (Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	0.13	-	-	-	0.13
Total outstanding dues of creditors other than micro enterprises and small enterprises	28.11	0.01	-	0.08	28.20
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	6.90	-	-	-	6.90

As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	2.25	-	-	-	2.25
Total outstanding dues of creditors other than micro enterprises and small enterprises	14.53	-	-	1.11	15.64
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	-	-	-	-	-

35. Other Statutory Information

(i) The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.

(ii) The Company has not 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.

(iii) The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property

(iv) The Company does not have any transaction with companies struck off.

(v) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(vi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vii) During the year, the Company has not entered into any scheme of arrangements in terms of section 230 to 237 of the Companies Act, 2013 and accordingly, the prescribed disclosures of Schedule III are not required to be given.

(viii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or,
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(ix) The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or,
(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(x) The Company is not required to spend towards Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013, since there is no average profit in the last 3 years calculated as per the provisions of the Act.

36. Standards notified but not yet effective

There are no new standards that are notified, but not yet effective up to the date of issuance of the Company's financial statements.

37. The previous year figures have been regrouped, re-arranged and reclassified wherever necessary to conform to this year's classification.

As per our report of even date

For Nangia & Co. LLP
ICAI FRN:**002391C/N500069**
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

Place: Gurugram
Date: May 27, 2024

For and on behalf of the Board of Directors of
Manakin Resorts Private Limited

Davander Tomar
Director
DIN: 00013336

Sumant Jaidka
Director
DIN: 05201572

Place: New Delhi
Date: May 27, 2024

NANGIA & CO LLP
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To The Members of Manakin Resorts Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Manakin Resorts Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2025 and the Statement of Profit and Loss including Other Comprehensive Income, statement of Changes in Equity and Cash Flow Statement for the year then ended, and notes to financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2025, and its loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 (ICAI) 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 financial statements.

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

- The Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Director's Report, Chairman's statement, but does not include the Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is

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materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and Those Charged with Governance for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Ind AS 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

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the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

   c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), and the Cash Flow Statement (and statement of changes in equity) dealt with by this Report are in agreement with the books of account.

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d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(i)(vi) 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 over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.

h) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2025;

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 26 to the Ind AS financial statements;

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

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

iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in

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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;

c) 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 (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the year ended March 31, 2025 wherein:

a) the accounting software has a feature of recording audit trail (edit log) facility and the audit trail at the application level has operated throughout the year for all relevant transactions recorded in the software except that the audit trail feature was enabled for certain tables/master records only from March 27, 2025. Further, audit trail was not enabled at the database level to log any direct data changes. Consequently, we are unable to comment whether there were any instances of the audit trail feature being tampered with.

As audit trail feature was not enabled for the year ended March 31, 2024, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable.

b) In respect of a revenue management software used for maintaining its revenue records, it has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that the audit trail (edit log) at database level was enabled on March 20, 2025 and the software do not have feature to capture whether audit trail (edit log) has been tampered or not. Consequently, we are unable to comment whether there were any instances of the audit trail feature being tampered with.

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Additionally, the audit trail that was enabled and operated for the year ended March 31, 2024, has been preserved by the Company as per the statutory requirements for record retention. (Refer Note 33 of the financial statements)

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069



Prateek Agrawal
Prateek Agrawal
Partner
Membership No. 402826

Signed at Gurugram on May 26, 2025
UDIN: 25402826BMJBCU8805

Annexure 'A' to the Independent Auditors Report
[Refer to in our separate report of even date]

Annexure referred to under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date to the members of **Manakin Resorts Private Limited** on the financial statements for the year ended on March 31, 2025 and based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of accounts and other records examined by us in the normal course of audit, we report that:

I In respect of the Company's Property, Plant and Equipment and Intangible Assets

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of physical verification of Property, Plant and Equipment in phased periodical manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Title deeds in respect of all immovable properties are held in the name of the company.

(d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(e) As confirmed by the management, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

II (a) As explained to us physical verification of inventory has been conducted at reasonable intervals by the management at reasonable interval in respect of Food & Beverages, Liquor, Wines and smokes and Stores and spares. In our opinion the coverage and procedure of such verification by the management is appropriate and there is no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.



(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

III According to the information and explanations given to us and on the basis of examination of records of the Company, the Company has not made any investments provided guarantee or security or granted any advance in the nature of loan, secured or unsecured to Company, Firm, limited liability partnership or any other parties during the year. Accordingly, the requirement to report on clause 3(iii)(a), (b), (c), (d), (e) and (f) of the Order is not applicable to the Company.

IV The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees, and securities provided, as applicable.

V The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

VI The maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

VII In respect of statutory dues:

a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

b) According to the information and explanation given to us, there are no amounts in respect of Income Tax, Goods and Services tax, Sales Tax, Value Added Tax, Employee state Insurance, Duty of Excise, Duty of

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Custom, Cess and Service Tax etc. that have not been deposited with the appropriate authority on account of any dispute.

Nature of the Statute	Nature of the Dues	Amount (In Rs. Lakhs)	Period to which amount relates	Forum where dispute is pending
Luxury Tax Act, 1976	Luxury Tax	15.03	2013-14	Deputy Commissioner (Appeals)
Local Sales Tax Act and Value added Tax	Value Added Tax - Kerala	5.21	2012-13	Deputy Commissioner (Appeals)

VIII As confirmed by the management, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

IX (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.

(b) As confirmed by the management, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) The Company did not raise any funds on short-term basis during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

NANGIA & CO. LLP * CHARTERED ACCOUNTANTS * GURUGRAM

X (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

XI (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

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

XII As explained, the Company is not a Nidhi company. Therefore, the provisions of para 3(xii) of the Order are not applicable to the Company.

XIII In our opinion, transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

XIV The Company has implemented internal audit system on a voluntary basis which is commensurate with the size of the Company and nature of its business though it is not required to have an internal audit system under Section 138 of the Companies Act, 2013.

XV In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

XVI In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) (c) and (d) of the Order is not applicable.

NANGIA & CO. LLP * CHARTERED ACCOUNTANTS * GURUGRAM

XVII The Company has incurred cash losses in the current financial year amounting to Rs. 19.94 Lakhs and in the immediately preceding financial year amounting to Rs. 37.98 Lakhs.

XVIII There has been no resignation of the statutory auditors during the year and accordingly the requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

XIX On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, 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 In provisions related to Corporate Social Responsibilities is not applicable to the Company as per section 135 of the Companies Act, 2013. Accordingly, reporting under clause 3(xx) of the order is not applicable for the year.

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069

Prateek Agrawal

NANGIA & CO. LLP * CHARTERED ACCOUNTANTS * GURUGRAM

Prateek Agrawal
Partner,
Membership No. 402826
Signed at Gurugram on May 26, 2025
UDIN: 25402826BMJBCU8805

Annexure 'B' to the Independent Auditors Report
[Refer to in our separate report of even date]

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

We have audited the internal financial controls over financial reporting of **Manakin Resorts Private Limited ("the Company")** as of March 31, 2025 in conjunction with our audit of financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, 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 internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069



Prateek Agrawal
Prateek Agrawal
Partner,
Membership No. 402826
Signed at Gurugram on May 26, 2025
UDIN: 25402826BMJBCU8805

Manakin Resorts Private Limited (CIN: U55101DL2005PTC212230)
Balance Sheet as at March 31, 2025

	Notes	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
ASSETS			
Non-current assets			
Property, plant and equipment	3	**633.01**	610.55
Intangible assets	4	**0.52**	1.68
Financial assets	5		
(a) Other financial assets		**7.75**	7.75
Deferred tax asset (net)	6	**-**	-
Other non-current assets	7	**25.31**	24.36
		666.59	644.34
Current assets			
Inventories	8	**6.73**	8.56
Financial assets	9		
(i) Trade receivables		**7.52**	12.95
(ii) Cash and cash equivalents		**71.28**	33.81
(iii) Loans		**220.00**	505.30
(iv) Other financial assets		**25.97**	187.49
(v) Investments	5	**401.17**	-
Other current assets	10	**32.83**	47.86
		765.50	795.97
Total Assets		**1,432.09**	1,440.31
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	11	**571.43**	571.43
Other Equity	12	**793.80**	782.52
Total Equity		**1,365.23**	1,353.95
Liabilities			
Non-current liabilities			
Provisions	13	**8.33**	8.75
		8.33	8.75
Current liabilities			
Financial liabilities	14		
(i) Trade payables			
- total outstanding dues of micro enterprises and small enterprises		**10.53**	0.13
- total outstanding dues of creditors other than micro enterprises and small enterprises		**14.28**	35.10
(ii) Other financial liabilities		**16.99**	28.40
Other current liabilities	15	**11.25**	7.90
Provisions	13	**5.48**	6.08
		58.53	77.61
Total Liabilities		**66.86**	86.36
Total Equity and Liabilities		**1,432.09**	1,440.31
Summary of material accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

Place : Gurugram
Date : May 27, 2025

For and on behalf of the Board of Directors of
Manakin Resorts Private Limited

Davander Tomar
Director
DIN: 00013336

Sumant Jaidka
Director
DIN: 05201572

Place : New Delhi
Date : May 27, 2025

Manakin Resorts Private Limited (CIN: U55101DL2005PTC212230)
Statement of Profit and Loss for the year ended March 31, 2025

	Notes	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Revenue from operations	16	**317.20**	245.79
Other income	16(a)	**1.01**	8.06
Total Income		**318.21**	253.85
Expenses			
Cost of materials consumed	17	**39.48**	31.22
Employee benefits expense	18	**118.07**	115.56
Other expenses	19	**179.35**	160.73
Total Expenses		**336.90**	307.51
Earnings before interest, tax, depreciation and amortisation (EBITDA)		**(18.69)**	(53.66)
Finance costs	20	**1.49**	1.69
Depreciation and amortization expense	21	**15.30**	13.00
Finance income	22	**(45.04)**	(42.32)
Profit/(Loss) before tax		**9.56**	(26.03)
Tax expense:			
(1) Current tax		**-**	-
(2) Deferred tax		**-**	-
		-	-
Profit/(Loss) for the year		**9.56**	(26.03)
Other comprehensive loss			
Other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent years:			
Re-measurement losses on defined benefit plans		**1.72**	(0.30)
Net other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent years		**1.72**	**(0.30)**
Other Comprehensive income/(loss) for the year, net of tax		**1.72**	(0.30)
Total comprehensive income/(loss) for the year, net of tax		**11.28**	(26.33)
Earning/(Loss) per share :	23		
(1) Basic		**0.17**	(0.46)
(2) Diluted		**0.17**	(0.46)
Summary of material accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

Place : Gurugram
Date : May 27, 2025

For and on behalf of the Board of Directors of Manakin Resorts Private Limited

Davinder Tomar
Director
DIN: 00013336

Sumant Jaidka
Director
DIN: 05201572

Place : New Delhi
Date : May 27, 2025

Manakin Resorts Private Limited (CIN: U55101DL2005PTC212230)
Statement of Changes in Equity

A. Equity Share Capital

Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	Amount Rs in lakhs
As at April 1, 2023	5,714,280	571.43
Issue of share capital	-	-
As at March 31, 2024	5,714,280	571.43
Issue of share capital	-	-
As at March 31, 2025	**5,714,280**	**571.43**

B. Other Equity
For the year ended March 31, 2025

	Securities Premium	Retained Earnings	Total Other equity
	Rs in lakhs	Rs in lakhs	Rs in lakhs
Balance at April 1, 2023	**910.32**	**(101.47)**	**808.85**
Total comprehensive income for the year	-	(26.33)	(26.33)
Balance at March 31, 2024	**910.32**	**(127.80)**	**782.52**
Total comprehensive income for the year	-	11.28	11.28
Balance at March 31, 2025	**910.32**	**(116.52)**	**793.80**

Summary of material accounting policies 2.2

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

NANGIA & CO. LLP * CHARTERED ACCOUNTANTS * GURUGRAM

Prateek Agrawal
Partner
Membership No. 402826

Place : Gurugram
Date : May 27, 2025

For and on behalf of the Board of Directors of
Manakin Resorts Private Limited

Davander Tomar
Director
DIN: 00013336

Sumant Jaidka
Director
DIN No: 05201572

MANAKIN RESORTS PVT. LTD. NEW DELHI

Place : New Delhi
Date : May 27, 2025

Manakin Resorts Private Limited (CIN: U55101DL2005PTC212230)
Statement of Cash flow for the year ended March 31, 2025

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Operating activities		
Profit/(Loss) before tax	**9.56**	(26.03)
Adjustments to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortisation expenses	**15.30**	13.00
Finance income (including fair value change in financial instruments)	**(44.81)**	(42.10)
Excess provision Written Back	**-**	8.06
	(19.95)	(47.07)
Working Capital Adjustment:		
Change in trade receivables	**5.43**	(14.53)
Change in loans and advances and other current assets	**15.02**	(24.23)
Change in inventories	**1.83**	(0.60)
Change in liabilities and provisions	**(17.77)**	14.24
	(15.44)	(72.19)
Income tax paid (net of refunds)	**(0.94)**	(0.17)
Net cash used in operating activities	**(16.38)**	(72.36)
Investing activities		
Purchase of Property, plant and equipment including capital advances	**(36.60)**	(7.55)
(Purchase)/sale of current investments	**(400.00)**	
Loan (Given)/received back from related party	**285.30**	(7.22)
Interest received	**205.15**	82.19
Net cash flow from investing activities	**53.85**	67.42
Financing activities		
Net cash from financing activities	**-**	-
Net increase/(decrease) in cash and cash equivalents	**37.47**	(4.94)
Cash and cash equivalents at the beginning of the year	**33.81**	38.75
Cash and cash equivalents at the end of the year	**71.28**	33.81
Components of cash and cash equivalents		
Cash on hand	**0.03**	0.19
Balances with Scheduled Banks in		
- Current accounts	**71.25**	33.62
Total cash and cash equivalents	**71.28**	33.81

Summary of material accounting policies 2.2

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

Place : Gurugram
Date : May 27, 2025

For and on behalf of the Board of Directors of Manakin Resorts Private Limited

Divander Tomar
Director
DIN: 00013336

Sumant Jaidka
Director
DIN: 05201572

Place : New Delhi
Date : May 27, 2025

1. Corporate Information

Manakin Resorts Private Limited (the Company) is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at Asset No.6, Aerocity Hospitality District, New Delhi-110037.

The principal activities of the Company is to carry out business of developing, owning, acquiring, renovating and promoting hotels, motels, resorts, restaurants, etc.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 27, 2025.

2 Basis of preparation

2.1 Material accounting policies

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on a historical cost or at amortised cost except for the following assets and liabilities:

- Net defined benefit (asset)/liability
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing account standard required a change to the accounting policy hitherto to in use.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, expect where otherwise indicated.

2.2 Summary of material accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

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The Company classifies all other liabilities as non-current.

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

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

(b) Foreign currencies

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or statement of profit and loss are also recognized in OCI or statement of profit and loss, respectively).

(c) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

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

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

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

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

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

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

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

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

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value. External valuers are involved for valuation of significant assets and liabilities. The management selects external valuer on various criteria such as market knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the Valuation Committee verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 24)
- Quantitative disclosures of fair value measurement hierarchy (note 28)
- Financial instruments (including those carried at amortised cost) (note 28)

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(d) Revenue recognition

In arrangements for room revenue and related services, the Company has applied the guidance in Ind AS 115 for recognition of Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering room revenue and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognized.

Goods and service tax (GST)/Sales tax/ value added tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Rooms, Restaurant, Banquets and Other Services

Income from guest accommodation is recognized on a day to day basis after the guest checks into the Hotels and are stated net of allowances. Incomes from other services are recognized as and when services are rendered. Sales are stated exclusive of GST, VAT and Luxury Tax. Shortfall of revenue over the billed as at the year-end is carried in financial statement as unbilled revenue separately.

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, sale of food and beverage are recognized at the points of serving these items to the guests. Sales are stated exclusive of Sales Tax/ VAT/GST.

Interest income

For all financial instruments measured at amortized cost and interest bearing financial assets classified as available for sale, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the statement of profit and loss.

Dividends

Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

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Gain/(loss) on sale of investment in mutual funds

Gain/(loss) on sale of investment in mutual funds is recorded as other income on transfer of title from the Company and is determined as the difference between the redemption price and carrying value of the investments.

(e) Taxes

Current income tax
Current income tax assets and liabilities are measured as the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized outside statement of profit and loss is recognized outside statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

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

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

Deferred tax relating to items recognized outside statement of profit and lossis recognized outside statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(f) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes its purchase import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs for long-term construction projects if the recognition criteria are met.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the property plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on fixed assets is provided as per Schedule II of Companies Act, 2013 on Straight Line Method over its economic useful life of fixed assets as follows:

Fixed Assets	Useful life considered (SLM)
Plant & Machinery	15 Years
Building	60 Years
Electrical installations and fittings	10 Years
Office Equipment's	5 Years
Furniture and Fixtures	8 Years
Vehicles	8 Years
Computers	3 Years

The Company, based on management estimates, depreciates certain items of building, plant and equipment over estimated useful lives which are lower than the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end, and adjusted prospectively if appropriate.

(g) Intangible assets

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

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

The useful lives of intangible assets are assessed as below:

- Software 3 years

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 income statement when the asset is derecognized.

(h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(i) Inventories

Stock of food & beverages, stores and operating supplies are valued at lower of cost and net realisable Value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a first in first out basis.Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make sale.

(j) Impairment of non-financial assets

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

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(k) Provisions

General

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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(l) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to 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, for example, a reduction in future payment or a cash refund.

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

Past service costs are recognized in statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

The Company treats leaves expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.





(m) 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.

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortized cost

A debt instrument is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables, loans to subsidiaries etc. For more information on receivables, refer to Note 9.

Debt instrument at FVTOCI

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.





Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Financial assets that are debt instruments and are measured as at FVTOCI
c) Lease receivables under Ind AS 116
d) Trade receivables or any contractual right to receive cash or another financial asset
e) Loan commitments which are not measured as at FVTPL
f) Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

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The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

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Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:
Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

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

Loans and borrowings
This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

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

This category generally applies to borrowings.

Financial guarantee contracts
Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

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Derecognition
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Contributed equity
Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Reclassification of financial assets
The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognized in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognized in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

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Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(n) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and 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.

(o) Segment reporting policies

Identification of segments
The management of the Company reviews the specific performance of its respective hotel properties. However, since all hotels have similarity in terms of products and services, customer classes, method of providing services and the regulatory environment, the individual hotels qualify for aggregation. Thus, the management has considered aggregating all the hotels as one reportable operating segment. Accordingly, the figures appearing in these financial statements relate to the Company's single operating segment.

(p) Measurement of EBITDA

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

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3 Property, plant and equipment

Rs in lakhs

Particulars	Freehold land	Building on freehold land	Plant and Machinery	Electrical equipments	Office equipments	Furniture and Fixtures	Computers	Vehicles	Total
Cost or valuation									
As at April 1, 2023	120.82	552.10	26.78	141.74	25.86	18.94	3.23	4.18	893.65
Additions	-	-	3.63	2.10	-	-	1.82	-	7.55
Disposals	-	-	-	-	-	-	-	-	-
As at March 31, 2024	120.82	552.10	30.41	143.84	25.86	18.94	5.05	4.18	901.20
Additions	-	-	17.92	16.00	-	2.68	-	-	36.60
Disposals	-	-	-	-	-	-	-	-	-
As at March 31, 2025	120.82	552.10	48.33	159.84	25.86	21.62	5.05	4.18	937.80
Depreciation									
As at April 1, 2023	-	81.90	16.62	132.12	24.51	17.81	2.86	3.00	278.82
Charge for the year		10.01	1.08	0.50	0.04	-	0.15	0.05	11.83
Disposals	-	-	-	-	-	-	-	-	-
As at March 31, 2024	-	91.91	17.70	132.62	24.55	17.81	3.01	3.05	290.65
Charge for the year		10.01	1.27	1.84	-	-	1.02	-	14.14
Disposals	-	-	-	-	-	-	-	-	-
As at March 31, 2025	-	101.92	18.97	134.46	24.55	17.81	4.03	3.05	304.79
Net Book value									
As at March 31, 2025	120.82	450.18	29.36	25.38	1.31	3.81	1.02	1.13	633.01
As at March 31, 2024	120.82	460.19	12.71	11.22	1.31	1.13	2.04	1.13	610.55

4 Intangible Assets

Rs in lakhs

Particulars	Software	Total
Cost or valuation		
As at April 1, 2023	9.26	9.26
Additions	-	-
Disposals	-	-
As at March 31, 2024	9.26	9.26
Additions	-	-
Disposals	-	-
As at March 31, 2025	9.26	9.26
Amortisation and impairment		
As at April 1, 2023	6.41	6.41
Amortisation for the year	1.17	1.17
Disposals	-	-
As at March 31, 2024	7.58	7.58
Amortisation for the year	1.16	1.16
Disposals	-	-
As at March 31, 2025	8.74	8.74
Net Block		
As at March 31, 2025	0.52	0.52
As at March 31, 2024	1.68	1.68

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5 Financial assets	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(a) Other financial assets		
Non current bank balances	7.75	7.75
	7.75	7.75

* Balances with scheduled banks Rs. 7.75 lakhs (March 31, 2024:- Rs. 7.75 lakhs) is under lien as bank guarantees issued given to various Government departments.

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6 Deferred tax assets (net)	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Property, plant and equipment	**80.89**	77.58
Deferred tax liability	**80.89**	77.58
Impact of expenditure charged to the statement of profit and loss in the current/ earlier period but allowable for tax purposes on payment basis	**1.81**	1.91
Provision for doubtful debts and advances	**1.66**	-
Effect of unabsorbed depreciation and business loss	**73.84**	71.81
Provision for gratuity	**2.94**	3.10
Provision for leave compensation	**0.65**	0.76
Deferred tax asset	80.89	77.58
Deferred tax asset (net)	-	-

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for year March 31, 2025 and March 31, 2024:

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Loss before tax	**9.56**	(26.01)
Tax rate	**26.00%**	26.00%
Tax at statutory income tax rate	**2.48**	(6.77)
Unrecognized tax assets (net) and other adjustments	**(2.48)**	6.77
Net	-	0.00

7 Other non-current assets	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Advance income tax (net of provision for taxation)	**25.31**	24.36
Total	**25.31**	**24.36**

8 Inventories (at lower of cost and net realisable value)	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Food and beverages (excluding liquor and wine)	**0.94**	0.78
Stores, cutlery, crockery, linen, provisions and others	**5.79**	7.78
Total	**6.73**	8.56

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9 Financial assets

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(i) Trade receivables*	7.52	12.95
	7.52	12.95
Break-up for security details:		
Trade receivables		
Unsecured, considered good	7.52	12.95
Doubtful	6.38	6.38
	13.90	19.33
Impairment Allowance (allowance for bad and doubtful debts)		
Unsecured, considered good	-	-
Doubtful	6.38	6.38
	6.38	6.38
Total trade receivables	7.52	12.95

* refer note 34(d) for agewise outstanding of trade receivable

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(ii) Cash and cash equivalents		
Balance with banks		
On current accounts	71.25	33.62
Cash on hand	0.03	0.19
	71.28	33.81

At March 31, 2025, the Company had available Rs. Nil (March 31, 2024: Rs. Nil) of undrawn committed borrowing facilities.
Cash and Bank balances are non- interest bearing.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Balances with banks		
-on current accounts	71.25	33.62
Cash on hand	0.03	0.19
Total cash and cash equivalents	71.28	33.81

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(iii) Loans		
Loan to related party*	220.00	505.30
	220.00	505.30

*Refer note 34(b) for loans granted to promoter, director, KMP and other related parties.

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(iv) Other financial assets		
Security deposits	7.95	7.95
Interest accrued on loans	18.02	179.10
Interest accrued on Deposit	-	0.44
	25.97	187.49

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(v) Investments		
Quoted investments at fair value through Profit & Loss		
Mutual funds		
28,331.75 (March 31, 2024: Nil) Units of Axis Money Market Fund Direct Growth	401.17	-
	401.17	-
Break up of current financial assets carried at amortised cost		
Loan to related party	220.00	505.30
Trade receivables	7.52	12.95
Cash and cash equivalents	71.28	33.81
Security deposits	7.95	7.95
Investments	401.17	-
Interest accrued on loans	18.02	179.10
Interest accrued on Deposit	-	0.44
Total current financial assets carried at amortised cost	725.94	739.55

10 Other current assets

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Balance with statutory/ government authorities	13.07	19.94
Prepaid expenses	8.59	3.38
Advance for supply of goods or randering of services	11.17	24.54
Total	32.83	47.86

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11 Equity Share capital

Authorised Share Capital:-

	No. of shares	Rs in lakhs
As at April 1, 2023	6,000,000	600.00
Increase/(decrease) during the year	-	-
As at March 31, 2024	6,000,000	600.00
Increase/(decrease) during the year	-	
As at March 31, 2025	6,000,000	600.00

Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders 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.

Issued equity capital:-*

	No. of shares	Rs in lakhs
Equity shares of Rs 10 each issued, subscribed and fully paid		
As at April 1, 2023	5,714,280	571.43
Increase/(decrease) during the year	-	-
As at March 31, 2024	5,714,280	571.43
Increase/(decrease) during the year	-	-
As at March 31, 2025	5,714,280	571.43

*** read with note 34(c) for the details of promoter holding**

Shares held by holding company

	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Rs in lakhs	No. of shares	Rs in lakhs
Equity shares of Rs. 10 each fully paid up				
Lemon Tree Hotels Limited*	5,714,280	571.43	5,714,280	571.43

*including 1 equity share held by nominee shareholder on behalf of the Company

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

	As at March 31, 2025		As at March 31, 2024	
	No. of shares	% Shareholding	No. of shares	% Shareholding
Equity shares of Rs. 10 each fully paid up				
Lemon Tree Hotels Limited	5,714,280	100.00%	5,714,280	100.00%

The Company has not issued Bonus Share, Share for consideration other than Cash and has not bought back shares during the period of five years immediately preceding the reporting date.

12 Other equity

Securities Premium

	Rs in lakhs
As at April 1, 2023	910.32
Increase/(decrease) during the year	-
As at March 31, 2024	910.32
Increase/(decrease) during the year	-
As at March 31, 2025	910.32

Retained Earnings

	Rs in lakhs
As at April 1, 2023	(101.47)
Loss for the year	(26.33)
As at March 31, 2024	(127.80)
Loss for the year	11.28
As at March 31, 2025	(116.52)

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Other reserves		
Securities premium	910.32	910.32
Retained earnings	(116.52)	(127.80)
	793.80	782.52





13 Provisions

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Provision for gratuity		
Current	**2.98**	3.17
Non-current	**8.33**	8.75
	11.31	11.92
Provision for leave benefits		
Current	**2.50**	2.91
Non-current	-	-
	2.50	2.91
Total current	**5.48**	6.08
Total non-current	**8.33**	8.75

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14 Financial liabilities

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(i) Trade payables*		
-Micro and small enterprises	**10.53**	0.13
-Other than Micro and small enterprises	**14.28**	35.10
	24.81	35.23
*Refer note 34(e) for ageing outstanding of trade payables		
(ii) Other financial liabilities		
Outstanding dues of other creditors	**9.55**	13.23
Outstanding dues of Employees	**7.44**	15.17
	16.99	28.40

15 Other current liabilities

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Advance from customers	**8.83**	5.87
Statutory liabilities	**2.42**	2.03
	11.25	7.90

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16 Revenue From Operations

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Sale of products and services		
Room rentals	**265.31**	199.07
Food and beverage (excluding liquor and wine)	**27.30**	25.15
Other Services	**24.59**	21.57
	317.20	245.79

16(a) Other income

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Sale of scrap	**1.01**	-
Excess provision Written Back	-	8.06
	1.01	8.06

17 Cost of material consumed

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Consumption of food & beverages (excluding liquor & wine)		
Inventory at the beginning of the year	**0.78**	1.10
Add: Purchases	**39.64**	30.90
	40.42	32.00
Less: Inventory at the end of the year	**0.94**	0.78
Cost of food and beverage consumed	**39.48**	31.22

18 Employee benefit expense

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Salaries, wages and bonus	**98.99**	99.36
Contribution to provident fund and other funds	**8.03**	8.65
Gratuity expense	**1.73**	1.72
Staff welfare and training expenses	**9.32**	5.83
	118.07	115.56

19 Other expenses

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Consumption of stores, cutlery, crockery, provisions and others	**8.87**	5.16
Rent expenses	**3.70**	2.97
Power and fuel	**51.55**	51.32
Linen and uniform washing and laundry expenses	**6.35**	4.74
Spa expenses	**2.91**	2.60
Subscription charges	**1.26**	1.13
Repair and maintenance		
- Buildings	**18.06**	20.41
- Plant and machinery	**6.94**	6.05
- Others	**5.89**	8.01
Rates and taxes	**14.64**	5.71
Insurance	**1.21**	1.41
Communication costs	**3.20**	2.35
Automation service	**3.27**	-
Printing and stationery	**1.20**	1.06
Traveling and conveyance	**3.26**	2.80
Advertisement and business promotion	**0.45**	0.25
Commission -other than sole selling agent	**14.83**	17.38
Security and cleaning expenses	**15.00**	13.44
Legal and professional fees	**3.22**	4.52
Membership & Subscription	**0.13**	0.83
Payment to auditors	**0.38**	0.32
Management Fee	**7.53**	6.07
Miscellaneous expenses	**5.50**	2.20
Total	179.35	160.73
Payment to auditor		
Statutory audit fees	**0.38**	0.20
Tax audit audit fees	**0.12**	0.12
	0.50	0.32

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20 Finance cost

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Bank charges (including commission on credit card collection)	1.49	1.69
Total	1.49	1.69

21 Depreciation and amortization expense

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Depreciation of tangible assets	14.14	11.83
Amortization of intangible assets	1.16	1.17
Total	15.30	13.00

22 Finance income

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Interest income on :		
Bank deposits	-	0.44
Income tax refund	0.23	0.22
Others	43.64	41.66
Fair value gain on financial instruments at fair value through profit or loss	1.17	-
	45.04	42.32

23 Earnings per share (Basic And Diluted)

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs

Basic EPS amounts are calculated by dividing the loss for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.
Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the company 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.

The following data reflects the inputs to calculation of basic and diluted EPS.

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Loss after tax (Rs in lakhs)	9.56	(26.03)
Weighted average number of equity shares	5,714,280	5,714,280
Basic and Diluted EPS	0.17	(0.46)





24. Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these judgements, estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The estimates and underlying assumptions are reviewed on an ongoing basis and the revisions to accounting estimates are recognized in the period in which the estimate is revised.

Critical judgements, estimates and assumptions

a. Impairment of property, plant and equipment

Each hotel property is an identifiable asset that generates cash inflows and is independent of the cash inflows of the other hotel properties, hence identified as cash generating units. The Company assesses the carrying amount of hotel properties (CGU) to determine whether there is any indication that those assets have suffered an impairment loss. Where the carrying amount of CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. An impairment loss (if any) is recognised in the statement of profit and loss.

While assessing the recoverable amount, the Company used the discounted cash flow approach including various significant estimates and assumptions such as forecast of future revenue, operating margins, growth rate and selection of the discount rates. The key assumptions used for the calculations are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Discount Rate *(post tax rate of WACC)*	12.00%	11.70% (pre tax rate 12.00%)
Long Term Growth Rate	5.50%	5.00%

As at March 31, 2025, the estimated recoverable amount of the CGU exceeded its carrying amount.

b. Loss allowance on trade receivables

An impairment analysis of trade receivables is performed at each reporting period based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates. Basis this assessment, the allowance for doubtful trade receivables as at March 31, 2025 is considered adequate.

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25. Gratuity and other post-employment benefit plans

Rs. in lakhs

	As at March 31, 2025	As at March 31, 2024
Gratuity plan	**11.31**	11.92
Total	**11.31**	11.92

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The Company makes provision of such gratuity asset/ liability in the books of accounts on the basis of actuarial valuation as per the Projected unit credit method.

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2025:

Rs. in lakhs

	Gratuity cost charged to profit or loss					Remeasurement gains/(losses) in other comprehensive income						
	April 1, 2024	**Service cost**	**Net interest expense**	**Sub-total included in profit or loss**	**Benefits paid**	**Return on plan assets (excluding amounts included in net interest expense)**	**Actuarial changes arising from changes in demographic assumptions**	**Actuarial changes arising from changes in financial assumptions**	**Experience adjustments**	**Sub-total included in OCI**	**Contributions by employer**	**March 31, 2025**
Defined benefit obligation	11.92	0.88	0.85	1.73	(0.62)	-	-	(0.20)	1.92	(1.72)	-	11.31
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**11.92**	**0.88**	**0.85**	**1.73**	**(0.62)**	**-**	**-**	**(0.20)**	**(1.92)**	**(1.72)**	**-**	**11.31**

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Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2024:

Rs. in lakhs

	Gratuity cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income							
	April 1, 2023	**Service cost**	**Net interest expense**	**Sub-total included in profit or loss**	**Benefits paid**	**Return on plan assets (excluding amounts included in net interest expense)**	**Actuarial changes arising from changes in demographic assumptions**	**Actuarial changes arising from changes in financial assumptions**	**Experience adjustments**	**Sub-total included in OCI**	**Contributions by employer**	**March 31, 2024**
Defined benefit obligation	10.15	0.99	0.73	1.72	(0.25)	-	-	(0.03)	(0.27)	(0.30)	-	11.92
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**10.15**	**0.99**	**0.73**	**1.72**	**(0.25)**	**-**	**-**	**(0.03)**	**(0.27)**	**(0.30)**	**-**	**11.92**

The major categories of plan assets of the fair value of the total plan assets are as follows:

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

	March 31, 2025	March 31, 2024
	%	%
Discount rate	6.50%	7.10%
Future salary increases	5.00%	5.00%

A quantitative sensitivity analysis for significant assumption as at March 31, 2025 is as shown below:

India gratuity plan:

	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.33)	0.35	0.35	(0.34)

	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.33)	0.35	0.35	(0.34)

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

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

Rs. In lakhs

Duration (Years)	For the year ended March 31, 2025	For the year ended March 31, 2024
1	3.08	3.28
2	2.39	2.60
3	1.92	2.53
4	1.52	1.48
5	1.20	1.17
Above 5	4.01	3.96
Total expected payments	**14.12**	**15.02**

The average duration of the defined benefit plan obligation at the end of the reporting period is 4 years (March 31, 2024: 4 years).

26. Commitments and contingencies

a. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:

At March 31, 2025, the Company had Rs. Nil, commitments (March 31, 2024: Rs Nil)

b. Contingent liabilities

Claims against the Company not acknowledged as debts

Rs. in lakhs

	Particulars	As at March 31, 2025	As at March 31, 2024
a.	Counter guarantees issued in respect of guarantees issued by Company's bankers	**7.75**	7.75
b.	Luxury Tax (2013-14)	**15.03**	15.03
c.	Value Added Tax – Kerala	**5.21**	5.21

27. Related Party Transactions

a) Names of related parties

Ultimate Holding company	- Lemon Tree Hotels Limited
Fellow subsidiary companies	- Fleur Hotels Limited - Sukhsagar Complexes Private Limited - Totally Foxed Solutions Private Limited
Key management personnel	- Mr. Sumant Jaidka (Director) - Mr. Davander Tomar (Director)
Enterprise in which Holding company has significant influence	- Mind Leaders Learning India Private Limited

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year

Rs. in lakhs

Transactions with Related Party	Year Ended	Ultimate holding company	Holding company	Fellow subsidiary	Enterprise in which Ultimate Holding has significant influence	Key Management Personnel
Reimbursement of expenses incurred on company's behalf						
Lemon Tree Hotels Limited	**31-Mar-25**	**5.03**	-	-	-	-
	31-Mar-24	0.09	-	-	-	-
Amount Received						
Lemon Tree Hotels Limited	**31-Mar-25**	-	-	-	-	-
	31-Mar-24	0.22	-	-	-	-
Loan Given						
Fleur Hotels Limited	**31-Mar-25**	-	-	-	-	-
	31-Mar-24	-	-	10.00	-	-
Sukhsagar Complexes Pvt Ltd	**31-Mar-25**			-		
	31-Mar-24			220.00		
Loan Repayment Received						
Fleur Hotels Limited	**31-Mar-25**	-	-	**285.30**	-	-
	31-Mar-24	-	-	82.50	-	-

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Transactions with Related Party	Year Ended	Ultimate holding company	Holding company	Fellow subsidiary	Enterprise in which Ultimate Holding has significant influence	Key Management Personnel
Repayment of Loan Given						
Grey Fox Project Management Company Private Limited (Merged with Lemon Tree Hotels Limited)	**31-Mar-25**			-		
	31-Mar-24			140.28		
Interest on Loan Given						
Grey Fox Project Management Company Private Limited (Merged with Lemon Tree Hotels Limited)	**31-Mar-25**	-	-	-	-	-
	31-Mar-24	-	-	12.52	-	-
Fleur Hotels Limited	**31-Mar-25**	-	-	**22.82**	-	-
	31-Mar-24	-	-	28.67	-	-
Sukhsagar Complexes Pvt Ltd	**31-Mar-25**			19.80		
	31-Mar-24			0.22		
Training Fee Paid (Net of Taxes)						
Mind Leaders Learning India Private Limited	**31-Mar-25**	-	-	-	-	**1.30**
	31-Mar-24	-	-	-	-	-
Automation Fee (Gross)						
Totally Foxed Solutions Private Limited	**31-Mar-25**			**3.27**		
	31-Mar-24			-		

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Transactions with Related Party	Year Ended	Ultimate holding company	Holding company	Fellow subsidiary	Enterprise in which Ultimate Holding has significant influence	Key Management Personnel
Management fees paid(Common Cost Allocation)						
Lemon Tree Hotels Limited	**31-Mar-25**	**7.53**	-	-	-	-
	31-Mar-24	6.06	-	-	-	-
Balances outstanding at the year-end-Short-term loans and advances						
Fleur Hotels Limited	**31-Mar-25**	-	-	-	-	-
	31-Mar-24	-	-	285.30	-	-
Sukhsagar Complexes Pvt Ltd	**31-Mar-25**			**220.00**		
	31-Mar-24			220.00		
Interest accrued on borrowings						
Fleur Hotels Limited	**31-Mar-25**	-	-	-	-	-
	31-Mar-24	-	-	178.91	-	-
Sukhsagar Complexes Pvt Ltd	**31-Mar-25**			**18.02**		
	31-Mar-24			0.20		
Balances outstanding at the year-end-Other creditors/Receivables						
Lemon Tree Hotels Limited	**31-Mar-25**	**4.53**	-	-	-	-
	31-Mar-24	6.55		-	-	-

Transactions with Related Party	Year Ended	Ultimate holding company	Holding company	Fellow subsidiary	Enterprise in which Ultimate Holding has significant influence	Key Management Personnel
Mind Leaders Learning India Private Limited	**31-Mar-25**	-	-	-	-	**0.11**
	31-Mar-24	-	-	-	-	-
Totally Foxed Solutions Private Limited	**31-Mar-25**			**0.20**		
	31-Mar-24			-		

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. For the year ended March 31, 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2024: Rs. Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Commitments with related parties

The company has not entered into any commitments with related parties during the year.

28. Fair value measurement

This section gives an overview of the significance of financial instruments for the company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument

a. Financial Assets

Rs. in lakhs

	March 31, 2025		March 31, 2024	
	FVTPL	Amortized cost	FVTPL	Amortized cost
Financial assets				
Loans	-	220.00	-	505.30
Trade receivables	-	7.52	-	12.95
Security deposits	-	7.95	-	7.95
Other bank balances	-	7.75	-	7.75
Interest accrued on fixed deposit and others	-	18.02	-	179.54
Current investments	401.17	-	-	-
Cash and cash equivalents	-	71.28	-	33.81
Total financial assets	401.17	332.52	-	747.30

b. Financial Liabilities

Rs. in lakhs

	March 31, 2025		March 31, 2024	
	FVTPL	Amortized cost	FVTPL	Amortized cost
Financial liabilities				
Trade payables	-	24.81	-	35.23
Other financials liabilities	-	16.99	-	28.40
Total financial liabilities	-	41.80	-	63.63

c. **Fair value measurement hierarchy for assets and liabilities**

Fair value measurement

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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

i) Level 1

Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

ii) Level 2

Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

iii) Level 3

Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

Financial assets and liabilities measured at fair value

	March 31, 2025 (March 31, 2024)			
	Level 1	Level 2	Level 3	**Total**
Financial investments as FVTPL				
Quoted mutual funds	401.17 (-)	- (-)	- (-)	**401.17** (-)

29. Financial risk management objectives and policies

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

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings, deposits and payables/receivables in foreign currencies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

Credit risk

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

Trade receivables and Security Deposits

Customer credit risk is managed by business through the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of each customer is assessed and credit limits are defined in accordance with this assessment. Outstanding customer receivables and security deposits are regularly monitored.

An impairment analysis is performed for all major customers at each reporting date on an individual basis. In addition, a large number of minor receivables are grouped into homogenous group and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 5 and 9. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has no exposure in foreign currency.

(a) Trade receivables

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 28. The Company does not hold collateral as security.

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(b) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investment of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2025 and 31 March 2024 is the carrying amount as illustrated in Note 28.

Rs. in lakhs

Ageing	March 31, 2025	March 31, 2024
Not due	-	-
0-60 days past due	7.07	5.71
61-120 days past due	0.40	0.89
121-180 days past due	0.05	-
180-365 days past due	-	-
More than 365 days	-	6.35

Expected credit loss for trade receivable under simplified approach

Ageing	March 31, 2025	March 31, 2024
Gross carrying amount	**13.90**	19.33
Expected credit loss	**6.38**	6.38
Carrying amount of trade receivable (net of impairment)	**7.52**	12.95

Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders.

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

Rs. in lakhs

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2025						
Trade and other payables	24.81	-	-	-	-	24.81
Other financial liabilities	16.99	-	-	-	-	16.99
	41.80	-	-	-	-	**41.80**

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	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2024						
Trade and other payables	35.23	-	-	-	-	35.23
Other financial liabilities	28.40	-	-	-	-	28.40
	63.63	-	-	-	-	**63.63**

30. Capital management

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

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

Rs. in lakhs

	As at March31, 2025	As at March 31, 2024
Borrowings	-	-
Trade payables (Note 14)	24.81	35.23
Less: cash and cash equivalents (Note 9)	71.28	33.81
Net debt	**(46.47)**	**1.42**
Total capital	1,365.23	1,353.95
Capital and net debt	1,318.76	1,355.37
Gearing ratio	**(3.52%)**	**0.10%**

No changes were made in the objectives, policies or processes for managing capital during the yearended March 31, 2025 and March 31, 2024.

31. Segment Reporting

Hoteliering business is the Company's only business segment and domestic operations is the only geographical segment and hence disclosure of segment wise information is not applicable under Ind AS 108 – "Operating Segments".





Information about geographical areas

The Company has only domestic operations and hence no information required for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about major customers

The details of customer individually accounted for more than 10% of revenue for year ended March 31, 2025 and March 31, 2024 is given hereinbelow-

Party	March 31, 2025	March 31, 2024
Veena Patil Hospitality Private Limited	31.95	-

32. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006.

Rs in lakhs

	March 31, 2025	March 31, 2024
the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	10.53	0.13
the amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

33. As per the proviso to Rule 3(1) of Companies (Accounts) Rules, 2014, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses an accounting software for recording all the accounting transactions for the year ended March 31, 2025. The software has a feature of recording audit trail (edit log) facility which was enabled throughout the year except that on certain tables/ master records audit trail (edit log) facility was enabled on March 27, 2025 and the audit trail (edit log) facility is not enabled at database level. Subsequent to the year ended March 31, 2025, the Company has implemented audit trail (edit log) facility on this accounting software.

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In respect of maintaining revenue records, the Company has used a revenue management software. The said software has a feature of recording audit trail (edit log) facility which was enabled throughout the year, except that the audit trail (edit log) facility at database level was enabled on March 20, 2025 and the software has limitation to track whether audit trail (edit logs) were tampered or not.

The audit trail that was enabled and operated for the year ended March 31, 2024, has been preserved by the Company as per the statutory requirements for record retention.

The Management has adequate internal controls over financial reporting which were operating effectively for the year ended March 31, 2025.

34. Supplementary information as per requirement of Schedule III of the Companies Act

a) **Ratio Analysis and its elements**

S.No.	Ratio	Numerator	Denominator	March 2025	March 2024	% Variance	Reason for variance
1	Current Ratio	Current asset	Current liabilities	13.08	10.26	27.53%	Increase is due to better performance during the year
2	Return on capital employed	EBIT	Capital employed	0.01	(0.05)	116.19%	Increase in profit as compared to previous year.
3	Return on Equity	Net profit after taxes	Average shareholders equity	0.01	(0.02)	138.15%	Increase in profit after tax as compared to previous year.
4	Inventory turnover ratio	COGS & Sales	Average Inventory	5.16	3.78	36.61%	Increase in revenue as compared to previous year
5	Trade Receivable Turnover Ratio	Net credit sales	Avg. accounts receivable	31.20	25.31	23.27%	-
6	Capital Turnover Ratio	Net credit sales	Working Capital	0.46	0.35	30.55%	Increase in revenue as compared to previous year
7	Trade payables turnover ratio	Net credit purchase(F&B & Liquor wine)	Average Trade Payable	NA	NA	NA	Not applicable to the company considering nature of business of the Company

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8	Net Profit Turnover Ratio	Net Profit	Net Sales	0.03	(0.11)	128.45 %	Increase in profit as compared to previous year
9	Return on Investment	Income generated from investments (Fixed Deposits)	Time weighted investments	-	-	-	Not applicable to the Company considering the investments are made to subsidiaries with long term growth outlook
10	Debt Equity Ratio	Total debt	Shareholder equity	NA	NA	NA	-
11	Debt Service Coverage Ratio	Earnings available for debt service	debt service	NA	NA	NA	-

(i) Capital Employed = Net worth+ Total Debt + Deferred Tax Liability - Net Intangible assets

b) Disclosure of loans and advances in the nature of loan granted to promoter, director, KMP and other related parties:

Type of Borrower	March 31, 2025 Rs in Lacs		March 31, 2024 Rs in Lacs	
	Amount of loan or advance in the nature of loan outstanding	% of total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	% of total Loans and Advances in the nature of loans
Loan to related parties-fellow subsidiary	220.00	100%	505.30	100%
Total	220.00	100%	505.30	100%

c) Detail of shareholding of promoters of the Company

As at March 31, 2025

S.No.	Promoter Name	Number of shares at the beginning of the year 2024	% of total Share Capital	Change during the year*	Number of shares at the end of the year 2025	Percentage of Total shares	% change during the year
1	Lemon Tree Hotels Limited	5,714,280	100%	-	5,714,280	100%	-

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As at March 31, 2024

S.No.	Promoter Name	Number of shares at the beginning of the year 2023	% of total Share Capital	Change during the year*	Number of shares at the end of the year 2024	Percentage of Total shares	% change during the year
1	PSK Resorts & Hotels Private Limited*	5,142,852	90%	(5,142,852)	-	-	(90%)
2	Lemon Tree Hotels Limited	571,428	10%	5,142,852	5,714,280	100%	90%

*Merged with Lemon Tree Hotels Limited effective from April 1 , 2022 vide order dated December 14, 2023

d) Trade receivables ageing schedule:

As at March 31, 2025

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables –considered good	7.52	-	-	-	-	7.52
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	0.03	-	-	-	6.35	6.38
(iii) Undisputed Trade Receivables –credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Unbilled Revenue	-	-	-	-	-	-

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As at March 31, 2024

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables –considered good	6.60	-	-	-	6.35	12.95
(ii) Undisputed Trade Receivables –which have significant increase incredit risk	0.03	-	-	-	-	0.03
(iii) Undisputed Trade Receivables –credit impaired	-	-	-	-	6.35	6.35
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Unbilled Revenue	-	-	-	-	-	-

e) Trade payables ageing schedule:

As at March 31, 2025

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	10.53	-	-	-	10.53
Total outstanding dues of creditors other than micro enterprises and small enterprises	13.94	0.25	0.01	0.08	14.28
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	-	-	-	-	-

NANGIA & CO. LLP CHARTERED ACCOUNTANTS GURUGRAM

MANAKIN RESORTS PVT. LTD. NEW DELHI

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	0.13	-	-	-	0.13
Total outstanding dues of creditors other than micro enterprises and small enterprises	28.11	0.01	-	0.08	28.20
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	6.90	-	-	-	6.90

35. Other Statutory Information

(i) The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.

(ii) The Company has not 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.

(iii) The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property

(iv) The Company does not have any transaction with companies struck off.

(v) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(vi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vii) During the year, the Company has not entered into any scheme of arrangements in terms of section 230 to 237 of the Companies Act, 2013 and accordingly, the prescribed disclosures of Schedule III are not required to be given.

(viii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or,
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

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(ix) The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or,
(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(x) The Company is not required to spend towards Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013, since there is no average profit in the last 3 years calculated as per the provisions of the Act.

37. The previous year figures have been regrouped, re-arranged and reclassified wherever necessary to conform to this year's classification.

As per our report of even date

For Nangia & Co. LLP
ICAI FRN:**002391C/N500069**
Chartered Accountants

NANGIA & CO. LLP * CHARTERED ACCOUNTANTS * GURUGRAM

Prateek Agrawal
Prateek Agrawal
Partner
Membership No. 402826

Place: Gurugram
Date: May 27, 2025

For and on behalf of the Board of Directors of
Manakin Resorts Private Limited

Davander Tomar
Director
DIN: 00013336

Sumant Jaidka
Director
DIN: 05201572

Place: New Delhi
Date: May 27, 2025

MANAKIN RESORTS PVT. LTD. NEW DELHI

INDEPENDENT AUDITOR'S REPORT

To The Members of Carnation Hotels Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Carnation Hotels Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2023 and the Statement of Profit and Loss including Other Comprehensive Income, statement of Changes in Equity and Cash Flow Statement for the year then ended, and notes to financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 (ICAI) 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 financial statements.

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

- The Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Director's Report, Chairman's statement, but does not include the Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained

in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other Matter

The financial statements of the Company for the year ended March 31, 2022, included in these financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 25, 2022.

Responsibilities of management and Those Charged with Governance for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), and the Cash Flow Statement (and statement of changes in equity) dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.

g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2023;

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

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

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

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

iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever

by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c) 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 (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under this clause is not applicable

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069

Prateek Agrawal

NANGIA & CO. LLP ★ GURUGRAM ★ CHARTERED ACCOUNTANTS

Prateek Agrawal
Partner
Membership No. 402826

Signed at Gurugram on May 25, 2023
UDIN: 23402826BGVLAE6345

Annexure 'A' to the Independent Auditors Report
[Refer to in our separate report of even date]

Annexure referred to under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date to the members of **Carnation Hotels Private Limited** on the financial statements for the year ended on March 31, 2023 and based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of accounts and other records examined by us in the normal course of audit, we report that:

I In respect of the Company's Property, Plant and Equipment and Intangible Assets

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of physical verification of Property, Plant and Equipment in phased periodical manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Title deeds in respect of all immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company.

(d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(e) As confirmed by the management, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

II (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) As disclosed in note 13 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.

III (a) During the year the Company has provided loans to other companies as follows:

Particulars	Amount (Rs. in Lakhs)
Aggregate amount granted/ provided during the year	
- Others	1,000
Balance outstanding as at balance sheet date in respect of above cases - Others	1,128

(b) During the year the loan granted, and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees to other Companies are not prejudicial to the Company's interest.

(c) The Company has granted loans which is repayable on demand so, this clause is not applicable to the Company.

(d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) There were no loans or advance in the nature of loan granted to other Companies which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) As disclosed in note 7(iii) to the financial statements During the year, the Company has granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to Company. Of these following are the details of the aggregate amount of loans or advances in the nature of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013

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Particulars	Amount (Rs. In Lakhs)
Aggregate amount of loans/ advances in nature of loans - Repayable on demand	1,128
Percentage of loans/ advances in nature of loans to the total loans	100%

IV The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees, and securities provided, as applicable.

V The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

VI The maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

VII In respect of statutory dues:

a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

b) According to the information and explanation given to us, there are no amounts in respect of Income Tax, Goods and Services tax, Sales Tax, Value Added Tax, Employee state Insurance, Duty of Excise, Duty of Custom, Cess and Service Tax etc. that have not been deposited with the appropriate authority on account of any dispute.

VIII As confirmed by the management, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as

income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

IX (a) As explained to us, the Company has not defaulted in repayment of loans and other borrowings and in repayment of interest thereon to any lender.

(b) As confirmed by the management, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has applied term loans for the purpose for which the loans were obtained.

(d) The Company did not raise any funds on short-term basis during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

X (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

XI (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

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

XII As explained, the Company is not a Nidhi company. Therefore, the provisions of para 3(xii) of the Order are not applicable to the Company.

XIII In our opinion, transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company

XIV The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(a) of the Order is not applicable to the Company.

XV In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

XVI In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) (c) and (d) of the Order is not applicable.

XVII The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

XVIII There has been resignation of statutory auditor of the Company during the year. However, based on information or explanation made available to us, the outgoing auditor has not raised any issue, objections or concerns.

XIX On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its

liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, 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 In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069

Prateek Agrawal

Prateek Agrawal
Partner,
Membership No. 402826
Signed at Gurugram on May 25, 2023
UDIN: 23402826BGVLAE6345



Annexure 'B' to the Independent Auditors Report
[Refer to in our separate report of even date]

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

We have audited the internal financial controls over financial reporting of **Carnation Hotels Private Limited ("the Company")** as of March 31, 2023 in conjunction with our audit of financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, 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 internal financial controls system over financial reporting.



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Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069

Prateek Agrawal

Prateek Agrawal
Partner,
Membership No. 402826

Signed at Gurugram on May 25, 2023
UDIN: 23402826BGVLAE6345

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Carnation Hotels Private Limited
CIN: U55101DL2002PTC118180
Balance Sheet as at March 31, 2023

	Notes	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
ASSETS			
Non-current assets			
Property, plant and equipment	3	**32.53**	4.70
Intangible assets	4	**319.94**	1,116.51
Other non-current assets	5	**82.54**	218.90
Deferred tax assets (net)	6	**111.96**	-
		546.97	1,340.11
Current assets			
Financial assets	7		
(i) Trade receivables		**987.37**	669.12
(ii) Cash and cash equivalents		**5.01**	2.34
(iii) Loans		**1,128.00**	128.00
(iv) Other financial assets		**97.89**	84.19
Other current assets	8	**2.16**	162.45
		2,220.43	1,046.10
Total Assets		2,767.40	2,386.21
EQUITY AND LIABILITIES			
Equity			
Share capital	9	**9.35**	9.35
Other equity	10	**1,779.48**	898.98
Total Equity		1,788.83	908.33
Liabilities			
Non-current liabilities			
Financial liabilities	11		
(i) Borrowings		**15.12**	330.24
Provisions	12	**2.50**	5.92
Deferred tax liabilities (net)	6	**-**	28.59
		17.62	364.75
Current liabilities			
Financial liabilities	13		
(i) Borrowings		**722.08**	987.57
(ii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises		**0.06**	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		**86.37**	22.02
Other current liabilities	14	**144.56**	96.98
Provisions	12	**7.88**	6.56
		960.95	1,113.13
Total Liabilities		978.57	1,477.88
Total Equity and Liabilities		2,767.40	2,386.21
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

Place : Gurugram
Date : May 25, 2023

NANGIA & CO. LLP * CHARTERED ACCOUNTANTS * GURUGRAM

For and on behalf of the Board of Directors of
Carnation Hotels Private Limited

Patanjali Govind Keswani
Director
Din: 00002974

Kapil Sharma
Director
Din: 00352890

Place : New Delhi
Date : May 25, 2023

Carnation Hotels Private Limited
CIN: U55101DL2002PTC118180
Statement of Profit and Loss for the year ended March 31, 2023

	Notes	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Revenue from operations	15	2,632.67	1,189.70
Other income	16	-	5.60
Total Income		2,632.67	1,195.30
Expenses			
Employee benefits expense	17	506.49	309.71
Other expenses	18	101.70	143.86
Total expenses		608.19	453.57
Earnings before interest, tax, depreciation and amortisation (EBITDA)		2,024.48	741.73
Finance costs	19	58.33	124.73
Depreciation and amortization expense	20	798.27	370.80
Finance income	21	(24.15)	(17.19)
Profit before tax		1,192.03	263.39
Tax expense:			
(1) Current tax		453.08	16.35
(2) Adjustment of tax relating to earlier periods		0.42	-
(3) Deferred tax		(140.55)	51.03
		312.95	67.38
Profit for the year		879.08	196.01
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent period:			
Re-measurement gains/ (losses) on defined benefit plans		1.89	1.58
Income tax effect		(0.47)	(0.40)
Other Comprehensive income for the year, net of tax		1.42	1.18
Total comprehensive income for the year, net of tax		880.50	197.19
Earnings per equity share:			
(1) Basic	22	94.21	21.10
(2) Diluted	22	94.21	21.10
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

Place : Gurugram
Date : May 25, 2023

NANGIA & CO. LLP ★ GURUGRAM ★ CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
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Din: 00352890

Place : New Delhi
Date : May 25, 2023

Carnation Hotels Private Limited
CIN: U55101DL2002PTC118180
Cash flow statement for the year ended March 31, 2023

	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Cash flow from operating activities		
Profit before tax	**1,192.03**	263.39
Adjustments to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortisation expenses	**798.27**	370.80
Finance income (including fair value change in financial instruments)	**(24.15)**	(17.18)
Finance costs (including fair value change in financial instruments)	**58.33**	124.72
Net loss on sale of property plant and equipment	**-**	19.26
Provision for doubtful debts	**6.28**	22.91
Advances written off	**-**	34.33
	2,030.76	812.63
Working Capital Adjustment:		
Change in trade receivables	**(324.53)**	(291.40)
Change in trade payables	**64.41**	(33.40)
Change in loans and advances and other current assets	**161.81**	223.08
Change in liabilities and provisions	**46.89**	(54.25)
	1,979.34	656.66
Income tax paid (net of refunds)	**(317.14)**	(83.32)
Net cash flow from operating activities	**1,662.20**	573.34
Investing activities		
Purchase of Property, Plant & Equipment and Intangible assets	**(29.52)**	-
Proceeds from sale of property plant & equipment	**-**	18.65
Increase of loan given to related parties	**(1,000.00)**	142.00
Interest received on income tax refund	**8.93**	1.94
Net Cash flow (used in)/ flow from investing activities	**(1,020.59)**	162.59
Financing activities		
Repaymen of compund financial instrument	**(350.00)**	-
Repayment of long term borrowings	**(1.46)**	(8.56)
Proceeds from long term borrowings	**17.54**	-
(Repayment of) /proceeds from short term borrowings	**(267.77)**	(610.79)
Interest paid	**(37.25)**	(116.82)
Net Cash used in financing activities	**(638.94)**	(736.17)
Net increase/(decrease) in cash and cash equivalents	**2.67**	(0.25)
Cash and cash equivalents at the beginning of the year	**2.34**	2.58
Cash and cash equivalents at the end of the year	**5.01**	2.34
Components of cash and cash equivalents		
Cash on hand	**5.01**	2.34
Total cash and cash equivalents	**5.01**	2.34

Summary of significant accounting policies 2

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826
UDIN:

Place : Gurugram
Date : May 25, 2023

NANGIA & CO. LLP * CHARTERED ACCOUNTANTS * GURUGRAM

For and on behalf of the Board of Directors of
Carnation Hotels Private Limited

Patanjali Govind Keswani
Director
Din: 00002974

Kapil Sharma
Director
Din: 00352890

Place : New Delhi
Date : May 25, 2023

Carnation Hotels Private Limited
CIN: U55101DL2002PTC118180
Statement of Changes in Equity for the year ended March 31, 2023

A. Equity Share Capital

Equity shares of INR 1 each issued, subscribed and fully paid	No. of shares	Amount Rs. in lakhs
As at April 1, 2021	**9,34,580**	**9.35**
Issue of share capital	-	-
As at March 31, 2022	**9,34,580**	**9.35**
Issue of share capital	-	-
As at March 31, 2023	**9,34,580**	**9.35**

B. Other Equity
For the year ended March 31, 2023

Rs. In lakhs

Particulars	Reserves and Surplus			Total equity
	Capital reserve	Capital redemption reserve	Retained Earnings	
Balance at April 1, 2021	52.18	-	649.61	**701.79**
Total Comprehensive Income for the year	-	-	197.19	**197.19**
Balance at March 31, 2022	52.18	-	846.80	**898.98**
Total Comprehensive Income for the year	-	-	880.50	**880.50**
Any other change during the year	-	350.00	(350.00)	-
Balance at March 31, 2023	**52.18**	**350.00**	**1,377.30**	**1,779.48**

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

Place : Gurugram
Date : May 25, 2023

NANGIA & CO. LLP ★ GURUGRAM ★ CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Carnation Hotels Private Limited

Patanjali Govind Keswani
Director
Din: 00002974

Kapil Sharma
Director
Din: 00352890

Place : New Delhi
Date : May 25, 2023

1. Corporate Information

Carnation Hotels Private Limited (the Company) is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at Asset No. 6, Aerocity Hospitality District, New Delhi 110037.

The Company operates, manage and provide technical services to chain of hotels, motels, resorts, restaurants, etc.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 25, 2023.

2 Basis of preparation

2.1 Significant accounting policies

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on a historical cost or at amortised cost except for the following assets and liabilities:

- Net defined benefit (asset)/liability
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, expect where otherwise indicated.

2.2 Summary of significant accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

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

(b) Foreign currencies

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit and loss are also recognised in OCI or statement of profit and loss, respectively).

(c) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

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

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

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

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

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

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

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

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

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value. External valuers are involved for valuation of significant assets and liabilities. The management selects external valuer on various criteria such as market knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the Valuation Committee verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note23)
- Quantitative disclosures of fair value measurement hierarchy (note 27)
- Financial instruments (including those carried at amortised cost) (note 27)

(d) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognized.

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Goods and Service Tax (GST)/Sales tax/ value added tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Income from services
Revenues from management and consultancy contracts are recognized pro-rata over the period of the contract as and when services are rendered.

Interest income
For all financial instruments measured at amortized cost and interest bearing financial assets classified as available for sale, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the statement of profit and loss.

Dividends
Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Management fee
Revenue from management services comprises fixed and variable income. Fixed income is recognised pro-rata over the period of the contract as and when services are rendered. Variable income is recognised on an accrual basis in accordance with the terms of the relevant agreement.

Gain/(loss) on sale of investment in mutual funds
Gain/(loss) on sale of investment in mutual funds is recorded as other income on transfer of title from the Company and is determined as the difference between the redemption price and carrying value of the investments.

(e) Taxes

Current income tax
Current income tax assets and liabilities are measured as the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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

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Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

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

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(f) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes its purchase primport duties and non-refundable purchase taxes, after deducting trade discounts and rebates; any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by managementand borrowing costs for long-term construction projects if the recognition criteria are met.

When significant parts of property, plantand equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied.

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All other repair and maintenance costs are recognised in profit or loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on fixed assets is provided as per Schedule II of Companies Act, 2013 on Straight Line Method over its economic useful life of fixed assets as follows:

Fixed Assets	Useful life considered (SLM)
Plant & Machinery	15 Years
Building	60 Years
Electrical installations and fittings	10 Years
Office Equipment's	5 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Computers	3 Years
Software	3 Years
License & franchise agreements	8 Years

The Company, based on management estimates, depreciates certain items of building, plant and equipment over estimated useful lives which are lower than the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end, and adjusted prospectively if appropriate.

(g) Intangible assets

On transition to IND AS, the Company has elected to continue with the carrying value of all of its Intangible assets recognised as at April 1, 2015, measured as per the previous GAAP, and use that carrying value as the deemed cost of such Intangible assets.

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

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

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The useful lives of intangible assets are assessed as below:

Intangible Assets	Life
Softwares	3 years
Franchise & license agreements	8 years

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment at each year end either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 income statement when the asset is derecognized.

(h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(i) Impairment of non-financial assets

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

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operationsare recognised in the statement of profit and loss.

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For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(j) Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(k) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to 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, for example, a reduction in future payment or a cash refund.

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

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Past service costs are recognised in statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

The Company treats leaves expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability

(I) 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.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables, loans to subsidiaries etc. For more information on receivables, refer to Note 8.

Debt instrument at FVTOCI

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets
In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Financial assets that are debt instruments and are measured as at FVTOCI
c) Lease receivables under Ind AS 116
d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18
e) Loan commitments which are not measured as at FVTPL
f) Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

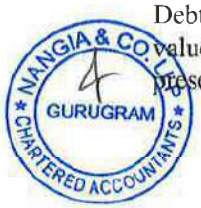
For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.



Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:
Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

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

Loans and borrowings
This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

This category generally applies to borrowings.

Financial guarantee contracts
Financial guarantee contracts issued by the group Company are those contracts that require a payment to be made to reimburse the guarantee holder for a loss it incurs because the Company fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantees issued by the group Company on behalf the Company are designated as 'Insurance Contracts'.



Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

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Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(m) Redeemable preference shares

Redeemable preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the redeemable preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

(n) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and 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.

(o) Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule III to the Companies Act, 2013, the Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

(p) Segment reporting policies

Identification of segments
The management of the Company reviews the specific performance of its respective hotel properties. However, since all hotels have similarity in terms of products and services, customer classes, method of providing services and the regulatory environment, the individual hotels qualify for aggregation. Thus, the management has considered aggregating all the hotels as one reportable operating segment. Accordingly, the figures appearing in these financial statements relate to the Company's single operating segment.

(q) Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the Company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year, if any.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.



3 Property, plant and equipment

Rs. in lakhs

Particulars	Office Furniture	Office equipments	Computers	Vehicles*	Total
Cost or valuation					
As at April 1, 2021	0.16	0.27	3.57	80.11	84.11
Disposals	-	-	-	71.83	71.83
As at March 31, 2022	**0.16**	**0.27**	**3.57**	**8.28**	**12.28**
Additions	-	-	7.79	21.73	29.52
Disposals	-	-	-	-	-
As at March 31, 2023	**0.16**	**0.27**	**11.36**	**30.01**	**41.80**
Depreciation					
As at April 1, 2021	0.07	0.27	2.71	30.08	33.13
Charge for the year	0.02	-	0.48	7.87	8.37
Disposals	-	-	-	33.92	33.92
As at March 31, 2022	**0.09**	**0.27**	**3.19**	**4.03**	**7.58**
Charge for the year	0.02	-	1.28	0.39	1.69
Disposals	-	-	-	-	-
As at March 31, 2023	**0.11**	**0.27**	**4.47**	**4.42**	**9.27**
Net Book value					
As at March 31, 2023	**0.05**	**-**	**6.89**	**25.59**	**32.53**
As at March 31, 2022	0.07	-	0.38	4.25	4.70

Net book value	**As at March 31, 2023**	**As at March 31, 2022**
Plant, property and equipment	32.53	4.70

*Vehicle loan is secured by hypothecation of underlying motor vehicle acquired out of such loans
a) There is no change in the carrying value due to revaluation in any class of assets

4 Intangible Assets

Rs. in lakhs

Particulars	Software	License & franchise agreements	Total
Cost or valuation			
As at April 1, 2021	2.42	1,900.00	1,902.42
Additions	-	-	-
As at March 31, 2022	**2.42**	**1,900.00**	**1,902.42**
Additions	-	-	-
As at March 31, 2023	**2.42**	**1,900.00**	**1,902.42**
Amortisation and impairment			
As at April 1, 2021	1.12	422.36	423.48
Amortisation	0.52	361.91	362.43
As at March 31, 2022	**1.64**	**784.27**	**785.91**
Amortisation	0.59	795.99	796.58
As at March 31, 2023	**2.23**	**1,580.26**	**1,582.49**
Net Block			
As at March 31, 2023	**0.20**	**319.74**	**319.94**
As at March 31, 2022	0.80	1,115.73	1,116.51

a) There is no change in the carrying value due to revaluation in any class of assets

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5 Other non-current assets	As at March 31, 2023 Rs. In lakhs	As at March 31, 2022 Rs. In lakhs
Advances other than capital advances		
Others		
Advance income tax (net of provision for taxation)	**82.54**	218.90
Total	**82.54**	218.90

6 Deferred tax liabilites/Deferred tax assets (Net)	As at March 31, 2023 Rs. In lakhs	As at March 31, 2022 Rs. In lakhs
Deferred tax liabilities		
DTL on split accounting done for preference shares	-	8.31
Fixed assets : Impact of difference between tax depreciation and depreciation/ amortization charged for financial year	**(95.40)**	39.46
Deferred tax Liabilities	**(95.40)**	47.77
Deferred tax assets		
Impact of expenditure charged to the statement of profit and loss in the current/ earlier period but allowable for tax purposes on payment basis	**8.92**	4.49
Effect of unabsorbed depreciation and business loss	-	-
DTA on ECL Created on trade recivables	**7.64**	14.70
Deferred tax Assets	**16.56**	19.19
Deferred tax (liability)/deferred tax asset (Net)	**111.96**	(28.59)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2023 and March 31, 2022

Accounting profit / (loss) before income tax	**1,192.03**	263.39
Tax rate	**25.17%**	25.17%
At India's statutory income tax rate of 25.17%	**300.01**	66.29
Effect of non-deductible expenses	**0.94**	1.09
Income tax charge/ (credit) in respect of earlier year	**12.00**	-
	312.95	67.38

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		As at March 31, 2023 Rs. In lakhs	As at March 31, 2022 Rs. In lakhs
7	**Financial assets**		
(i)	**Trade receivables***	**987.37**	669.12
		987.37	669.12
	* refer note 33(D) for agewise outstanding of trade receivable		
	Break-up for trade receivables:		
	Unsecured, considered good	**987.37**	669.12
	Doubtful	**30.36**	24.08
		1,017.73	693.20
	Impairment allowance (allowance for bad and doubtful debts)		
	Doubtful	**30.36**	24.08
	Total trade receivables	**987.37**	669.12
(ii)	**Cash and cash equivalents**		
	Balance with banks		
	Cash on hand	**5.01**	2.34
		5.01	2.34
	Cash at bank are non-interest bearing financial assets.		
(iii)	**Loans***		
	Loan to related party**	**1,128.00**	128.00
		1,128.00	128.00
	*refer note 33(C) for loans granted to promoter, director, KMP and other related parties.		
	Loan carries an interest @9% and is payable on demand		
(iv)	**Other financial assets**		
	Interest accrued but not due	**97.89**	84.19
		97.89	84.19
	Break up of current financial assets carried at amortised cost		
	Trade receivables	**987.37**	669.12
	Cash and cash equivalents	**5.01**	2.34
	Loan to related party	**1,128.00**	128.00
	Interest accrued but not due	**97.89**	84.19
	Total current financial assets carried at amortised cost	**2,218.27**	883.65
8	**Other current assets**		
	Advances recoverable in cash or kind		
	- Others	**0.07**	0.07
	Balance with statutory/ government authorities	**0.29**	113.70
	Unbilled revenue	**-**	47.20
	Prepaid expenses	**1.80**	1.48
	Total	**2.16**	162.45

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9 Share capital

Authorised Share Capital

	Equity shares	
	No. of shares	Rs. In Lakhs
As at April 1, 2021	10,00,000	10.00
Increase/(decrease) during the year	-	-
As at March 31, 2022	**10,00,000**	**10.00**
Increase/(decrease) during the year	-	-
As at March 31, 2023	**10,00,000**	**10.00**

	5% Redeemable Non-Cumulative Preference Shares	
	No. of shares	Rs. In lakhs
As at April 1, 2021	3,50,000	350.00
Increase/(decrease) during the year	-	-
As at March 31, 2022	**3,50,000**	**350.00**
Increase/(decrease) during the year	-	-
As at March 31, 2023	**3,50,000**	**350.00**

Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders 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.

The Preference shares are not convertible into equity shares and are reflected in financial liabilites

Issued equity capital*

Equity shares of INR 1 each issued, subscribed and fully paid	No. of shares	Rs. In lakhs
As at April 1, 2021	**9,34,580**	**9.35**
Increase/(decrease) during the year	-	-
As at March 31, 2022	**9,34,580**	**9.35**
Increase/(decrease) during the year	-	-
As at March 31, 2023	**9,34,580**	**9.35**

*read with note number 34(B) for promotor holding details

Shares held by holding company:-

	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Rs. In lakhs	No. of shares	Rs. In lakhs
Equity shares of Rs. 1 each fully paid up				
Lemon Tree Hotels Limited	9,34,580	9.35	7,00,000	7.00

Details of shareholders holding more than 5% shares in the company:-

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% held as at June 30, 2022	No. of shares	% held as at March 31, 2022
Equity shares of Rs. 1 each fully paid up				
Lemon Tree Hotels Limited	9,34,580	100.00%	7,00,000	74.90%
Rattan Keswani	-	0.00%	2,34,580	25.10%

The Company has not issued Bonus Share, Share for consideration other than cash and has not bought back shares during the period of five years immediately preceding the reporting date.

10 Other equity

Retained Earnings	Rs. In lakhs
As at April 1, 2021	**649.61**
Loss for the year	197.19
As at March 31, 2022	**846.80**
Profit for the year	880.50
Transfer to capital redemption reserve	(350.00)
As at March 31, 2023	**1,377.30**

Capital Redemption Reserve

As at April 1, 2021	-
Increase/(decrease) during the year	-
As at March 31, 2022	-
Increase/(decrease) during the year	350.00
As at March 31, 2023	**350.00**

Capital Reserve (Equity Component of Reedemable Preference shares)	Rs. In lakhs
As at April 1, 2021	**52.18**
Increase/(decrease) during the year	-
As at March 31, 2022	**52.18**
Increase/(decrease) during the year	-
As at March 31, 2023	**52.18**

	As at March 31, 2023 Rs. In lakhs	As at March 31, 2022 Rs. In lakhs
Other reserves		
Retained earnings	1,377.30	846.80
Capital Reserve (Equity Component of Reedemable Preference shares)	52.18	52.18
Capital Redemption Reserve	350.00	-
	1,779.48	898.98

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11 Borrowings

	As at March 31, 2023 Rs. In lakhs	As at March 31, 2022 Rs. In lakhs
Non-current borrowings		
Term Loans		
Indian rupee loans from Banks (Secured)		
Vehicle loans (Refer note 1 below)	**15.12**	1.32
Liability component of compound financial instrument		
Non Convertible preference shares (unsecured)(Refer note 2 below)	-	328.92
Total non-current borrowings	**15.12**	330.24
Current borrowings		
Term Loans		
Current maturity of long term loans		
Vehicle loans (Refer note 1 below)	**3.74**	1.46
Total current borrowings	**3.74**	1.46
Less: Amount clubbed under "current borrowings"	**(3.74)**	(1.46)
Net current borrowings	-	-

Term loans

1.) Vehicle loans are taken from BMW financial services, HDFC Bank and Axis Bank and are secured by hypothecation of underlying motor vehicle acquired out of such loans. Rate of interest of the loans is 8.70%. The loan is repayable on agreed monthly installments.

2.)Liability component of compound financial instrument represented 5% Redeemable Preference shares, these shares were non-cumulative, non-convertible, non-participating and carried a preferential right, vis-à-vis equity shares of the Company, with respect to payment of dividend and repayment in case of a winding up or repayment of capital and shall carry voting rights as per the provisions of Section 47(2) of the Act. The 5% Redeemable Preference Shares were redeemed during the year at par, out of profits.

3) The Company has not defaulted in the repayment of loans and interest as at Balance Sheet date.

12 Provisions

	As at March 31, 2023 Rs. In lakhs	As at March 31, 2022 Rs. In lakhs
Provision for gratuity (refer note 24)		
Current	1.59	1.68
Non-current	2.50	5.92
	4.09	**7.60**
Provision for leave benefits		
Current	6.29	4.88
Non-current	-	-
	6.29	**4.88**
Total current	**7.88**	6.56
Total non-current	**2.50**	5.92

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13 Financial liabilities	As at March 31, 2023 Rs. In lakhs	As at March 31, 2022 Rs. In lakhs
(i) Borrowings		
Cash credit from banks (Secured) *	**718.34**	986.11
Current maturities of long-term borrowings (refe note 11)	**3.74**	1.46
	722.08	987.57

* The Cash credit facility and working capital loan from HDFC Bank Limited is repayable on demand and carries interest rate of 8.75% p.a. (March 31, 2022: 8.60% p.a.) and is secured by way of:
a) Exclusive charge on entire movable assets of the Company (Current as well as future assets).
b) Corporate Gaurantee of Lemon Tree Hotels Limited (holdings company).
c) The Company has used borrowings from banks/financial institutions for the specific purpose of working capital requirement.

	As at March 31, 2023 Rs. In lakhs	As at March 31, 2022 Rs. In lakhs
(ii) Trade payables*		
Trade Payables		
-Micro and small enterprises	**0.06**	-
-Other than micro and small enterprises	**86.37**	22.02
	86.43	22.02

*refer note 33(e) for ageing outstanding of trade payables

14 Other current liabilities		
Statutory dues	**144.56**	96.98
	144.56	96.98

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15 Revenue from operations

	For the year ended March 31, 2023 Rs. In lakhs	For the year ended March 31, 2022 Rs. In lakhs
Sale of products and services		
Consultancy for hotel design, development & management	**2,632.67**	1,189.70
	2,632.67	1,189.70

16 Other income

	For the year ended March 31, 2023 Rs. In lakhs	For the year ended March 31, 2022 Rs. In lakhs
Excess provision/ credit balances written back	**0.00**	5.60
Total	**0.00**	5.60

17 Employee benefit expense

	For the year ended March 31, 2023 Rs. In lakhs	For the year ended March 31, 2022 Rs. In lakhs
Salaries, wages and bonus	**496.36**	303.53
Contribution to provident fund and other funds	**7.27**	4.40
Gratuity expense	**1.31**	1.48
Leave compensation expenses	**1.54**	(0.21)
Staff welfare expenses	**0.01**	0.51
Total	**506.49**	309.71

18 Other expenses

	For the year ended March 31, 2023 Rs. In lakhs	For the year ended March 31, 2022 Rs. In lakhs
Repair and maintenance		
- Others	**0.85**	0.04
License fees	**14.02**	17.70
Rent	**-**	4.89
Rates and taxes	**0.09**	0.33
Communication costs	**0.16**	0.16
Printing and stationery	**0.01**	-
Traveling and conveyance	**10.88**	3.57
Vehicle running and maintenance	**0.84**	0.86
Membership and subscriptions	**-**	0.15
Training expenses	**-**	3.40
Advances written off	**-**	34.33
Legal and professional fees	**61.61**	29.26
Provision for doubtful debts	**6.28**	22.91
Corporate social responsibility expense	**5.62**	6.02
Loss on sale of property, plant & equipment	**-**	19.26
Payment to auditors	**1.26**	0.82
Miscellaneous expenses	**0.08**	0.16
Total	**101.70**	143.86
Payment to auditor		
Statutory audit fees	**1.00**	0.40
Tax audit fees	**0.06**	0.12
Other services	**0.20**	0.30
	1.26	0.82

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Details of CSR expenditure:	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
(a) Gross amount required to be spent by the company during the year	**5.62**	6.01
(b) Amount spent during the year ended on March 31, 2023:	**In cash**	Yet to be paid in cash
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	**5.62**	-
(b) Amount spent during the year ended on March 31, 2022:	**In cash**	Yet to be paid in cash
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	**6.02**	-

The Company, through CSR initiative focuses on following areas:
• Purchase of Antismog gun for environment
•Empowerment of weaker section of society through education and skill training
•Giving special care to disabled's, advocacy for inclusion and early identification of person with disabilities

19 Finance cost

	For the year ended March 31, 2023 Rs. In lakhs	For the year ended March 31, 2022 Rs. In lakhs
Interest		
- on vehicle loans	**0.18**	0.88
- on credit facilities from banks	**37.07**	115.76
- on non convertible preference shares	**21.08**	7.90
- on loans from others	-	0.19
Total	**58.33**	124.73

20 Depreciation and amortization expense

	For the year ended March 31, 2023 Rs. In lakhs	For the year ended March 31, 2022 Rs. In lakhs
Depreciation of tangible assets	**1.69**	8.37
Amortization of intangible assets	**796.58**	362.43
Total	**798.27**	370.80

21 Finance income

	For the year ended March 31, 2023 Rs. In lakhs	For the year ended March 31, 2022 Rs. In lakhs
Interest Income on :		
-Income tax refund	**8.93**	1.94
-Loan to related party	**15.22**	15.25
	24.15	17.19

22 Earnings per share (Basic And Diluted)

Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company 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 March 31, 2023 Rs. In lakhs	For the year ended March 31, 2022 Rs. In lakhs
Profit/(Loss) after tax (Rs. In lakhs)	**879.08**	196.01
Weighted average Number of equity shares	**9,34,580**	9,34,580
Basic & Diluted EPS (Rs.)	**94.21**	21.10

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23. Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these judgements, estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The estimates and underlying assumptions are reviewed on an ongoing basis and the revisions to accounting estimates are recognized in the period in which the estimate is revised.

Critical judgements, estimates and assumptions

a. Impairment of intangible assets

Each license and franchise agreement is an identifiable asset that generates cash inflows and is independent of the cash inflows of the other hotel properties, hence identified as cash generating units. The Company assesses the carrying amount of license and franchise agreement (CGU) to determine whether there is any indication that those assets have suffered an impairment loss.Where the carrying amount of CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. An impairment loss (if any) is recognised in the statement of profit and loss.

While assessing the recoverable amount, the Company used the discounted cash flow approach including various significant estimates and assumptions such as forecast of future revenue, operating margins, growth rate and selection of the discount rates. The key assumptions used for the calculations are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate *(pre tax rate of WACC)*	12.50%	12.50%
Long term growth rate	5.50%	5.50%

As at March 31, 2023, the estimated recoverable amount of the CGU exceeded its carrying amount.

b. Loss allowance on trade receivables

An impairment analysis of trade receivables is performed at each reporting period based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates. Basis this assessment, the allowance for doubtful trade receivables as at March 31, 2023 is considered adequate.

24. Gratuity and other post-employment benefit plans

Rs. in lakhs

	As at March 31, 2023	As at March 31, 2022
Gratuity plan	**4.09**	7.60
Total	**4.09**	7.60

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The Company makes provision of such gratuity asset/ liability in the books of accounts on the basis of actuarial valuation as per the Projected unit credit method.

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Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2023:

Rs. in lakhs

	Gratuity cost charged to profit or loss					Remeasurement gains/(losses) in other comprehensive income						
	April 1, 2022	**Service cost**	**Net interest expense**	**Sub-total included in profit or loss**	**Benefits paid**	**Return on plan assets (excluding amounts included in net interest expense)**	**Actuarial changes arising from changes in demographic assumptions**	**Actuarial changes arising from changes in financial assumptions**	**Experience adjustments**	**Sub-total included in OCI**	**Contributions by employer**	**March 31, 2023**
Defined benefit obligation	7.60	0.85	0.46	1.31	(2.94)	-	-	(0.13)	(1.76)	(1.89)	-	4.09
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**7.60**	**0.85**	**0.46**	**1.31**	**(2.94)**	**-**	**-**	**(0.13)**	**(1.76)**	**(1.89)**	**-**	**4.09**

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Changes in the defined benefit obligation and fair value ofplan assets as at March 31, 2022:

Rs. in lakhs

	Gratuity cost charged to profit or loss					Remeasurement gains/(losses) in other comprehensive income						
	April 1, 2021	**Service cost**	**Net interest expense**	**Sub-total included in profit or loss**	**Benefits paid**	**Return on plan assets (excluding amounts included in net interest expense)**	**Actuarial changes arising from changes in demographic assumptions**	**Actuarial changes arising from changes in financial assumptions**	**Experience adjustments**	**Sub-total included in OCI**	**Contributions by employer**	**March 31, 2022**
Defined benefit obligation	11.55	0.88	0.60	1.48	(3.85)	-	-	(0.23)	(1.35)	(1.58)	-	7.60
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**11.55**	**0.88**	**0.60**	**1.48**	**(3.85)**	**-**	**-**	**(0.23)**	**(1.35)**	**(1.58)**	**-**	**7.60**

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

	March 31, 2023	March 31, 2022
	%	%
Discount rate	**7.20%**	6.10%
Future salary increases	**5.00%**	5.00%

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

	March 31, 2023	**March 31, 2023**	**March 31, 2023**	**March 31, 2023**
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.11)	0.12	0.12	(0.11)

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

	March 31, 2022	**March 31, 2022**	**March 31, 2022**	**March 31, 2022**
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.24)	0.26	0.26	(0.24)

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

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

Rs. in lakhs

Duration (Years)	**For the year ended March 31, 2023**	For the year ended March 31, 2022
1	1.64	1.73
2	0.73	1.66
3	0.57	1.36
4	0.52	1.05
5	0.43	0.85
Above 5	1.25	2.88
Total expected payments	**5.14**	**9.52**

The average duration of the defined benefit plan obligation at the end of the reporting period is 5years (March 31, 2022: 4years).

25. Commitments and contingencies

a. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:

At March 31, 2023, the Company did not have any contracts remaining to be executed on capital account and not provided for.

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26. **Related Party Transactions**

a) Names of related parties	
Holding company	- Lemon Tree Hotels Limited
Fellow subsidiary	- Iora Hotels Private Limited - Sukhsagar Complexes Private Limited
Enterprise in which Holding company has significant influence	- Mind Leaders Learning India Private Limited
Key management personnel	-Mr. Rattan Keswani (Whole Time Director till March 31, 2022) -Mr. Patanjali Govind Keswani (Director) - Mr. Kapil Sharma (Director)

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year



Rs. in Lakhs

Particulars	For the year ended	Holding Company	Fellow Subsidiary	Key Management Personnel	Enterprise in which Holding company has significant influence
Transactions during the year*					
Repayment of loan given					
Iora Hotels Private Limited	March 31, 2023	-	-	-	-
	March 31, 2022	-	142.00	-	-
Loan given					
Iora Hotels Private Limited	March 31, 2023	-	**200.00**	-	-
	March 31, 2022	-	-	-	-
Sukhsagar Complexes Private Limited	March 31, 2023	-	**800.00**	-	-
	March 31, 2022	-	-	-	-
Repayment of loan taken					
Lemon Tree Hotels Limited	March 31, 2023	-	-	-	-
	March 31, 2022	2.72	-	-	-
Training expense					
Mind Leaders Learning India Private Limited	March 31, 2023	-	-	-	-
	March 31, 2022	-	-	-	3.67
Rent expense					
Lemon Tree Hotels Limited	March 31, 2023	-	-	-	-
	March 31, 2022	4.89	-	-	-
License fees paid					
Lemon Tree Hotels Limited	March 31, 2023	**14.02**	-	-	-
	March 31, 2022	17.70	-	-	-
Interest income					
Iora Hotels Private Limited	March 31, 2023	-	**13.05**	-	-
	March 31, 2022	-	13.73	-	-
Sukhsagar Complexes Private Limited	March 31, 2023	-	**2.17**	-	-
	March 31, 2022	-		-	-
Interest expense					
Lemon Tree Hotels Limited	March 31, 2023	-	-	-	-
	March 31, 2022	0.17	-	-	-
Salary expense					
Rattan Keswani	March 31, 2023	-	-	-	-
	March 31, 2022	-	-	169.60	-

*Transactions are exclusive of GST wherever applicable.

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Particulars	For the year ended	Holding Company	Fellow Subsidiary	Key Management Personnel	Enterprise in which Holding company has significant influence
Balances as at year end					
Interest accrued but not due on loans given					
Iora Hotels Private Limited	March 31, 2023	-	**95.94**	-	-
	March 31, 2022	-	84.19	-	-
Sukhsagar Complexes Private Limited	March 31, 2023	-	**1.95**	-	-
	March 31, 2022	-	-	-	-
Trade payable					
Lemon Tree Hotels Limited	March 31, 2023	**15.15**	-	-	-
	March 31, 2022	6.46	-	-	-
Loan given					
Iora Hotels Private Limited	March 31, 2023	-	**328.00**	-	-
	March 31, 2022	-	128.00	-	-
Sukhsagar Complexes Private Limited	March 31, 2023	-	**800.00**	-	-
	March 31, 2022	-	-	-	-

Commitments with related parties
The company has not entered into any commitments with related parties during the year.

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27. Fair values

This section gives an overview of the significance of financial instruments for the company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument.

a. Financial instruments by category

	31-Mar-23		31-Mar-22	
	FVTPL	Amortized Cost	FVTPL	Amortized Cost
Financial Assets				
Trade Receivables	-	**987.37**	-	669.12
Other financial asset	-	**97.89**	-	84.19
Loan	-	**1,128.00**	-	128.00
Cash and Cash Equivalents	-	**5.01**	-	2.34
Total Financial Assets	-	**2,218.27**	-	883.65
Financial Liabilities				
Borrowings	-	**737.20**	-	1,317.81
Trade payable		**86.43**		22.02
Total Financial Liabilities		**823.63**		1,339.83

b. Fair value measurement hierarchy for assets and liabilities

Fair value measurement
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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

i) Level 1

Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

ii) Level 2

Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

iii) Level 3

Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

There are no financial assest's and liabilities as at March 31, 2023 and March 31, 2022 measured at fair value.

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The management assessed that fair values of cash and cash equivalents, trade receivables, trade payables, bank overdrafts, Interest accrued on bank deposits with banks, other current financial assets and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of loans, security deposits, borrowings and other financial assets and liabilities are considered to be the same as their fair values, as there is an immaterial change in the lending rates.

28. Financial risk management objectives and policies

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

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings, deposits and payables/receivables in foreign currencies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

Trade receivables and security deposits

Customer credit risk is managed by business through the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of each customer is assessed and credit limits are defined in accordance with this assessment. Outstanding customer receivables and security deposits are regularly monitored.

An impairment analysis is performed for all major customers at each reporting date on an individual basis. In addition, a large number of minor receivables are grouped into homogenous group and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 28. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.



Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has no exposure in foreign currency.

Credit risk

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

(a) Trade receivables

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed below. The Company does not hold collateral as security.

(b) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managsed by the Company's treasury department in accordance with the Company's policy. Investment of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2023 and 31 March 2022 is the carrying amount as illustrated in Note 28.

Rs. in lakhs

Ageing	March 31, 2023	March 31, 2022
Not due	-	-
0-60 days past due	777.76	512.84
61-120 days past due	163.12	135.65
121-180 days past due	13.37	20.63
180-365 days past due	30.25	-
365-730 days past due	2.87	-

Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders. The Company had access to the following undrawn borrowing facilities at the end of the reporting periods.



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

Rs. inlakhs

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2023						
Borrowings (other than preference shares)	718.34	0.49	3.25	14.76	0.36	737.20
Trade payables	86.43	-	-	-	-	86.43
	804.77	**0.49**	**3.50**	**14.51**	**0.36**	**823.63**
Year ended March 31, 2022						
Borrowings (other than preference shares)	986.11	0.23	1.22	1.33	-	988.89
Trade payables	22.02	-	-	-	-	22.02
	1,008.13	**0.23**	**1.22**	**1.33**	**-**	**1,010.91**

29. **Capital management**

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debtdivided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade payables, less cash and cash equivalents.

Rs. In lakhs

	March 31, 2023	March 31, 2022
Borrowings (other than preference share)	737.20	988.89
Trade payable	86.43	22.02
Less: cash and cash equivalents (Note 6)	5.01	2.34
Net debt	**818.64**	**1008.57**
Total capital (Including preference share)	1,788.83	1,237.25
Capital and net debt	2,607.47	2,245.82
Gearing ratio	31.38%	44.91%

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

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

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No changes were made in the objectives, policies or processes for managing capital during the years ended March31, 2023 and March 31, 2022.

30. There is no un hedged foreign currency exposure as at the balance sheet date.

31. **Segment reporting:**

The Company is into Hoteliering business. The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore there is no reportable segment for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about geographical areas

The Company has only domestic operations and hence no information required for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about major customers

No customer individually accounted for more than 10% of the revenue.

32. **Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006.**

	March 31, 2023	March31, 2022
the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	0.06	Nil
the amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
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 enterprisefor the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

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33. Supplementary information as per requirement of Schedule III of the Companies Act.

A) Ratio Analysis and its elements

S.No.	Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	% Variance	Reason for variance
1	Current ratio	Current assets	Current liabilities	2.31	0.94	145.99%	Increase due to revenue generated from operations corresponding increase in current assets
2	Debt equity ratio	Total Debt	Shareholder equity	0.41	0.80	(48.45%)	Decrease due to reduction of current borrowings from funds generated from operations
3	Debt service coverage ratio	Earnings available for debt service	debt service	5.30	0.96	469.97%	Change is due to increase in revenue from operations
4	Return on equity	Net profit after taxes	Average shareholders equity	65%	24%	169.36%	Change is due to increase in revenue from operation
5	Inventory turnover ratio	COGS & Sales	Average Inventory	NA	NA	NA	
6	Trade receivable turnover ratio	Net credit sales	Avg. accounts receivable	3.18	2.16	47.49%	Change in revenue has lead to increase in trade receivables
7	Trade payables turnover ratio	Net credit purchase	Average trade payable	NA	NA	NA	
8	Net capital turnover ratio	Net Sales	Working capital	2.09	(17.75)	(88.23%)	Increase in revenue levels as compared to previous year
9	Net profit ratio	Net Profit	Net sales	33%	16%	102.75%	Increase due to increase in profit from operation
10	Return on capital employed	EBIT	Capital employed	56%	33%	68%	Change is due to increase in EBIT levels in comparison to Previous year
11	Return on investment	Income generated from investments(Fixed Deposits)	Time weighted investments	NA	NA	NA	

(i) Earning for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of fixed assets etc.

(ii) Debt service = interest and lease payments + principal repayments.

(iii) Capital employed= Networth+ Total debt + Deferred tax liability-net intangible assets

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B) Detail of shareholding of promoters of the Company

As at March 31, 2023

S.No.	Promoter Name	Number of shares at the beginning of the year 2022	% of total Share Capital	Change during the year*	Number of shares at the end of the year 2023	Percentage of Total shares	% change during the year
1	Lemon Tree Hotels Limited	700,000	74.90%	234,580	934,580	100.00%	25.10%

As at March 31, 2022

S.No.	Promoter Name	Number of shares at the beginning of the year 2020	% of total Share Capital	Change during the year*	Number of shares at the end of the year 2021	Percentage of Total shares	% change during the year
1	Lemon tree Hotels Limited	700,000	74.90%	-	700,000	74.90%	-

C) Disclosure of loans or advances given by the Company in the nature of loans granted to promoters, directors, KMPs and related parties.

Rs. in Lakhs

Type of Borrower	As at March 31, 2023		As at March 31, 2022	
	Amount of loan	% of total Loans	Amount of loan outstanding	% of total Loans
Loan to promoters	-	-	-	-
Loan to directors	-	-	-	-
Loan to KMPs	-	-	-	-
Loan to related parties -fellow subsidiaries	1128.00	100%	128.00	100%
Total	**1128.00**	**100%**	**128.00**	**100%**

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D) Trade Receivables ageing schedule:

As at March 31, 2023

Rs. In lakhs

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables –considered good	984.50	2.87	-	-	-	987.37
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	6.25	0.03	18.63	5.45	-	30.36
(iii) Undisputed Trade Receivables –credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Unbilled Revenue	-	-	-	-	-	-

As at March 31, 2022

Rs. In lakhs

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables –consideredgood	669.12	-	-	-	-	669.12
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	1.31	17.32	5.45	-	-	24.08
(iii) Undisputed Trade Receivables –credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Unbilled Revenue	-	-	-	-	-	-

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E) Trade payables ageing schedule based:

As at March 31, 2023 Rs. In lakhs

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	0.06	-	-	-	0.06
Total outstanding dues of creditors other than micro enterprises and small enterprises	27.54	-	-	0.28	27.82
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	58.55	-	-	-	58.55

As at March 31, 2022 Rs. In lakhs

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	10.35	-	0.03	0.24	10.62
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	11.40	-	-	-	11.40

F) **Other Statutory Information**

(i). The Company have not traded or invested in Crypto currency or virtual currency during the financial year.

(ii). The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(iii). The Company does not have any Benami property, where any proceeding has been initiated

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or pending against the Company for holding any Benami property

(iv). The Company has not entered into any transaction with companies struck off.

(v). The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(vi). The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vii). During the year, the Company has not entered into any scheme of arrangements in terms of section 230 to 237 of the Companies Act, 2013 and accordingly, the prescribed disclosures of Schedule III are not required to be given.

(viii). The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or,

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ix) The Company have not received any funds from any person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or,

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.



34. The previous year figures have been regrouped, rearranged and reclassified wherever necessary to conform to this year's classification.

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

Place: Gurugram
Date: May 25, 2023

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For and on behalf of the Board of Directors of
Carnation Hotels Private Limited

Patanjali Govind Keswani
Director
DIN: 00002974

Place: New Delhi
Date: May 25, 2023

Kapil Sharma
Director
DIN: 00352890

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CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To The Members of Carnation Hotels Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Carnation Hotels Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2024 and the Statement of Profit and Loss including Other Comprehensive Income, statement of Changes in Equity and Cash Flow Statement for the year then ended, and notes to financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 (ICAI) 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 financial statements.

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

- The Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Director's Report, Chairman's statement, but does not include the Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained

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in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and Those Charged with Governance for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or

the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has an adequate internal financial controls system 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.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for not complying with the requirement of audit trail as stated in (i)(vi) below.

c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), and the Cash Flow Statement (and statement of changes in equity) dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(i)(vi) 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 over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.

h) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2024;

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

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

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

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

iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c) 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 (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the year ended March 31, 2024 wherein the accounting software did not have audit trail feature enabled throughout the year.

(Refer note no. 33 of the financial statements).

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

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Signed at Gurugram on May 27, 2024
UDIN: 24402826BKEZPG9492

Annexure 'A' to the Independent Auditors Report
[Refer to in our separate report of even date]

Annexure referred to under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date to the members of **Carnation Hotels Private Limited** on the financial statements for the year ended on March 31, 2024 and based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of accounts and other records examined by us in the normal course of audit, we report that:

I In respect of the Company's Property, Plant and Equipment and Intangible Assets

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of physical verification of Property, Plant and Equipment in phased periodical manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Title deeds in respect of all immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company.

(d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(e) As confirmed by the management, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

II (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

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(b) As disclosed in note 13 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.

III (a) During the year the Company has provided loans to other companies as follows:

Particulars	Amount (Rs. in Lakhs)
Aggregate amount granted/ provided during the year	
- Others	1,263
Balance outstanding as at balance sheet date in respect of above cases - Others	2,063

(b) During the year the loan granted, and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees to other Companies are not prejudicial to the Company's interest.

(c) The Company has granted loans which is repayable on demand so, this clause is not applicable to the Company.

(d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) There were no loans or advance in the nature of loan granted to other Companies which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) As disclosed in note 7(iii) to the financial statements During the year, the Company has granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to Company. Of these following are the details of the aggregate amount of loans or advances in the nature of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013

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Particulars	Amount (Rs. In Lakhs)
Aggregate amount of loans/ advances in nature of loans - Repayable on demand	2,063
Percentage of loans/ advances in nature of loans to the total loans	100%

IV The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees, and securities provided, as applicable.

V The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

VI The maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

VII In respect of statutory dues:

a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

b) According to the information and explanation given to us, there are no amounts in respect of Income Tax, Goods and Services tax, Sales Tax, Value Added Tax, Employee state Insurance, Duty of Excise, Duty of Custom, Cess and Service Tax etc. that have not been deposited with the appropriate authority on account of any dispute.

VIII As confirmed by the management, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as

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income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

IX (a) As explained to us, the Company has not defaulted in repayment of loans and other borrowings and in repayment of interest thereon to any lender.

(b) As confirmed by the management, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has applied term loans for the purpose for which the loans were obtained.

(d) The Company did not raise any funds on short-term basis during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

X (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

XI (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

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

XII As explained, the Company is not a Nidhi company. Therefore, the provisions of para 3(xii) of the Order are not applicable to the Company.

XIII In our opinion, transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company

XIV The Company has implemented internal audit system on a voluntary basis which is commensurate with the size of the company and nature of its business though it is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013.

XV In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

XVI In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) (c) and (d) of the Order is not applicable.

XVII The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

XVIII There has been no resignation of the statutory auditors during the year and accordingly the requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

XIX On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its

liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, 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 In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069

Prateek Agrawal

Prateek Agrawal
Partner,
Membership No. 402826
Signed at Gurugram on May 27, 2024
UDIN: 24402826BKEZPG9492

Annexure 'B' to the Independent Auditors Report
[Refer to in our separate report of even date]

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

We have audited the internal financial controls over financial reporting of **Carnation Hotels Private Limited ("the Company")** as of March 31, 2024 in conjunction with our audit of financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, 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 internal financial controls system over financial reporting.



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Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069

Prateek Agrawal

Prateek Agrawal
Partner,
Membership No. 402826

NANGIA & CO. LLP * CHARTERED ACCOUNTANTS * GURUGRAM

Signed at Gurugram on May 27, 2024
UDIN: 24402826BKEZPG9492

Carnation Hotels Private Limited
CIN: U55101DL2002PTC118180
Balance Sheet as at March 31, 2024

	Notes	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
ASSETS			
Non-current assets			
Property, plant and equipment	3	**101.47**	32.53
Intangible assets	4	**250.74**	319.94
Other non-current assets	5	**69.38**	82.54
Deferred tax assets (net)	6	**87.29**	111.96
		508.88	546.97
Current assets			
Financial assets	7		
(i) Trade receivables		**1,045.31**	987.37
(ii) Cash and cash equivalents		**177.62**	5.01
(iii) Loans		**2,063.00**	1,128.00
(iv) Other financial assets		**119.41**	97.89
Other current assets	8	**5.32**	2.16
		3,410.66	2,220.43
Total Assets		**3,919.54**	2,767.40
EQUITY AND LIABILITIES			
Equity			
Share capital	9	**9.35**	9.35
Other equity	10	**3,519.69**	1,779.48
Total Equity		**3,529.04**	1,788.83
Liabilities			
Non-current liabilities			
Financial liabilities	11		
(i) Borrowings		**58.82**	15.12
Provisions	12	**1.39**	2.50
		60.21	17.62
Current liabilities			
Financial liabilities	13		
(i) Borrowings		**28.72**	722.08
(ii) Trade payables			
- total outstanding dues of micro enterprises and small enterprises		**2.18**	0.06
- total outstanding dues of creditors other than micro enterprises and small enterprises		**129.43**	86.37
Other current liabilities	14	**162.96**	144.56
Provisions	12	**7.00**	7.88
		330.29	960.95
Total Liabilities		**390.50**	978.57
Total Equity and Liabilities		**3,919.54**	2,767.40
Summary of material accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal
Prateek Agrawal
Partner
Membership No. 402826

Place : Gurugram
Date : May 27, 2024

NANGIA & CO. LLP * CHARTERED ACCOUNTANTS * GURUGRAM

For and on behalf of the Board of Directors of
Carnation Hotels Private Limited

Patanjali Govind Keswani
Director
DIN: 00002974

Kapil Sharma
Director
DIN: 00352890

Place : Mumbai
Date : May 27, 2024

CARNATION HOTELS PVT. LTD. * NEW DELHI

Carnation Hotels Private Limited
CIN: U55101DL2002PTC118180
Statement of Profit and Loss for the year ended March 31, 2024

	Notes	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Revenue from operations	15	3,502.26	2,632.67
Other income	16	2.84	-
Total Income		3,505.10	2,632.67
Expenses			
Employee benefits expense	17	664.48	506.49
Other expenses	18	541.70	101.70
Total expenses		1,206.18	608.19
Earnings before interest, tax, depreciation and amortisation (EBITDA)		2,298.92	2,024.48
Finance costs	19	39.96	58.33
Depreciation and amortization expense	20	82.07	798.27
Finance income	21	(146.32)	(24.15)
Profit before tax		2,323.21	1,192.03
Tax expense:			
(1) Current tax		557.23	453.08
(2) Adjustment of tax relating to earlier periods		(1.36)	0.42
(3) Deferred tax		24.67	(140.55)
		580.54	312.95
Profit for the year		1,742.67	879.08
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent period:			
Re-measurement (losses)/gains on defined benefit plans		(3.29)	1.89
Income tax effect		0.83	(0.47)
Other Comprehensive (loss)/income for the year, net of tax		(2.46)	1.42
Total comprehensive income for the year, net of tax		1,740.21	880.50
Earnings per equity share:			
(1) Basic	22	186.47	94.21
(2) Diluted	22	186.47	94.21
Summary of material accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

Place : Gurugram
Date : May 27, 2024

NANGIA & CO. LLP * CHARTERED ACCOUNTANTS * GURUGRAM

For and on behalf of the Board of Directors of
Carnation Hotels Private Limited

Patanjali Govind Keswani
Director
DIN: 00002974

Kapil Sharma
Director
DIN: 00352890

Place : Mumbai
Date : May 27, 2024

CARNATION HOTELS PVT. LTD. * NEW DELHI

Carnation Hotels Private Limited
CIN: U55101DL2002PTC118180
Cash flow statement for the year ended March 31, 2024

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Cash flow from operating activities		
Profit before tax	**2,323.21**	1,192.03
Adjustments to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortisation expenses	**82.07**	798.27
Finance income (including fair value change in financial instruments)	**(146.32)**	(24.15)
Finance costs (including fair value change in financial instruments)	**39.96**	58.33
Net loss on sale of property plant and equipment	**2.20**	-
Provision for doubtful debts	**5.26**	6.28
	2,306.38	2,030.76
Working Capital Adjustment:		
Change in trade receivables	**(63.21)**	(324.53)
Change in trade payables	**45.18**	64.41
Change in loans and advances and other current assets	**121.64**	161.81
Change in liabilities and provisions	**13.13**	46.89
	2,423.12	1,979.34
Income tax paid (net of refunds)	**(541.88)**	(317.14)
Net cash flow from operating activities	**1,881.24**	1,662.20
Investing activities		
Purchase of Property, Plant & Equipment and Intangible assets	**(104.29)**	(29.52)
Proceeds from sale of property plant & equipment	**20.28**	-
Increase of loan given to related parties	**(935.00)**	(1,000.00)
Interest received on income tax refund	**-**	8.93
Net Cash flow used in investing activities	**(1,019.01)**	(1,020.59)
Financing activities		
Repayment of compund financial instrument	**-**	(350.00)
Repayment of long term borrowings	**(10.48)**	(1.46)
Proceeds from long term borrowings	**79.16**	17.54
Repayment of short term borrowings (net)	**(718.34)**	(267.77)
Interest paid	**(39.96)**	(37.25)
Net Cash used in financing activities	**(689.62)**	(638.94)
Net increase in cash and cash equivalents	**172.61**	2.67
Cash and cash equivalents at the beginning of the year	**5.01**	2.34
Cash and cash equivalents at the end of the year	**177.62**	5.01
Components of cash and cash equivalents		
Cash on hand	**6.92**	5.01
Deposits with original maturity of 3 months or less	**100.00**	
Balances with Banks in		
Current accounts	**70.70**	-
Total cash and cash equivalents	**177.62**	5.01

Summary of material accounting policies 2

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826
UDIN:

Place : Gurugram
Date : May 27, 2024

For and on behalf of the Board of Directors of
Carnation Hotels Private Limited

Patanjali Govind Keswani
Director
DIN: 00002974

Kapil Sharma
Director
DIN: 00352890

Place : Mumbai
Date : May 27, 2024

Carnation Hotels Private Limited
CIN: U55101DL2002PTC118180
Statement of Changes in Equity for the year ended March 31, 2024

A. Equity Share Capital

Equity shares of INR 1 each issued, subscribed and fully paid	No. of shares	Amount Rs. in lakhs
As at April 1, 2022	934,580	9.35
Issue of share capital	-	-
As at March 31, 2023	934,580	9.35
Issue of share capital	-	-
As at March 31, 2024	934,580	9.35

B. Other Equity
For the year ended March 31, 2024

Rs. In lakhs

Particulars	Reserves and Surplus			Total equity
	Capital reserve	Capital redemption reserve	Retained Earnings	
Balance at April 1, 2022	52.18	-	846.80	898.98
Any other change during the year	-	350.00	(350.00)	-
Total Comprehensive Income for the year	-	-	880.50	880.50
Balance at March 31, 2023	52.18	350.00	1,377.30	1,779.48
Total Comprehensive Income for the year	-	-	1,740.21	1,740.21
Balance at March 31, 2024	52.18	350.00	3,117.51	3,519.69

Summary of material accounting policies 2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

Place : Gurugram
Date : May 27, 2024

NANGIA & CO. LLP * CHARTERED ACCOUNTANTS * GURUGRAM

For and on behalf of the Board of Directors of
Carnation Hotels Private Limited

Patanjali Govind Keswani
Director
DIN: 00002974

Kapil Sharma
Director
DIN: 00352890

Place : Mumbai
Date : May 27, 2024

CARNATION HOTELS PVT. LTD. NEW DELHI

1. Corporate Information

Carnation Hotels Private Limited (the Company) is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at Asset No. 6, Aerocity Hospitality District, New Delhi 110037.

The Company operates, manage and provide technical services to chain of hotels, motels, resorts, restaurants, etc.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 27, 2024.

2 Basis of preparation

2.1 Material accounting policies

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on a historical cost or at amortised cost except for the following assets and liabilities:

- Net defined benefit (asset)/liability
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, expect where otherwise indicated.

2.2 Summary of material accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

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CARNATION HOTELS PVT. LTD. NEW DELHI

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

(b) Foreign currencies

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit and loss are also recognised in OCI or statement of profit and loss, respectively).

(c) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

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

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

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

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

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

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

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

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

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value. External valuers are involved for valuation of significant assets and liabilities. The management selects external valuer on various criteria such as market knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the Valuation Committee verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note23)
- Quantitative disclosures of fair value measurement hierarchy (note 27)
- Financial instruments (including those carried at amortised cost) (note 27)

(d) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognized.

Goods and Service Tax (GST)/Sales tax/ value added tax (VAT) is not received by the

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CARNATION HOTELS PVT. LTD. NEW DELHI

Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Income from services
Revenues from management and consultancy contracts are recognized pro-rata over the period of the contract as and when services are rendered.

Interest income
For all financial instruments measured at amortized cost and interest bearing financial assets classified as available for sale, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the statement of profit and loss.

Dividends
Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Management fee
Revenue from management services comprises fixed and variable income. Fixed income is recognised pro-rata over the period of the contract as and when services are rendered. Variable income is recognised on an accrual basis in accordance with the terms of the relevant agreement.

Gain/(loss) on sale of investment in mutual funds
Gain/(loss) on sale of investment in mutual funds is recorded as other income on transfer of title from the Company and is determined as the difference between the redemption price and carrying value of the investments.

(e) Taxes

Current income tax
Current income tax assets and liabilities are measured as the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

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

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(f) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes its purchase import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs for long-term construction projects if the recognition criteria are met.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.





Depreciation on fixed assets is provided as per Schedule II of Companies Act, 2013 on Straight Line Method over its economic useful life of fixed assets as follows:

Fixed Assets	Useful life considered (SLM)
Plant & Machinery	15 Years
Building	60 Years
Electrical installations and fittings	10 Years
Office Equipment's	5 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Computers	3 Years
Software	3 Years
License & franchise agreements	8 Years

The Company, based on management estimates, depreciates certain items of building, plant and equipment over estimated useful lives which are lower than the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end, and adjusted prospectively if appropriate.

(g) Intangible assets

On transition to IND AS, the Company has elected to continue with the carrying value of all of its Intangible assets recognised as at April 1, 2015, measured as per the previous GAAP, and use that carrying value as the deemed cost of such Intangible assets.

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

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.
The useful lives of intangible assets are assessed as below:

Intangible Assets	Life
Softwares	3 years
Franchise & license agreements	8 years

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Intangible assets with indefinite useful lives are not amortized, but are tested for impairment at each year end either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 income statement when the asset is derecognized.

(h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(i) Impairment of non-financial assets

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

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(j) Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(k) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to 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, for example, a reduction in future payment or a cash refund.

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

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Past service costs are recognised in statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

The Company treats leaves expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability

(l) 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.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables, loans to subsidiaries etc. For more information on receivables, refer to Note 8.

Debt instrument at FVTOCI

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets
In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Financial assets that are debt instruments and are measured as at FVTOCI
c) Lease receivables under Ind AS 116
d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18
e) Loan commitments which are not measured as at FVTPL
f) Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

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Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:
Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

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

Loans and borrowings
This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

This category generally applies to borrowings.

Financial guarantee contracts
Financial guarantee contracts issued by the group Company are those contracts that require a payment to be made to reimburse the guarantee holder for a loss it incurs because the Company fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantees issued by the group Company on behalf the Company are designated as 'Insurance Contracts'.





Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Reclassification of financial assets
The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(m) Redeemable preference shares

Redeemable preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the redeemable preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

(n) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and 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.

(o) Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule III to the Companies Act, 2013, the Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

(p) Segment reporting policies

Identification of segments
The management of the Company reviews the specific performance of its respective hotel properties. However, since all hotels have similarity in terms of products and services, customer classes, method of providing services and the regulatory environment, the individual hotels qualify for aggregation. Thus, the management has considered aggregating all the hotels as one reportable operating segment. Accordingly, the figures appearing in these financial statements relate to the Company's single operating segment.

(q) Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the Company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year, if any.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

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3 Property, plant and equipment

Rs. in lakhs

Particulars	Office Furniture	Office equipments	Computers	Vehicles*	Total
Cost or valuation					
As at April 1, 2022	0.16	0.27	3.57	8.28	12.28
Additions	-	-	7.79	21.73	29.52
As at March 31, 2023	**0.16**	**0.27**	**11.36**	**30.01**	**41.80**
Additions	-	-	6.20	97.95	104.15
Disposals	-	-	-	30.01	30.01
As at March 31, 2024	**0.16**	**0.27**	**17.56**	**97.95**	**115.94**
Depreciation					
As at April 1, 2022	0.09	0.27	3.19	4.03	7.58
Charge for the year	0.02	-	1.28	0.39	1.69
Disposals	-	-	-	-	-
As at March 31, 2023	**0.11**	**0.27**	**4.47**	**4.42**	**9.27**
Charge for the year	0.02	-	3.55	9.16	12.73
Disposals	-	-	-	7.53	7.53
As at March 31, 2024	**0.13**	**0.27**	**8.02**	**6.05**	**14.47**
Net Book value					
As at March 31, 2024	**0.03**	**0.00**	**9.54**	**91.90**	**101.47**
As at March 31, 2023	0.05	0.00	6.89	25.59	32.53

Net book value	As at March 31, 2024	As at March 31, 2023
Plant, property and equipment	101.47	32.53

*Vehicle loan is secured by hypothecation of underlying motor vehicle acquired out of such loans
a) There is no change in the carrying value due to revaluation in any class of assets

4 Intangible Assets

Rs. in lakhs

Particulars	Software	License & franchise agreements	Total
Cost or valuation			
As at April 1, 2022	2.42	1,900.00	1,902.42
Additions	-	-	-
As at March 31, 2023	**2.42**	**1,900.00**	**1,902.42**
Additions	0.15	-	0.15
As at March 31, 2024	**2.57**	**1,900.00**	**1,902.57**
Amortisation and impairment			
As at April 1, 2022	1.64	784.27	785.91
Amortisation	0.59	795.99	796.58
As at March 31, 2023	**2.23**	**1,580.26**	**1,582.49**
Amortisation	0.24	69.10	69.34
As at March 31, 2024	**2.47**	**1,649.36**	**1,651.83**
Net Block			
As at March 31, 2024	**0.10**	**250.64**	**250.74**
As at March 31, 2023	0.20	319.74	319.94

a) There is no change in the carrying value due to revaluation in any class of assets

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5 **Other non-current assets**	As at March 31, 2024 Rs. In lakhs	As at March 31, 2023 Rs. In lakhs
Advances other than capital advances		
Others		
Advance income tax (net of provision for taxation)	**69.38**	82.54
Total	**69.38**	82.54

6 **Deferred tax assets (Net)**	As at March 31, 2024 Rs. In lakhs	As at March 31, 2023 Rs. In lakhs
Deferred tax liabilities		
Fixed assets : Impact of difference between tax depreciation and depreciation/ amortization charged for financial year	**(71.77)**	(95.40)
Deferred tax Liabilities	**(71.77)**	(95.40)
Deferred tax assets		
Impact of expenditure charged to the statement of profit and loss in the current/ earlier period but allowable for tax purposes on payment basis	**7.88**	8.92
DTA on ECL Created on trade recivables	**7.64**	7.64
Deferred tax Assets	**15.52**	16.56
Deferred tax asset (Net)	**87.29**	111.96

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2024 and March 31, 2023

Accounting profit before income tax	**2,323.21**	1,192.03
Tax rate	**25.17%**	25.17%
At India's statutory income tax rate of 25.17%	**584.70**	300.01
Effect of non-deductible expenses	**2.17**	0.94
Income tax (credit)/charge in respect of earlier year	**(6.33)**	12.00
	580.54	312.95

		As at March 31, 2024 Rs. In lakhs	As at March 31, 2023 Rs. In lakhs
7	**Financial assets**		
(i)	**Trade receivables***	**1,045.31**	987.37
		1,045.31	987.37
	* refer note 34(D) for agewise outstanding of trade receivable		
	Break-up for trade receivables:		
	Unsecured, considered good	**1,045.31**	987.37
	Doubtful	**30.36**	30.36
		1,075.67	1,017.73
	Impairment allowance (allowance for bad and doubtful debts)		
	Doubtful	**30.36**	30.36
	Total trade receivables	**1,045.31**	987.37
(ii)	**Cash and cash equivalents**		
	Balance with banks		
	On current accounts	**70.70**	-
	Deposits with original maturity of 3 months or less	**100.00**	-
	Cash on hand	**6.92**	5.01
		177.62	5.01
	Cash at bank are non-interest bearing financial assets.		
(iii)	**Loans***		
	Loan to related party**	**2,063.00**	1,128.00
		2,063.00	1,128.00
	*refer note 34(C) for loans granted to promoter, director, KMP and other related parties.		
	Loan carries an interest @9% and is payable on demand		
(iv)	**Other financial assets**		
	Interest accrued but not due	**119.41**	97.89
		119.41	97.89
	Break up of current financial assets carried at amortised cost		
	Trade receivables	**1,045.31**	987.37
	Cash and cash equivalents	**177.62**	5.01
	Loan to related party	**2,063.00**	1,128.00
	Interest accrued but not due	**119.41**	97.89
	Total current financial assets carried at amortised cost	**3,405.34**	2,218.27
8	**Other current assets**		
	Advances recoverable in cash or kind		
	- Others	-	0.07
	Balance with statutory/ government authorities	**0.78**	0.29
	Unbilled revenue	**2.07**	-
	Prepaid expenses	**2.47**	1.80
	Total	**5.32**	2.16

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9 Share capital

Authorised Share Capital

	Equity shares	
	No. of shares	Rs. In Lakhs
As at April 1, 2022	1,000,000	10.00
Increase/(decrease) during the year	-	-
As at March 31, 2023	1,000,000	10.00
Increase/(decrease) during the year	-	-
As at March 31, 2024	1,000,000	10.00

	5% Redeemable Non-Cumulative Preference Shares	
	No. of shares	Rs. In lakhs
As at April 1, 2022	350,000	350.00
Increase/(decrease) during the year	-	-
As at March 31, 2023	350,000	350.00
Increase/(decrease) during the year	-	-
As at March 31, 2024	350,000	350.00

Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders 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.

The Preference shares are not convertible into equity shares and are reflected in financial liabilites

Issued equity capital*

Equity shares of INR 1 each issued, subscribed and fully paid	No. of shares	Rs. In lakhs
As at April 1, 2022	934,580	9.35
Increase/(decrease) during the year	-	-
As at March 31, 2023	934,580	9.35
Increase/(decrease) during the year	-	-
As at March 31, 2024	934,580	9.35

*read with note number 34(B) for promotor holding details

Shares held by holding company:-

	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Rs. In lakhs	No. of shares	Rs. In lakhs
Equity shares of Rs. 1 each fully paid up				
Lemon Tree Hotels Limited	934,580	9.35	934,580	9.35

Details of shareholders holding more than 5% shares in the company:-

Name of the shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% held as at March 31, 2024	No. of shares	% held as at March 31, 2023
Equity shares of Rs. 1 each fully paid up				
Lemon Tree Hotels Limited	934,580	100.00%	934,580	100.00%

The Company has not issued Bonus Share, Share for consideration other than cash and has not bought back shares during the period of five years immediately preceding the reporting date.

10 Other equity

Retained Earnings	Rs. In lakhs
As at April 1, 2022	846.80
Profit for the year	880.50
Transfer to capital redemption reserve	(350.00)
As at March 31, 2023	1,377.30
Profit for the year	1,740.21
As at March 31, 2024	3,117.51

Capital Redemption Reserve	
As at April 1, 2022	-
Increase during the year	350.00
As at March 31, 2023	350.00
Increase/(decrease) during the year	-
As at March 31, 2024	350.00

Capital Reserve (Equity Component of Reedemable Preference shares)	Rs. In lakhs
As at April 1, 2022	52.18
Increase/(decrease) during the year	-
As at March 31, 2023	52.18
Increase/(decrease) during the year	-
As at March 31, 2024	52.18

	As at March 31, 2024 Rs. In lakhs	As at March 31, 2023 Rs. In lakhs
Other reserves		
Retained earnings	3,117.51	1,377.30
Capital Reserve (Equity Component of Reedemable Preference shares)	52.18	52.18
Capital Redemption Reserve	350.00	350.00
	3,519.69	1,779.48

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11 Borrowings	As at March 31, 2024 Rs. In lakhs	As at March 31, 2023 Rs. In lakhs
Non-current borrowings		
Term Loans		
Indian rupee loans from Banks (Secured)		
Vehicle loans (Refer note 1 below)	**58.82**	15.12
Total non-current borrowings	**58.82**	15.12
Current borrowings		
Term Loans		
Current maturity of long term loans		
Vehicle loans (Refer note 1 below)	**28.72**	3.74
Total current borrowings	**28.72**	3.74
Less: Amount clubbed under "current borrowings"	**(28.72)**	(3.74)
Net current borrowings	-	-

Term loans

1.) Vehicle loans are taken from HDFC Bank and are secured by hypothecation of underlying motor vehicle acquired out of such loans. Rate of interest of the loans is 8.50% - 8.75%. The loan is repayable on agreed monthly installments.

2) The Company has not defaulted in the repayment of loans and interest as at Balance Sheet date.

12 Provisions	As at March 31, 2024 Rs. In lakhs	As at March 31, 2023 Rs. In lakhs
Provision for gratuity (refer note 24)		
Current	2.10	1.59
Non-current	1.39	2.50
	3.49	**4.09**
Provision for leave benefits		
Current	4.90	6.29
Non-current	-	-
	4.90	**6.29**
Total current	**7.00**	7.88
Total non-current	**1.39**	2.50

13 Financial liabilities	As at March 31, 2024 Rs. In lakhs	As at March 31, 2023 Rs. In lakhs
(i) Borrowings		
Cash credit from banks (Secured) *	-	718.34
Current maturities of long-term borrowings (refe note 11)	**28.72**	3.74
	28.72	722.08

* The Cash credit facility and working capital loan from HDFC Bank Limited is repayable on demand and carries interest rate of 8.75% p.a. (March 31, 2023: 8.75% p.a.) and is secured by way of:
a) Exclusive charge on entire movable assets of the Company (Current as well as future assets).
b) Corporate Gaurantee of Lemon Tree Hotels Limited (holdings company).
c) The Company has used borrowings from banks/financial institutions for the specific purpose of working capital requirement.

	As at March 31, 2024 Rs. In lakhs	As at March 31, 2023 Rs. In lakhs
(ii) Trade payables*		
Trade Payables		
-Micro and small enterprises	**2.18**	0.06
-Other than micro and small enterprises	**129.43**	86.37
	131.61	86.43

*refer note 34(e) for ageing outstanding of trade payables

14 Other current liabilities		
Statutory dues	**162.96**	144.56
	162.96	144.56

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15 Revenue from operations

	For the year ended March 31, 2024 Rs. In lakhs	For the year ended March 31, 2023 Rs. In lakhs
Sale of products and services		
Consultancy for hotel design, development & management	3,502.26	2,632.67
	3,502.26	2,632.67

16 Other income

	For the year ended March 31, 2024 Rs. In lakhs	For the year ended March 31, 2023 Rs. In lakhs
Miscellaneous income	2.84	-
Total	2.84	-

17 Employee benefit expense

	For the year ended March 31, 2024 Rs. In lakhs	For the year ended March 31, 2023 Rs. In lakhs
Salaries, wages and bonus	655.55	496.36
Contribution to provident fund and other funds	8.85	7.27
Gratuity expense	1.12	1.31
Leave compensation expenses	(1.09)	1.54
Staff welfare expenses	0.05	0.01
Total	664.48	506.49

18 Other expenses

	For the year ended March 31, 2024 Rs. In lakhs	For the year ended March 31, 2023 Rs. In lakhs
Repair and maintenance		
- Others	0.48	0.85
License fees	15.79	14.02
Rates and taxes	0.07	0.09
Insurance	0.04	-
Communication costs	0.06	0.16
Printing and stationery	-	0.01
Traveling and conveyance	12.50	10.88
Vehicle running and maintenance	0.11	0.84
Advertisement and business promotion	379.80	-
Membership and subscriptions	0.29	-
Training expenses	15.65	-
Legal and professional fees	99.56	61.61
Provision for doubtful debts	5.26	6.28
Corporate social responsibility expense	8.63	5.62
Loss on sale of property, plant & equipment	2.20	-
Payment to auditors	1.12	1.26
Miscellaneous expenses	0.14	0.08
Total	541.70	101.70
Payment to auditor		
Statutory audit fees	1.00	1.00
Tax audit fees	0.12	0.06
Other services	-	0.20
	1.12	1.26

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Details of CSR expenditure:	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
(a) Gross amount required to be spent by the company during the year	8.63	5.62
(b) Amount spent during the year ended on March 31, 2024:	In cash	Yet to be paid in cash
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	8.63	-
(b) Amount spent during the year ended on March 31, 2023:	In cash	Yet to be paid in cash
i) Construction/acquisition of any asset	5.62	-
ii) On purposes other than (i) above	-	-

The Company, through CSR initiative focuses on following areas:
•Empowerment of weaker section of society through education and skill training
•Giving special care to disabled's, advocacy for inclusion and early identification of person with disabilities
• Purchase of Antismog gun for environment

19 Finance cost	For the year ended March 31, 2024 Rs. In lakhs	For the year ended March 31, 2023 Rs. In lakhs
Interest		
- on vehicle loans	4.61	0.18
- on credit facilities from banks	35.35	37.07
- on non convertible preference shares	-	21.08
Total	39.96	58.33

20 Depreciation and amortization expense	For the year ended March 31, 2024 Rs. In lakhs	For the year ended March 31, 2023 Rs. In lakhs
Depreciation of tangible assets	12.73	1.69
Amortization of intangible assets	69.34	796.58
Total	82.07	798.27

21 Finance income	For the year ended March 31, 2024 Rs. In lakhs	For the year ended March 31, 2023 Rs. In lakhs
Interest Income on :		
-Income tax refund	-	8.93
-Loan to related party	146.32	15.22
	146.32	24.15

22 Earnings per share (Basic And Diluted)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company 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 March 31, 2024 Rs. In lakhs	For the year ended March 31, 2023 Rs. In lakhs
Profit after tax (Rs. In lakhs)	1,742.67	879.08
Weighted average Number of equity shares	934,580	934,580
Basic & Diluted EPS (Rs.)	186.47	94.21





23. Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these judgements, estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The estimates and underlying assumptions are reviewed on an ongoing basis and the revisions to accounting estimates are recognized in the period in which the estimate is revised.

Critical judgements, estimates and assumptions

a. Impairment of intangible assets

Each license and franchise agreement is an identifiable asset that generates cash inflows and is independent of the cash inflows of the other hotel properties, hence identified as cash generating units. The Company assesses the carrying amount of license and franchise agreement (CGU) to determine whether there is any indication that those assets have suffered an impairment loss. Where the carrying amount of CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. An impairment loss (if any) is recognised in the statement of profit and loss.

While assessing the recoverable amount, the Company used the discounted cash flow approach including various significant estimates and assumptions such as forecast of future revenue, operating margins, growth rate and selection of the discount rates. The key assumptions used for the calculations are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate *(pre tax rate of WACC)*	12.00%	12.50%
Long term growth rate	5.00%	5.50%

As at March 31, 2024, the estimated recoverable amount of the CGU exceeded its carrying amount.

b. Loss allowance on trade receivables

An impairment analysis of trade receivables is performed at each reporting period based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates. Basis this assessment, the allowance for doubtful trade receivables as at March 31, 2024 is considered adequate.

24. Gratuity and other post-employment benefit plans

Rs. In lakhs

	As at March 31, 2024	As at March 31, 2023
Gratuity plan	**3.49**	4.09
Total	**3.49**	4.09

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The Company makes provision of such gratuity asset/ liability in the books of accounts on the basis of actuarial valuation as per the Projected unit credit method.

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Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2024:

Rs. in lakhs

	Gratuity cost charged to profit or loss					Remeasurement gains/(losses) in other comprehensive income						
	April 1, 2023	Service cost	Net interest expense	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	March 31, 2024
Defined benefit obligation	4.09	0.83	0.29	1.12	(5.01)	-	-	0.01	3.28	3.29	-	3.49
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**4.09**	**0.83**	**0.29**	**1.12**	**(5.01)**	**-**	**-**	**0.01**	**3.28**	**3.29**	**-**	**3.49**

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Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2023:

Rs. in lakhs

	Gratuity cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income							
	April 1, 2022	Service cost	Net interest expense	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	March 31, 2023
Defined benefit obligation	7.60	0.85	0.46	1.31	(2.94)	-	-	(0.13)	(1.76)	(1.89)	-	4.09
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**7.60**	**0.85**	**0.46**	**1.31**	**(2.94)**	**-**	**-**	**(0.13)**	**(1.76)**	**(1.89)**	**-**	**4.09**

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

	March 31, 2024	March 31, 2023
	%	%
Discount rate	**7.10%**	7.20%
Future salary increases	**5.00%**	5.00%

A quantitative sensitivity analysis for significant assumption as at March 31, 2024 is as shown below:

	March 31, 2024	**March 31, 2024**	**March 31, 2024**	**March 31, 2024**
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.06)	0.06	0.06	(0.06)

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

	March 31, 2023	**March 31, 2023**	**March 31, 2023**	**March 31, 2023**
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.11)	0.12	0.12	(0.11)

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

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

Rs. in lakhs

Duration (Years)	**For the year ended March 31, 2024**	For the year ended March 31, 2023
1	2.17	1.64
2	0.33	0.73
3	0.26	0.57
4	0.25	0.52
5	0.25	0.43
Above 5	0.80	1.25
Total expected payments	**4.06**	**5.14**

The average duration of the defined benefit plan obligation at the end of the reporting period is 3 years (March 31, 2023: 4 years).

25. Commitments and contingencies

a. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:

At March 31, 2024, the Company did not have any contracts remaining to be executed on capital account and not provided for.

26. **Related Party Transactions**

a) Names of related parties

Holding company	- Lemon Tree Hotels Limited
Fellow subsidiary	- Iora Hotels Private Limited - Sukhsagar Complexes Private Limited
Enterprise in which Holding company has significant influence	- Mind Leaders Learning India Private Limited
Key management personnel	-Mr. Patanjali Govind Keswani (Director) - Mr. Kapil Sharma(Director)

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year

Rs. in Lakhs

Transactions with Related party	Year Ended	Holding Company	Fellow Subsidiary	Key Management Personnel	Enterprise in which Holding company has significant influence
Repayment of Loan Given					
Iora Hotels Private Limited	**31-Mar-24**	-	**353.00**	-	-
	31-Mar-23	-	-	-	-
Loan Given					
Iora Hotels Private Limited	**31-Mar-24**	-	**25.00**	-	-
	31-Mar-23	-	200.00	-	-
Loan Given					
Sukhsagar Complexes Private Limited	**31-Mar-24**	-	**1,268.00**	-	-
	31-Mar-23	-	800.00	-	-
Repayment Of Loan Taken					
Sukhsagar Complexes Private Limited	**31-Mar-24**		**5.00**		
	31-Mar-23		-		
Training Fee					
Mind Leaders Learning India Private Limited	**31-Mar-24**	-	-	-	**5.55**
	31-Mar-23	-	-	-	-
Fees Paid					
Lemon Tree Hotels Limited	**31-Mar-24**	**15.79**	-	-	-
	31-Mar-23	14.02	-	-	-
Interest Income					
Iora Hotels Private Limited	**31-Mar-24**		**15.80**		
	31-Mar-23		13.05		
Sukhsagar Complexes Private Limited	**31-Mar-24**	-	**130.51**	-	-
	31-Mar-23	-	2.17	-	-
Interest Accrued but not due on Loan given					
IORA Hotels Private Limited	**31-Mar-24**	-	-	-	-
	31-Mar-23	-	95.94	-	-

Sukhsagar Complexes Private Limited	**31-Mar-24**	-	**119.41**	-	-
	31-Mar-23	-	1.95	-	-
Balance outstanding as at year end					
Lemon Tree Hotels Limited	**31-Mar-24**	**3.56**	-	-	-
	31-Mar-23	15.15	-	-	-
IORA Hotels Private Limited	**31-Mar-24**	-	-	-	-
	31-Mar-23	-	328.00	-	-
Sukhsagar Complexes Private Limited	**31-Mar-24**		**2,063.00**		
	31-Mar-23		800.00		

Commitments with related parties

The company has not entered into any commitments with related parties during the year.

27. Fair values

This section gives an overview of the significance of financial instruments for the company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument.

a. Financial instruments by category

	31-Mar-24		31-Mar-23	
	FVTPL	Amortized Cost	FVTPL	Amortized Cost
Financial Assets				
Trade Receivables	-	**1,045.31**	-	987.37
Other financial asset	-	**119.41**	-	97.89
Loan	-	**2,063.00**	-	1,128.00
Cash and Cash Equivalents	-	**177.62**	-	5.01
Total Financial Assets	-	**3,405.34**	-	2,218.27
Financial Liabilities				
Borrowings	-	**87.54**	-	737.20
Trade payable		**131.61**		86.43
Total Financial Liabilities		**219.15**		823.63

a. Fair value measurement hierarchy for assets and liabilities

Fair value measurement
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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

i) Level 1

Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

ii) Level 2

Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

iii) Level 3

Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

There are no financial assest's and liabilities as at March 31, 2024 and March 31, 2023 measured at fair value.

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The management assessed that fair values of cash and cash equivalents, trade receivables, trade payables, bank overdrafts, Interest accrued on bank deposits with banks, other current financial assets and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of loans, security deposits, borrowings and other financial assets and liabilities are considered to be the same as their fair values, as there is an immaterial change in the lending rates.

28. Financial risk management objectives and policies

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

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings, deposits and payables/receivables in foreign currencies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

Trade receivables and security deposits

Customer credit risk is managed by business through the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of each customer is assessed and credit limits are defined in accordance with this assessment. Outstanding customer receivables and security deposits are regularly monitored.

An impairment analysis is performed for all major customers at each reporting date on an individual basis. In addition, a large number of minor receivables are grouped into homogenous group and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 28. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has no exposure in foreign currency.

Credit risk

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

(a) Trade receivables

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed below. The Company does not hold collateral as security.

(b) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investment of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2024 and 31 March 2023 is the carrying amount as illustrated in Note 28.

Rs. in lakhs

Ageing	March 31, 2024	March 31, 2023
Not due	-	-
0-60 days past due	826.92	777.76
61-120 days past due	204.33	163.12
121-180 days past due	14.06	13.37
180-365 days past due	-	30.25
365-730 days past due	-	2.87

Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders. The Company had access to the following undrawn borrowing facilities at the end of the reporting periods.

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

Rs. inlakhs

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2024						
Borrowings (other than preference shares)	-	18.22	10.49	58.82	-	87.54
Trade payables	131.61	-	-	-	-	131.61
	131.61	**18.22**	**10.49**	**58.82**	**-**	**219.15**
Year ended March 31, 2023						
Borrowings (other than preference shares)	718.34	0.49	3.25	14.76	0.36	737.20
Trade payables	86.43	-	-	-	-	86.43
	804.77	**0.49**	**3.50**	**14.51**	**0.36**	**823.63**

29. **Capital management**

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, whichis net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade payables, less cash and cash equivalents.

Rs. In lakhs

	March 31, 2024	March 31, 2023
Borrowings (other than preference share)	87.54	737.20
Trade payable	131.61	86.43
Less: cash and cash equivalents (Note 6)	177.62	5.01
Net debt	**41.53**	**818.64**
Total capital(Including preference share)	3,511.75	1,788.83
Capital and net debt	3,553.28	2,607.47
Gearing ratio	1.17%	31.38%

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

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

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No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

30. There is no unhedged foreign currency exposure as at the balance sheet date.

31. **Segment reporting:**

The Company is into Hoteliering business. The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore there is no reportable segment for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about geographical areas

The Company has only domestic operations and hence no information required for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about major customers

No customer individually accounted for more than 10% of the revenue.

32. **Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006.**

	March 31, 2024	March31, 2023
the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	2.18	0.06
the amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

33. As per the proviso to Rule 3(1) of Companies (Accounts) Rules, 2014, for the financial year commencing on or after the 1st day of April 2023, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses SAP S/4 HANA as its accounting software operated for recording all the accounting transactions for the year ended March 31, 2024. SAP S/4 HANA has a feature of recording audit trail (edit log) facility which has not been enabled throughout the year.

The Management has adequate internal controls over financial reporting which were operating effectively for the year ended March 31, 2024. The Management is in the process of evaluating the options to ensure compliance with the requirements of proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 referred above in respect of audit trail (edit log).

34. Supplementary information as per requirement of Schedule III of the Companies Act.

A) Ratio Analysis and its elements

S.No.	Ratio	Numerator	Denominator	March 31, 2024	March 31, 2023	% Variance	Reason for variance
1	Current ratio	Current assets	Current liabilities	10.33	2.31	346.89%	Increase due to revenue generated from operations corresponding increase in current assets & decrease in Current liability
2	Debt equity ratio	Total Debt	Shareholder equity	0.02	0.41	(93.98%)	Decrease due to reduction of current borrowings from funds generated from operations
3	Debt service coverage ratio	Earnings available for debt service	debt service	2.43	5.30	(54.23%)	Change is due to increase in revenue from operations & decrease in borrowings
4	Return on equity	Net profit after taxes	Average shareholders equity	66%	65%	(0.54%)	-
5	Inventory turnover ratio	COGS & Sales	Average Inventory	NA	NA	NA	
6	Trade receivable turnover ratio	Net credit sales	Avg. accounts receivable	3.45	3.18	8.41%	-
7	Trade payables turnover ratio	Net credit purchase	Average trade payable	NA	NA	NA	
8	Net capital turnover ratio	Net Sales	Working capital	1.14	2.09	(45.61%)	Increase in revenue levels as compared to previous year
9	Net profit ratio	Net Profit	Net sales	50%	33%	49.02%	Increase due to increase in profit from operation
10	Return on capital employed	EBIT	Capital employed	66%	56%	18.50%	-
11	Return on investment	Income generated from investments(Fixed Deposits)	Time weighted investments	NA	NA	NA	

(i) Earning for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of fixed assets etc.

(ii) Debt service = interest and lease payments + principal repayments.

(iii) Capital employed= Networth+ Total debt+Deferred tax liability-net intangible assets

B) Detail of shareholding of promoters of the Company

As at March 31, 2024

S.No.	Promoter Name	Number of shares at the beginning of the year 2023	% of total Share Capital	Change during the year*	Number of shares at the end of the year 2024	Percentage of Total shares	% change during the year
1	Lemon Tree Hotels Limited	934,580	100%	-	934,580	100.00%	-

As at March 31, 2023

S.No.	Promoter Name	Number of shares at the beginning of the year 2022	% of total Share Capital	Change during the year*	Number of shares at the end of the year 2023	Percentage of Total shares	% change during the year
1	Lemon tree Hotels Limited	700,000	74.90%	234,580	934,580	100.00%	25.10%

C) Disclosure of loans or advances given by the Company in the nature of loans granted to promoters, directors, KMPs and related parties.

Rs. in Lakhs

Type of Borrower	As at March 31, 2024		As at March 31, 2023	
	Amount of loan	% of total Loans	Amount of loan outstanding	% of total Loans
Loan to promoters	-	-	-	-
Loan to directors	-	-	-	-
Loan to KMPs	-	-	-	-
Loan to related parties -fellow subsidiaries	2,063.00	100%	1,128.00	100%
Total	**2,063.00**	**100%**	**1,128.00**	**100%**

D) Trade Receivables ageing schedule:

As at March 31, 2024

Rs. Inlakhs

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables –considered good	1,045.31	-	-	-	-	1,045.31
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	6.28	18.63	5.45	30.36
(iii) Undisputed Trade Receivables –credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which havesignificant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Unbilled Revenue	-	-	-	-	-	-

As at March 31, 2023

Rs. In lakhs

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables –considered good	984.50	2.87	-	-	-	987.37
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	6.25	0.03	18.63	5.45	-	30.36
(iii) Undisputed Trade Receivables –credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Unbilled Revenue	-	-	-	-	-	-

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E) Trade payables ageing schedule based:

As at March 31, 2024 *Rs. In lakhs*

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	2.18	-	-	-	2.18
Total outstanding dues of creditors other than micro enterprises and small enterprises	2.13	0.07	-	0.10	2.30
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	127.13	-	-	-	127.13

As at March 31, 2023 *Rs. In lakhs*

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	0.06	-	-	-	0.06
Total outstanding dues of creditors other than micro enterprises and small enterprises	27.54	-	-	0.28	27.82
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	58.55	-	-	-	58.55

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CARNATION HOTELS PVT. LTD. NEW DELHI

F) **Other Statutory Information**

(i). The Company have not traded or invested in Crypto currency or virtual currency during the financial year.

(ii). The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(iii). The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property

(iv). The Company has not entered into any transaction with companies struck off.

(v). The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(vi). The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vii). During the year, the Company has not entered into any scheme of arrangements in terms of section 230 to 237 of the Companies Act, 2013 and accordingly, the prescribed disclosures of Schedule III are not required to be given.

(viii). The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or,

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ix) The Company have not received any funds from any person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or,

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

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35. The previous year figures have been regrouped, rearranged and reclassified wherever necessary to conform to this year's classification.

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069

Prateek Agrawal
Partner
Membership No. 402826

For and on behalf of the Board of Directors of
Carnation Hotels Private Limited

Patanjali Govind Keswani
Director
DIN: 00002974

Kapil Sharma
Director
DIN: 00352890

Place: Gurugram
Date: May 27, 2024

Place: Mumbai
Date: May 27, 2024

NANGIA & CO LLP
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To The Members of Carnation Hotels Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Carnation Hotels Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2025 and the Statement of Profit and Loss including Other Comprehensive Income, statement of Changes in Equity and Cash Flow Statement for the year then ended, and notes to financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2025, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 (ICAI) 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 financial statements.

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

- The Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Director's Report, Chairman's statement, but does not include the Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in

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the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and Those Charged with Governance for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Ind AS 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.

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has an adequate internal financial controls system 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.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

   c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), and the Cash Flow Statement (and statement of changes in equity) dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

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e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(i)(vi) 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 over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.

h) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2025;

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

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

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

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

iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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c) 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 (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the year ended March 31, 2025 wherein:

a) the accounting software has a feature of recording audit trail (edit log) facility and the audit trail at the application level has operated throughout the year for all relevant transactions recorded in the software except that the audit trail feature was enabled for certain tables/master records only from March 27, 2025. Further, audit trail was not enabled at the database level to log any direct data changes. Consequently, we are unable to comment whether there were any instances of the audit trail feature being tampered with.

As audit trail feature was not enabled for the year ended March 31, 2024, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable.

Additionally, the audit trail that was enabled and operated for the year ended March 31, 2024, has been preserved by the Company as per the statutory requirements for record retention. (Refer Note 34 of the financial statements)

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

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Signed at Gurugram on May 26, 2025
UDIN: 25402826BMJBCR5691

Annexure 'A' to the Independent Auditors Report
[Refer to in our separate report of even date]

Annexure referred to under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date to the members of **Carnation Hotels Private Limited** on the financial statements for the year ended on March 31, 2025 and based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of accounts and other records examined by us in the normal course of audit, we report that:

I In respect of the Company's Property, Plant and Equipment and Intangible Assets

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of physical verification of Property, Plant and Equipment in phased periodical manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Title deeds in respect of all immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company.

(d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(e) As confirmed by the management, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

II (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) As The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during

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any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

III (a) During the year the Company has provided loans to other companies as follows:

Particulars	Amount (Rs. in Lakhs)
Aggregate amount granted/ provided during the year	
- Others	930.49
Balance outstanding as at balance sheet date in respect of above cases - Others	2,993.49

(b) During the year the loan granted, and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees to other Companies are not prejudicial to the Company's interest.

(c) The Company has granted loans which is repayable on demand so, this clause is not applicable to the Company.

(d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) There were no loans or advance in the nature of loan granted to other Companies which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) As disclosed in note 7(iii) to the financial statements During the year, the Company has granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to Company. Of these following are the details of the aggregate amount of loans or advances in the nature of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013

Particulars	Amount (Rs. In Lakhs)
Aggregate amount of loans/ advances in nature of loans - Repayable on demand	2,993.49

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Percentage of loans/ advances in nature of loans to the total loans	100%

IV The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees, and securities provided, as applicable.

V The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

VI The maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

VII In respect of statutory dues:

a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

b) According to the information and explanation given to us, there are no amounts in respect of Income Tax, Goods and Services tax, Sales Tax, Value Added Tax, Employee state Insurance, Duty of Excise, Duty of Custom, Cess and Service Tax etc. that have not been deposited with the appropriate authority on account of any dispute.

VIII As confirmed by the management, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

IX (a) As explained to us, the Company has not defaulted in repayment of loans and other borrowings and in repayment of interest thereon to any lender.

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(b) As confirmed by the management, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has applied term loans for the purpose for which the loans were obtained.

(d) The Company did not raise any funds on short-term basis during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

X (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

XI (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

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

XII As explained, the Company is not a Nidhi company. Therefore, the provisions of para 3(xii) of the Order are not applicable to the Company.

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XIII In our opinion, transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company

XIV The Company has implemented internal audit system on a voluntary basis which is commensurate with the size of the company and nature of its business though it is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013.

XV In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

XVI In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) (c) and (d) of the Order is not applicable.

XVII The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

XVIII There has been no resignation of the statutory auditors during the year and accordingly the requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

XIX On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, 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.

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XX	In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069

Prateek Agrawal

Prateek Agrawal
Partner,
Membership No. 402826
Signed at Gurugram on May 26, 2025
UDIN: 25402826BMJBCR5691

Annexure 'B' to the Independent Auditors Report
[Refer to in our separate report of even date]

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

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

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, 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 internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069

Prateek Agrawal

Prateek Agrawal
Partner,
Membership No. 402826

NANGIA & CO. LLP * CHARTERED ACCOUNTANTS * GURUGRAM

Signed at Gurugram on May 26, 2025
UDIN: 25402826BMJBCR5691

Carnation Hotels Private Limited
CIN: U55101DL2002PTC118180
Balance Sheet as at March 31, 2025

	Notes	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
ASSETS			
Non-current assets			
Property, plant and equipment	3	**103.73**	101.47
Intangible assets	4	**182.13**	250.74
Financial assets	5		
(i) Investments		**495.99**	-
(ii) Other financial assets		**95.00**	-
Other non-current assets	6	**219.12**	69.38
Deferred tax assets (net)	7	**80.21**	87.29
		1,176.18	508.88
Current assets			
Financial assets	8		
(i) Trade receivables		**1,347.15**	1,045.31
(ii) Cash and cash equivalents		**395.83**	177.62
(iii) Loans		**2,993.49**	2,063.00
(iv) Other financial assets		**334.29**	119.41
(v) Other bank balance		**400.00**	-
Other current assets	9	**26.72**	5.32
		5,497.48	3,410.66
Total Assets		**6,673.66**	3,919.54
EQUITY AND LIABILITIES			
Equity			
Share capital	10	**9.35**	9.35
Other equity	11	**6,202.99**	3,519.69
Total Equity		**6,212.34**	3,529.04
Liabilities			
Non-current liabilities			
Financial liabilities	12		
(i) Borrowings		**54.51**	58.82
Provisions	13	**2.32**	1.39
		56.83	60.21
Current liabilities			
Financial liabilities	14		
(i) Borrowings		**17.87**	28.72
(ii) Trade payables			
- total outstanding dues of micro enterprises and small enterprises		**-**	2.18
- total outstanding dues of creditors other than micro enterprises and small enterprises		**160.29**	67.04
(iii) Other financial liabilities		**45.42**	62.39
Other current liabilities	15	**171.56**	162.96
Provisions	13	**9.35**	7.00
		404.49	330.29
Total Liabilities		**461.32**	390.50
Total Equity and Liabilities		**6,673.66**	3,919.54
Summary of material accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

Place : Gurugram
Date : May 27, 2025

For and on behalf of the Board of Directors of
Carnation Hotels Private Limited

Vilas Pawar
Director
Din: 03626242

Kapil Sharma
Director
Din: 00352890

Place : New Delhi
Date : May 27, 2025

Carnation Hotels Private Limited
CIN: U55101DL2002PTC118180
Statement of Profit and Loss for the year ended March 31, 2025

	Notes	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Revenue from operations	16	**4,392.13**	3,502.26
Other income	17	**0.10**	2.84
Total Income		**4,392.23**	3,505.10
Expenses			
Employee benefits expense	18	**727.65**	664.48
Other expenses	19	**224.43**	541.70
Total expenses		**952.08**	1,206.18
Earnings before interest, tax, depreciation and amortisation (EBITDA)		**3,440.15**	2,298.92
Finance costs	20	**7.08**	39.96
Depreciation and amortization expense	21	**87.43**	82.07
Finance income	22	**(248.97)**	(146.32)
Profit before tax		**3,594.61**	2,323.21
Tax expense:			
(1) Current tax		**904.14**	557.23
(2) Adjustment of tax relating to earlier periods		**-**	(1.36)
(3) Deferred tax		**7.08**	24.67
		911.22	580.54
Profit for the year		**2,683.39**	1,742.67
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent period:			
Re-measurement losses on defined benefit plans		**(0.12)**	(3.29)
Income tax effect		**0.03**	0.83
Other Comprehensive loss for the year, net of tax		**(0.09)**	(2.46)
Total comprehensive income for the year, net of tax		**2,683.30**	1,740.21
Earnings per equity share:			
(1) Basic	23	**287.12**	186.47
(2) Diluted	23	**287.12**	186.47
Summary of material accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

Place : Gurugram
Date : May 27, 2025

For and on behalf of the Board of Directors of
Carnation Hotels Private Limited

Vilas Pawar

Vilas Pawar
Director
Din: 03626242

Kapil Sharma

Kapil Sharma
Director
Din: 00352890

Place : New Delhi
Date : May 27, 2025

Carnation Hotels Private Limited
CIN: U55101DL2002PTC118180
Statement of Changes in Equity for the year ended March 31, 2025

A. Equity Share Capital

Equity shares of INR 1 each issued, subscribed and fully paid	No. of shares	Amount Rs. in lakhs
As at April 1, 2023	**934,580**	**9.35**
Issue of share capital	-	-
As at March 31, 2024	934,580	9.35
Issue of share capital	-	-
As at March 31, 2025	934,580	9.35

B. Other Equity
For the year ended March 31, 2025

Rs. In lakhs

Particulars	Reserves and Surplus			Total equity
	Capital reserve	Capital redemption reserve	Retained Earnings	
Balance at April 1, 2023	52.18	350.00	1,377.30	1,779.48
Any other change during the year	-			-
Total Comprehensive Income for the year	-	-	1,740.21	1,740.21
Balance at March 31, 2024	52.18	350.00	3,117.51	3,519.69
Total Comprehensive Income for the year	-	-	2,683.30	2,683.30
Balance at March 31, 2025	**52.18**	**350.00**	**5,800.81**	**6,202.99**

Summary of material accounting policies 2.2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

Place : Gurugram
Date : May 27, 2025

NANGIA & CO. LLP * CHARTERED ACCOUNTANTS * GURUGRAM

For and on behalf of the Board of Directors of
Carnation Hotels Private Limited

Vilas Pawar
Director
Din: 03626242

Kapil Sharma
Director
Din: 00352890

Place : New Delhi
Date : May 27, 2025

CARNATION HOTELS PVT. LTD. NEW DELHI

Carnation Hotels Private Limited
CIN: U55101DL2002PTC118180
Cash flow statement for the year ended March 31, 2025

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Cash flow from operating activities		
Profit before tax	3,594.61	2,323.21
Adjustments to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortisation expenses	87.43	82.07
Finance income (including fair value change in financial instruments)	(248.97)	(146.32)
Finance costs (including fair value change in financial instruments)	7.08	39.96
Net loss on sale of property plant and equipment	-	2.20
Provision for doubtful debts	31.49	5.26
	3,471.64	2,306.38
Working Capital Adjustment:		
Change in trade receivables	(333.33)	(63.21)
Change in trade payables	91.07	45.18
Change in loans and advances and other current assets	12.69	121.64
Change in liabilities and provisions	(5.20)	13.13
	3,236.87	2,423.12
Income tax paid (net of refunds)	(1,053.85)	(541.88)
Net cash flow from operating activities	2,183.02	1,881.24
Investing activities		
Purchase of Property, Plant & Equipment and Intangible assets	(21.09)	(104.29)
Proceeds from sale of property plant & equipment	-	20.28
Purchase of investments	(495.99)	-
Investment in fixed deposit	(495.00)	-
Increase of loan given to related parties	(930.49)	(935.00)
Net Cash flow used in investing activities	(1,942.57)	(1,019.01)
Financing activities		
Repayment of long term borrowings	(30.86)	(10.48)
Proceeds from long term borrowings	15.70	79.16
Repayment of short term borrowings (net)	-	(718.34)
Interest paid	(7.08)	(39.96)
Net Cash used in financing activities	(22.24)	(689.62)
Net increase in cash and cash equivalents	218.21	172.61
Cash and cash equivalents at the beginning of the year	177.62	5.01
Cash and cash equivalents at the end of the year	395.83	177.62
Components of cash and cash equivalents		
Cash on hand	0.50	6.92
Deposits with original maturity of 3 months or less	200.00	100.00
Balances with Banks in		
Current accounts	195.33	70.70
Total cash and cash equivalents	395.83	177.62

Summary of material accounting policies 2.2

As per our report of even date

For Nangia & Co. LLP
ICAI FRN 002391C/N500069
Chartered Accountants

Prateek Agrawal

Prateek Agrawal
Partner
Membership No. 402826

Place : Gurugram
Date : May 27, 2025

For and on behalf of the Board of Directors of
Carnation Hotels Private Limited

Vilas Pawar
Director
Din: 03626242

Place : New Delhi
Date : May 27, 2025

Kapil Sharma
Director
Din: 00352890

1. Corporate Information

Carnation Hotels Private Limited (the Company) is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at Asset No. 6, Aerocity Hospitality District, New Delhi 110037.

The Company operates, manage and provide technical services to chain of hotels, motels, resorts, restaurants, etc.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 27, 2025.

2 Basis of preparation

2.1 Material accounting policies

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on a historical cost or at amortised cost except for the following assets and liabilities:

- Net defined benefit (asset)/liability
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, expect where otherwise indicated.

2.2 Summary of material accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

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CARNATION HOTELS PVT. LTD. * NEW DELHI *

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

(b) Foreign currencies

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit and loss are also recognised in OCI or statement of profit and loss, respectively).

(c) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

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

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

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

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

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





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

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

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

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value. External valuers are involved for valuation of significant assets and liabilities. The management selects external valuer on various criteria such as market knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the Valuation Committee verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note24)
- Quantitative disclosures of fair value measurement hierarchy (note 28)
- Financial instruments (including those carried at amortised cost) (note 28)

(d) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognized.





Goods and Service Tax (GST)/Sales tax/ value added tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Income from services
Revenues from management and consultancy contracts are recognized pro-rata over the period of the contract as and when services are rendered.

Interest income
For all financial instruments measured at amortized cost and interest bearing financial assets classified as available for sale, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the statement of profit and loss.

Dividends
Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Management fee
Revenue from management services comprises fixed and variable income. Fixed income is recognised pro-rata over the period of the contract as and when services are rendered. Variable income is recognised on an accrual basis in accordance with the terms of the relevant agreement.

Gain/(loss) on sale of investment in mutual funds
Gain/(loss) on sale of investment in mutual funds is recorded as other income on transfer of title from the Company and is determined as the difference between the redemption price and carrying value of the investments.

(e) Taxes

Current income tax
Current income tax assets and liabilities are measured as the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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

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CARNATION HOTELS PVT. LTD. NEW DELHI

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

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

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(f) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes its purchase import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs for long-term construction projects if the recognition criteria are met.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

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The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on fixed assets is provided as per Schedule II of Companies Act, 2013 on Straight Line Method over its economic useful life of fixed assets as follows:

Fixed Assets	Useful life considered (SLM)
Plant & Machinery	15 Years
Building	60 Years
Electrical installations and fittings	10 Years
Office Equipment's	5 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Computers	3 Years
Software	3 Years
License & franchise agreements	8 Years

The Company, based on management estimates, depreciates certain items of building, plant and equipment over estimated useful lives which are lower than the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end, and adjusted prospectively if appropriate.

(g) Intangible assets

On transition to IND AS, the Company has elected to continue with the carrying value of all of its Intangible assets recognised as at April 1, 2015, measured as per the previous GAAP, and use that carrying value as the deemed cost of such Intangible assets.

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

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

The useful lives of intangible assets are assessed as below:

Intangible Assets	Life
Softwares	3 years
Franchise & license agreements	8 years

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment at each year end either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 income statement when the asset is derecognized.

(h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(i) Impairment of non-financial assets

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

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations are recognised in the statement of profit and loss.





For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(j) Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(k) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to 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, for example, a reduction in future payment or a cash refund.

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

Past service costs are recognised in statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs





Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

The Company treats leaves expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability

(l) 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.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables, loans to subsidiaries etc. For more information on receivables, refer to Note 8.

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Debt instrument at FVTOCI

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Financial assets that are debt instruments and are measured as at FVTOCI
c) Lease receivables under Ind AS 116
d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18
e) Loan commitments which are not measured as at FVTPL
f) Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:
Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

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

Loans and borrowings
This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

This category generally applies to borrowings.

Financial guarantee contracts
Financial guarantee contracts issued by the group Company are those contracts that require a payment to be made to reimburse the guarantee holder for a loss it incurs because the Company fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantees issued by the group Company on behalf the Company are designated as 'Insurance Contracts'.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

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Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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(m) Redeemable preference shares

Redeemable preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the redeemable preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

(n) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and 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.

(o) Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule III to the Companies Act, 2013, the Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

(p) Segment reporting policies

Identification of segments

The management of the Company reviews the specific performance of its respective hotel properties. However, since all hotels have similarity in terms of products and services, customer classes, method of providing services and the regulatory environment, the individual hotels qualify for aggregation. Thus, the management has considered aggregating all the hotels as one reportable operating segment. Accordingly, the figures appearing in these financial statements relate to the Company's single operating segment.

(q) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the Company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year, if any.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

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3 **Property, plant and equipment**

Rs. in lakhs

Particulars	Office Furniture	Office equipments	Computers	Vehicles*	Total
Cost or valuation					
As at April 1, 2023	0.16	0.27	11.36	30.01	41.80
Additions	-	-	6.20	97.95	104.15
Disposals	-	-	-	30.01	30.01
As at March 31, 2024	**0.16**	**0.27**	**17.56**	**97.95**	**115.94**
Additions	-	-	3.03	17.50	20.53
Disposals	-	-	-	-	-
As at March 31, 2025	**0.16**	**0.27**	**20.59**	**115.45**	**136.47**
Depreciation					
As at April 1, 2023	0.11	0.27	4.47	4.42	9.27
Charge for the year	0.02	-	3.55	9.16	12.73
Disposals	-	-	-	7.53	7.53
As at March 31, 2024	**0.13**	**0.27**	**8.02**	**6.05**	**14.47**
Charge for the year	0.02	-	5.00	13.25	18.27
Disposals	-	-	-	-	-
As at March 31, 2025	**0.15**	**0.27**	**13.02**	**19.30**	**32.74**
Net Book value					
As at March 31, 2025	**0.01**	**-**	**7.57**	**96.15**	**103.73**
As at March 31, 2024	0.03	-	9.54	91.90	101.47

Net book value	**As at March 31, 2025**	**As at March 31, 2024**
Plant, property and equipment	103.73	101.47

*Vehicle loan is secured by hypothecation of underlying motor vehicle acquired out of such loans
a) There is no change in the carrying value due to revaluation in any class of assets

4 **Intangible Assets**

Rs. in lakhs

Particulars	Software	License & franchise agreements	Total
Cost or valuation			
As at April 1, 2023	2.42	1,900.00	1,902.42
Additions	0.15	-	0.15
As at March 31, 2024	**2.57**	**1,900.00**	**1,902.57**
Additions	0.55	-	0.55
As at March 31, 2025	**3.12**	**1,900.00**	**1,903.12**
Amortisation and impairment			
As at April 1, 2023	2.23	1,580.26	1,582.49
Amortisation	0.24	69.10	69.34
As at March 31, 2024	**2.47**	**1,649.36**	**1,651.83**
Amortisation	0.25	68.91	69.16
As at March 31, 2025	**2.72**	**1,718.27**	**1,720.99**
Net Block			
As at March 31, 2025	**0.40**	**181.73**	**182.13**
As at March 31, 2024	0.10	250.64	250.74

a) There is no change in the carrying value due to revaluation in any class of assets

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5 Financial assets

	March 31, 2025	March 31, 2024
	Rs. In lakhs	Rs. In lakhs
(i) Investments		
Investments as cost		
Unquoated equity shares of Subsidiary company at cost		
49,59,900 (March 31, 2024: Nil) equity shares of Arum Hotels Private Limited of Rs. 10 each fully paid.	495.99	-
	495.99	-
Aggregate amount of unquoted investments	495.99	-
Current	-	-
Non-Current	495.99	-
	495.99	-
(ii) Other financial assets		
Fixed deposits under lien*	**95.00**	-
	95.00	-

* Fixed deposits under lien includes deposits lien marked with banks against guarantees issued in favour of various Government departments.

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6 Other non-current assets	As at March 31, 2025 Rs. In lakhs	As at March 31, 2024 Rs. In lakhs
Advances other than capital advances		
Others		
Advance income tax (net of provision for taxation)	**219.12**	69.38
Total	**219.12**	69.38

7 Deferred tax assets (Net)	As at March 31, 2025 Rs. In lakhs	As at March 31, 2024 Rs. In lakhs
Deferred tax liabilities		
Fixed assets : Impact of difference between tax depreciation and depreciation/ amortization charged for financial year	**(54.96)**	(71.77)
Deferred tax Liabilities	**(54.96)**	(71.77)
Deferred tax assets		
Impact of expenditure charged to the statement of profit and loss in the current/ earlier period but allowable for tax purposes on payment basis	**9.68**	7.88
DTA on ECL Created on trade recivables	**15.57**	7.64
Deferred tax Assets	**25.25**	15.52
Deferred tax asset (Net)	**80.21**	87.29

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2025 and March 31, 2024

Accounting profit before income tax	**3,594.61**	2,323.21
Tax rate	**25.17%**	25.17%
At India's statutory income tax rate of 25.17%	**904.69**	584.70
Effect of non-deductible expenses	**6.53**	2.17
Income tax (credit)/charge in respect of earlier year	**-**	(6.33)
	911.22	580.54

		As at March 31, 2025 Rs. In lakhs	As at March 31, 2024 Rs. In lakhs
8	**Financial assets**		
(i)	**Trade receivables***	**1,347.15**	1,045.31
		1,347.15	1,045.31
	* refer note 35(D) for agewise outstanding of trade receivable		
	Break-up for trade receivables:		
	Unsecured, considered good	**1,347.15**	1,045.31
	Doubtful	**61.85**	30.36
		1,409.00	1,075.67
	Impairment allowance (allowance for bad and doubtful debts)		
	Doubtful	**61.85**	30.36
	Total trade receivables	**1,347.15**	1,045.31
(ii)	**Cash and cash equivalents**		
	Balance with banks		
	On current accounts	**195.33**	70.70
	Deposits with original maturity of 3 months or less	**200.00**	100.00
	Cash on hand	**0.50**	6.92
		395.83	177.62
	Cash at bank are non-interest bearing financial assets.		
(iii)	**Loans***		
	Loan to related party**	**2,993.49**	2,063.00
		2,993.49	2,063.00
	*refer note 35(C) for loans granted to promoter, director, KMP and other related parties.		
	**Loan carries an interest @9% and is payable on demand		
(iv)	**Other financial assets**		
	Interest accrued but not due	**334.29**	119.41
		334.29	119.41
(v)	**Bank balances other than (ii) above**		
	Deposits with remaining maturity for less than 12 months	**400.00**	-
		400.00	-
	Break up of current financial assets carried at amortised cost		
	Trade receivables	**1,347.15**	1,045.31
	Cash and cash equivalents	**395.83**	177.62
	Deposits with remaining maturity for less than 12 months	**400.00**	-
	Loan to related party	**2,993.49**	2,063.00
	Interest accrued but not due	**334.29**	119.41
	Total current financial assets carried at amortised cost	**5,470.76**	3,405.34
9	**Other current assets**		
	Balance with statutory/ government authorities	**1.21**	0.78
	Unbilled revenue	**23.07**	2.07
	Prepaid expenses	**2.44**	2.47
	Total	**26.72**	5.32

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10 Share capital

Authorised Share Capital

	Equity shares	
	No. of shares	Rs. In Lakhs
As at April 1, 2023	1,000,000	10.00
Increase/(decrease) during the year	-	-
As at March 31, 2024	1,000,000	10.00
Increase/(decrease) during the year	-	-
As at March 31, 2025	1,000,000	10.00

	5% Redeemable Non-Cumulative Preference Shares	
	No. of shares	Rs. In lakhs
As at April 1, 2023	350,000	350.00
Increase/(decrease) during the year	-	-
As at March 31, 2024	350,000	350.00
Increase/(decrease) during the year	-	-
As at March 31, 2025	350,000	350.00

Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders 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.

The Preference shares are not convertible into equity shares and are reflected in financial liabilites

Issued equity capital*

Equity shares of INR 1 each issued, subscribed and fully paid	No. of shares	Rs. In lakhs
As at April 1, 2023	934,580	9.35
Increase/(decrease) during the year	-	-
As at March 31, 2024	934,580	9.35
Increase/(decrease) during the year	-	-
As at March 31, 2025	934,580	9.35

*read with note number 35(B) for promotor holding details

Shares held by holding company:-

	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Rs. In lakhs	No. of shares	Rs. In lakhs
Equity shares of Rs. 1 each fully paid up				
Lemon Tree Hotels Limited	934,580	9.35	934,580	9.35

Details of shareholders holding more than 5% shares in the company:-

Name of the shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of shares	% held as at March 31, 2025	No. of shares	% held as at March 31, 2024
Equity shares of Rs. 1 each fully paid up				
Lemon Tree Hotels Limited	934,580	100.00%	934,580	100.00%

The Company has not issued Bonus Share, Share for consideration other than cash and has not bought back shares during the period of five years immediately preceding the reporting date.

11 Other equity

Retained Earnings

	Rs. In lakhs
As at April 1, 2023	1,377.30
Profit for the year	1,740.21
As at March 31, 2024	3,117.51
Profit for the year	2,683.30
As at March 31, 2025	5,800.81

Capital Redemption Reserve

As at April 1, 2023	350.00
Increase during the year	-
As at March 31, 2024	350.00
Increase/(decrease) during the year	-
As at March 31, 2025	350.00

Capital Reserve (Equity Component of Reedemable Preference shares)

	Rs. In lakhs
As at April 1, 2023	52.18
Increase/(decrease) during the year	-
As at March 31, 2024	52.18
Increase/(decrease) during the year	-
As at March 31, 2025	52.18

Other reserves	As at March 31, 2025 Rs. In lakhs	As at March 31, 2024 Rs. In lakhs
Retained earnings	5,800.81	3,117.51
Capital Reserve (Equity Component of Reedemable Preference shares)	52.18	52.18
Capital Redemption Reserve	350.00	350.00
	6,202.99	3,519.69

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12 Borrowings

	As at March 31, 2025 Rs. In lakhs	As at March 31, 2024 Rs. In lakhs
Non-current borrowings		
Term Loans		
Indian rupee loans from Banks (Secured)		
Vehicle loans (Refer note 1 below)	**54.51**	58.82
Total non-current borrowings	**54.51**	58.82
Current borrowings		
Term Loans		
Current maturity of long term loans		
Vehicle loans (Refer note 1 below)	**17.87**	28.72
Total current borrowings	**17.87**	28.72
Less: Amount clubbed under "current borrowings"	**(17.87)**	(28.72)
Net current borrowings	-	-

Term loans

1.) Vehicle loans are taken from HDFC Bank and are secured by hypothecation of underlying motor vehicle acquired out of such loans. Rate of interest of the loans is 8.50% - 8.75%. The loan is repayable on agreed monthly installments.

2) The Company has not defaulted in the repayment of loans and interest as at Balance Sheet date.

13 Provisions

	As at March 31, 2025 Rs. In lakhs	As at March 31, 2024 Rs. In lakhs
Provision for gratuity (refer note 25)		
Current	2.57	2.10
Non-current	2.32	1.39
	4.89	3.49
Provision for leave benefits		
Current	6.78	4.90
Non-current	-	-
	6.78	4.90
Total current	**9.35**	7.00
Total non-current	**2.32**	1.39

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14 Financial liabilities	As at March 31, 2025 Rs. In lakhs	As at March 31, 2024 Rs. In lakhs
(i) Borrowings		
Current maturities of long-term borrowings (refe note 12)	**17.87**	28.72
	17.87	28.72

	As at March 31, 2025 Rs. In lakhs	As at March 31, 2024 Rs. In lakhs
(ii) Trade payables*		
Trade Payables		
-Micro and small enterprises	-	2.18
-Other than micro and small enterprises	**160.29**	67.04
	160.29	69.23
*refer note 35(e) for ageing outstanding of trade payables		
(iii) Other financial liabilities		
Outstanding dues of employees	**45.42**	62.39
	45.42	62.39
15 Other current liabilities		
Statutory dues	**171.56**	162.96
	171.56	162.96

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16 Revenue from operations

	For the year ended March 31, 2025 Rs. In lakhs	For the year ended March 31, 2024 Rs. In lakhs
Sale of products and services		
Consultancy for hotel design, development & management	**4,392.13**	3,502.26
	4,392.13	3,502.26

17 Other income

	For the year ended March 31, 2025 Rs. In lakhs	For the year ended March 31, 2024 Rs. In lakhs
Miscellaneous income	**0.10**	2.84
Total	**0.10**	2.84

18 Employee benefit expense

	For the year ended March 31, 2025 Rs. In lakhs	For the year ended March 31, 2024 Rs. In lakhs
Salaries, wages and bonus	**716.94**	655.55
Contribution to provident fund and other funds	**7.36**	8.85
Gratuity expense	**1.28**	1.12
Leave compensation expenses	**1.98**	(1.09)
Staff welfare expenses	**0.09**	0.05
Total	**727.65**	664.48

19 Other expenses

	For the year ended March 31, 2025 Rs. In lakhs	For the year ended March 31, 2024 Rs. In lakhs
Repair and maintenance		
- Others	**0.73**	0.48
License fees	**18.62**	15.79
Rates and taxes	**0.12**	0.07
Insurance	**-**	0.04
Communication costs	**0.08**	0.06
Printing and stationery	**0.02**	-
Traveling and conveyance	**9.84**	12.50
Vehicle running and maintenance	**4.15**	0.11
Advertisement and business promotion	-	379.80
Membership and subscriptions	-	0.29
Training expenses	**4.00**	15.65
Legal and professional fees	**127.74**	99.56
Provision for doubtful debts	**31.49**	5.26
Corporate social responsibility expense	**25.90**	8.63
Loss on sale of property, plant & equipment	-	2.20
Payment to auditors	**1.50**	1.12
Miscellaneous expenses	**0.24**	0.14
Total	**224.43**	541.70

Payment to auditor

Statutory audit fees	**1.44**	1.00
Tax audit fees	**0.06**	0.06
Other services	**-**	0.20
	1.50	1.26

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Details of CSR expenditure:	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
(a) Gross amount required to be spent by the company during the year	25.90	8.63
(b) Amount spent during the year ended on March 31, 2025:	In cash	Yet to be paid in cash
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	25.90	-
(b) Amount spent during the year ended on March 31, 2024:	In cash	Yet to be paid in cash
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	8.63	-

The Company, through CSR initiative focuses on following areas:
•Empowerment of weaker section of society through education and skill training
•Giving special care to disabled's, advocacy for inclusion and early identification of person with disabilities
• Purchase of Antismog gun for environment

20 Finance cost	For the year ended March 31, 2025 Rs. In lakhs	For the year ended March 31, 2024 Rs. In lakhs
Interest		
- on vehicle loans	6.99	4.61
- on credit facilities from banks	-	35.35
- on loans from others	0.09	-
Total	7.08	39.96

21 Depreciation and amortization expense	For the year ended March 31, 2025 Rs. In lakhs	For the year ended March 31, 2024 Rs. In lakhs
Depreciation of tangible assets	18.27	12.73
Amortization of intangible assets	69.16	69.34
Total	87.43	82.07

22 Finance income	For the year ended March 31, 2025 Rs. In lakhs	For the year ended March 31, 2024 Rs. In lakhs
Interest Income on :		
-Bank Deposits	21.05	-
-Loan to related party	227.92	146.32
	248.97	146.32

23 Earnings per share (Basic And Diluted)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company 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 March 31, 2025 Rs. In lakhs	For the year ended March 31, 2024 Rs. In lakhs
Profit after tax (Rs. In lakhs)	2,683.39	1,742.67
Weighted average Number of equity shares	934,580	934,580
Basic & Diluted EPS (Rs.)	287.12	186.47

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24. Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these judgements, estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The estimates and underlying assumptions are reviewed on an ongoing basis and the revisions to accounting estimates are recognized in the period in which the estimate is revised.

Critical judgements, estimates and assumptions

a. Impairment of intangible assets

Each license and franchise agreement is an identifiable asset that generates cash inflows and is independent of the cash inflows of the other hotel properties, hence identified as cash generating units. The Company assesses the carrying amount of license and franchise agreement (CGU) to determine whether there is any indication that those assets have suffered an impairment loss. Where the carrying amount of CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. An impairment loss (if any) is recognised in the statement of profit and loss.

While assessing the recoverable amount, the Company used the discounted cash flow approach including various significant estimates and assumptions such as forecast of future revenue, operating margins, growth rate and selection of the discount rates. The key assumptions used for the calculations are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Discount Rate *(post tax rate of WACC*	12.00%	11.70% (pre tax rate 12.00%)
Long Term Growth Rate	5.50%	5.00%

As at March 31, 2025, the estimated recoverable amount of the CGU exceeded its carrying amount.

b. Loss allowance on trade receivables

An impairment analysis of trade receivables is performed at each reporting period based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates. Basis this assessment, the allowance for doubtful trade receivables as at March 31, 2025 is considered adequate.

25. Gratuity and other post-employment benefit plans

Rs. In lakhs

	As at March 31, 2025	As at March 31, 2024
Gratuity plan	**4.89**	3.49
Total	**4.89**	3.49

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The Company makes provision of such gratuity asset/ liability in the books of accounts on the basis of actuarial valuation as per the Projected unit credit method.

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Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2025:

Rs. in lakhs

	Gratuity cost charged to profit or loss					Remeasurement gains/(losses) in other comprehensive income						
	April 1, 2024	**Service cost**	**Net interest expense**	**Sub-total included in profit or loss**	**Benefits paid**	**Return on plan assets (excluding amounts included in net interest expense)**	**Actuarial changes arising from changes in demographic assumptions**	**Actuarial changes arising from changes in financial assumptions**	**Experience adjustments**	**Sub-total included in OCI**	**Contributions by employer**	**March 31, 2025**
Defined benefit obligation	3.49	1.03	0.25	1.28	-	-	-	(0.07)	(0.05)	(0.12)	-	4.89
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**3.49**	**1.03**	**0.25**	**1.28**	**-**	**-**	**-**	**(0.07)**	**(0.05)**	**(0.12)**	**-**	**4.89**

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2024:

Rs. in lakhs

	Gratuity cost charged to profit or loss					Remeasurement gains/(losses) in other comprehensive income						
	April 1, 2023	**Service cost**	**Net interest expense**	**Sub-total included in profit or loss**	**Benefits paid**	**Return on plan assets (excluding amounts included in net interest expense)**	**Actuarial changes arising from changes in demographic assumptions**	**Actuarial changes arising from changes in financial assumptions**	**Experience adjustments**	**Sub-total included in OCI**	**Contributions by employer**	**March 31, 2024**
Defined benefit obligation	4.09	0.83	0.29	1.12	(5.01)	-	-	(0.01)	(3.28)	(3.29)	-	3.49
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**4.09**	**0.83**	**0.29**	**1.12**	**(5.01)**	**-**	**-**	**(0.01)**	**(3.28)**	**(3.29)**	**-**	**3.49**

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

	March 31, 2025	March 31, 2024
	%	%
Discount rate	**6.40%**	7.10%
Future salary increases	**5.00%**	5.00%

A quantitative sensitivity analysis for significant assumption as at March 31, 2025 is as shown below:

	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.10)	0.11	0.11	(0.10)

A quantitative sensitivity analysis for significant assumption as at March 31, 2024 is as shown below:

	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.06)	0.06	0.06	(0.06)

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

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

Rs. in lakhs

Duration (Years)	**For the year ended March 31, 2025**	For the year ended March 31, 2024
1	2.66	2.17
2	0.43	0.33
3	0.44	0.26
4	0.50	0.25
5	0.41	0.25
Above 5	1.31	0.80
Total expected payments	**5.75**	**4.06**

The average duration of the defined benefit plan obligation at the end of the reporting period is 3 years (March 31, 2024: 3 years).

26. Commitments and contingencies

a. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:

At March 31, 2025, the Company did not have any contracts remaining to be executed on capital account and not provided for.





27. Related Party Transactions

a) Names of related parties

Holding company	- Lemon Tree Hotels Limited
Subsidiary	- Arum Hotels Private Limited
Fellow subsidiary	- Iora Hotels Private Limited - Sukhsagar Complexes Private Limited - Oriole Dr Fresh Hotels Private Limited
Enterprise in which Holding company has significant influence	- Mind Leaders Learning India Private Limited
Key management personnel	-Mr. Patanjali Govind Keswani (Director) - Mr. Kapil Sharma (Director) - Mr Vilas Pawar (Director)

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year

Rs. in Lakhs

Transactions with Related party	Year Ended	Holding Company	Subsidiary	Fellow Subsidiary	Key Management Personnel	Enterprise in which Holding company has significant influence
Loan Given						
Iora Hotels Private Limited	**31-Mar-25**	-	-	-	-	-
	31-Mar-24	-	-	25.00	-	-
Sukhsagar Complexes Private Limited	**31-Mar-25**	-	-	**245.00**	-	-
	31-Mar-24	-	-	1,268.00	-	-
Oriole Dr Fresh Hotels Private Limited	**31-Mar-25**	-	-	**605.00**	-	-
	31-Mar-24	-	-	-	-	-
Arum Hotels Private Limited	**31-Mar-25**	-	**75.00**	-	-	-
	31-Mar-24	-	-	-	-	-
Repayment Of Loan Given						
Sukhsagar Complexes Private Limited	**31-Mar-25**	-	-	-	-	-
	31-Mar-24	-	-	5.00	-	-
Iora Hotels Private Limited	**31-Mar-25**	-	-	-	-	-
	31-Mar-24	-	-	353.00	-	-
Reimbursement of expenses						
Arum Hotels Private Limited	**31-Mar-25**	-	**5.49**	-	-	-
	31-Mar-24	-	-	-	-	-
Remuneration Paid						
Mr. Vilas Pawar	**31-Mar-25**	-	-	-	**94.01**	-
	31-Mar-24	-	-	-	-	-
Training Fee						
Mind Leaders Learning India Private Limited	**31-Mar-25**	-	-	-	-	**6.00**
	31-Mar-24	-	-	-	-	5.55
License Fees Paid						

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Transactions with Related party	Year Ended	Holding Company	Subsidiary	Fellow Subsidiary	Key Management Personnel	Enterprise in which Holding company has significant influence
Lemon Tree Hotels Limited	**31-Mar-25**	**18.62**	-	-	-	-
	31-Mar-24	15.79	-	-	-	-
Interest Income						
Iora Hotels Private Limited	**31-Mar-25**	-	-	-	-	-
	31-Mar-24	-	-	15.80	-	-
Sukhsagar Complexes Private Limited	**31-Mar-25**	-	-	**200.41**	-	-
	31-Mar-24	-	-	130.51	-	-
Oriole Dr Fresh Hotels Private Limited	**31-Mar-25**	-	-	**26.60**	-	-
	31-Mar-24	-	-	-	-	-
Arum Hotels Private Limited	**31-Mar-25**	-	-	**0.91**	-	-
	31-Mar-24	-	-	-	-	-
Interest Accrued but not due on Loan given						
Sukhsagar Complexes Private Limited	**31-Mar-25**	-	-	**299.78**	-	-
	31-Mar-24	-	-	119.41	-	-
Oriole Dr Fresh Hotels Private Limited	**31-Mar-25**	-	-	**23.94**	-	-
	31-Mar-24	-	-	-	-	-
Arum Hotels Private Limited	**31-Mar-25**	-	-	**0.82**	-	-
	31-Mar-24	-	-	-	-	-
Purchase of Shares (shares of Arum Hotels Pvt Ltd)						
Lemon Tree Hotels Ltd	**31-Mar-25**	**1.00**	-	-	-	-
	31-Mar-24	-	-	-	-	-
Investment in Shares						
Arum Hotels Private Limited	**31-Mar-25**	-	**494.99**	-	-	-
	31-Mar-24	-	-	-	-	-

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Transactions with Related party	Year Ended	Holding Company	Subsidiary	Fellow Subsidiary	Key Management Personnel	Enterprise in which Holding company has significant influence
Bank Guarantee extended by Company's Bank to the Subsidiary on behalf of the Company						
Arum Hotels Private Limited	**31-Mar-25**	-	**620.00**	-	-	-
	31-Mar-24	-	-	-	-	-
Balance outstanding as at year end						
Lemon Tree Hotels Limited	**31-Mar-25**	**8.24**	-	-	-	-
	31-Mar-24	3.56	-	-	-	-
Sukhsagar Complexes Private Limited	**31-Mar-25**	-	-	**2,308.00**	-	-
	31-Mar-24	-	-	2,063.00	-	-
Oriole Dr Fresh Hotels Private Limited	**31-Mar-25**	-	-	**605.00**	-	-
	31-Mar-24	-	-	-	-	-
Arum Hotels Private Limited	**31-Mar-25**	-	-	**80.49**	-	-
	31-Mar-24	-	-	-	-	-
Investment						
Arum Hotels Private Limited	**31-Mar-25**	-	**495.99**	-	-	-
	31-Mar-24	-	-	-	-	-

Commitments with related parties

The company has not entered into any commitments with related parties during the year.

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28. Fair values

This section gives an overview of the significance of financial instruments for the company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument.

a. Financial instruments by category

	31-Mar-25		31-Mar-24	
	FVTPL	Amortized Cost	FVTPL	Amortized Cost
Financial Assets				
Trade Receivables	-	**1,347.15**	-	1,045.31
Other financial asset	-	**429.29**	-	119.41
Loan	-	**2,993.49**	-	2,063.00
Cash and Cash Equivalents	-	**395.83**	-	177.62
Other bank balance	-	**400.00**	-	-
Total Financial Assets (other than equity investment in subsidiaries carried at cost)	-	**5.565.76**	-	3,405.34
Financial Liabilities				
Borrowings	-	**72.38**	-	87.54
Trade payable	-	**160.29**	-	69.23
Other financial liabilities	-	**45.42**	-	62.39
Total Financial Liabilities		**278.09**		219.16

Note: The financial assets above do not include investments in subsidiaries and associates which are measured at cost in accordance with Ind AS 27

b. Fair value measurement hierarchy for assets and liabilities

Fair value measurement

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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

i) Level 1

Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

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ii) Level 2

Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

iii) Level 3

Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

The management assessed that fair values of cash and cash equivalents, trade receivables, trade payables, bank overdrafts, Interest accrued on bank deposits with banks, other current financial assets and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of loans, security deposits, borrowings and other financial assets and liabilities are considered to be the same as their fair values, as there is an immaterial change in the lending rates.

29. Financial risk management objectives and policies

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

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings, deposits and payables/receivables in foreign currencies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

Trade receivables and security deposits

Customer credit risk is managed by business through the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of each customer is assessed and credit limits are defined in accordance with this assessment. Outstanding customer receivables and security deposits are regularly monitored.

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An impairment analysis is performed for all major customers at each reporting date on an individual basis. In addition, a large number of minor receivables are grouped into homogenous group and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 5 & 8. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has no exposure in foreign currency.

Credit risk

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

(a) Trade receivables

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed below. The Company does not hold collateral as security.

(b) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investment of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2025 and 31 March 2024 is the carrying amount as illustrated in Note 28.

Rs. in lakhs

Ageing	March 31, 2025	March 31, 2024
Not due	-	-
0-60 days past due	1,014.34	826.92
61-120 days past due	223.98	204.33
121-180 days past due	47.19	14.06
180-365 days past due	59.19	-
365-730 days past due	2.45	-

Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders. The Company had access to the following undrawn borrowing facilities at the end of the reporting periods.

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

Rs. inlakhs

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2025						
Borrowings	-	4.33	13.54	54.51	-	72.38
Trade payables	160.29	-	-	-	-	160.29
Other financial liabilities	45.42	-	-	-	-	45.42
	205.71	**4.33**	**13.54**	**54.51**	**-**	**278.09**
Year ended March 31, 2024						
Borrowings	-	18.22	10.49	58.83	-	87.54
Trade payables	69.22	-	-	-	-	69.22
Other financial liabilities	62.39					62.39
	131.61	**18.22**	**10.49**	**58.83**	**-**	**219.15**

30. **Capital management**

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, whichis net debtdivided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade payables, less cash and cash equivalents.

Rs. In lakhs

	March 31, 2025	March 31, 2024
Borrowings	72.38	87.54
Trade payable	160.29	69.22
Less: cash and cash equivalents (Note 8)	395.83	177.62
Net debt	**(163.16)**	**(20.85)**
Total capital (Including preference share)	6,212.34	3,529.03
Capital and net debt	6,049.18	3,508.18
Gearing ratio	-2.70%	-0.59%

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

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.





No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024.

31. There is no unhedged foreign currency exposure as at the balance sheet date.

32. **Segment reporting:**

The Company is into Hoteliering business. The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore there is no reportable segment for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about geographical areas

The Company has only domestic operations and hence no information required for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about major customers

No customer individually accounted for more than 10% of the revenue.

33. **Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006.**

	March 31, 2025	March31, 2024
the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	-	2.18
the amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

34. As per the proviso to Rule 3(1) of Companies (Accounts) Rules, 2014, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.





The Company uses an accounting software for recording all the accounting transactions for the year ended March 31, 2025. The software has a feature of recording audit trail (edit log) facility which was enabled throughout the year except that on certain tables/ master records audit trail (edit log) facility was enabled on March 27, 2025 and the audit trail (edit log) facility is not enabled at database level. Subsequent to the year ended March 31, 2025, the Company has implemented audit trail (edit log) facility on this accounting software.

The audit trail that was enabled and operated for the year ended March 31, 2024, has been preserved by the Company as per the statutory requirements for record retention.

The Management has adequate internal controls over financial reporting which were operating effectively for the year ended March 31, 2025.

35. Supplementary information as per requirement of Schedule III of the Companies Act.

A) Ratio Analysis and its elements

S.No.	Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	% Variance	Reason for variance
1	Current ratio	Current assets	Current liabilities	13.59	10.33	31.62%	Increase due to revenue generated from operations corresponding increase in current assets& decrease in Current liability
2	Debt equity ratio	Total Debt	Shareholder equity	0.01	0.02	(53.03%)	Decrease due to reduction of current borrowings from funds generated from operations
3	Debt service coverage ratio	Earnings available for debt service	debt service	73.39	2.43	2,925.64%	Change is due to increase in revenue from operations& decrease in borrowings
4	Return on equity	Net profit after taxes	Average shareholders equity	55%	66%	(16.52%)	-
5	Inventory turnover ratio	COGS & Sales	Average Inventory	NA	NA	NA	-
6	Trade receivable turnover ratio	Net credit sales	Avg. accounts receivable	3.67	3.45	6.42%	-
7	Trade payables turnover ratio	Net credit purchase	Average trade payable	NA	NA	NA	-
8	Net capital turnover ratio	Net Sales	Working capital	0.86	1.14	(24.15%)	-
9	Net profit ratio	Net Profit	Net sales	61%	50%	22.78%	-
10	Return on capital employed	EBIT	Capital employed	59%	66%	(10.58%)	-
11	Return on investment	Income generated from investments (Fixed Deposits)	Time weighted investments	NA	NA	NA	

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(i) Earning for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of fixed assets etc.

(ii) Debt service = interest and lease payments + principal repayments.

(iii) Capital employed= Networth+ Total debt + Deferred tax liability-net intangible assets

B) Detail of shareholding of promoters of the Company

As at March 31, 2025

S.No.	Promoter Name	Number of shares at the beginning of the year 2024	% of total Share Capital	Change during the year*	Number of shares at the end of the year 2025	Percentage of Total shares	% change during the year
1	Lemon Tree Hotels Limited	934,580	100%	-	934,580	100.00%	-

As at March 31, 2024

S.No.	Promoter Name	Number of shares at the beginning of the year 2023	% of total Share Capital	Change during the year*	Number of shares at the end of the year 2024	Percentage of Total shares	% change during the year
1	Lemon tree Hotels Limited	934,580	100%	-	934,580	100.00%	-

C) Disclosure of loans or advances given by the Company in the nature of loans granted to promoters, directors, KMPs and related parties.

Rs. in Lakhs

Type of Borrower	As at March 31, 2025		As at March 31, 2024	
	Amount of loan	% of total Loans	Amount of loan outstanding	% of total Loans
Loan to promoters	-	-	-	-
Loan to directors	-	-	-	-
Loan to KMPs	-	-	-	-
Loan to related parties -fellow subsidiaries	2,993.49	100%	2,063.00	100%
Total	**2,993.49**	**100%**	**2,063.00**	**100%**

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D) Trade Receivables ageing schedule:

As at March 31, 2025

Rs. In lakhs

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables –considered good	1,285.51	59.19	2.45	-	-	1,347.15
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	50.85	11.00	-	61.85
(iii) Undisputed Trade Receivables –credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Unbilled Revenue	-	-	-	-	-	-

As at March 31, 2024

Rs. In lakhs

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables –considered good	1,045.31	-	-	-	-	1,045.31
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	6.28	18.63	5.45	30.36
(iii) Undisputed Trade Receivables –credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Unbilled Revenue	-	-	-	-	-	-

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E) Trade payables ageing schedule based:

As at March 31, 2025 *Rs. In lakhs*

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	11.42	-	0.07	0.10	11.59
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	148.70	-	-	-	148.70

As at March 31, 2024 *Rs. In lakhs*

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	2.18	-	-	-	2.18
Total outstanding dues of creditors other than micro enterprises and small enterprises	2.13	0.07	-	0.10	2.30
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	127.13	-	-	-	127.13

F) **Other Statutory Information**

(i). The Company have not traded or invested in Crypto currency or virtual currency during the financial year.

(ii). The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(iii). The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property

(iv). The Company has not entered into any transaction with companies struck off.

(v). The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

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(vi). The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vii). During the year, the Company has not entered into any scheme of arrangements in terms of section 230 to 237 of the Companies Act, 2013 and accordingly, the prescribed disclosures of Schedule III are not required to be given.

(viii). The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or,

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ix) The Company have not received any funds from any person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or,

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

36. The previous year figures have been regrouped, rearranged and reclassified wherever necessary to conform to this year's classification.

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069

NANGIA & CO. LLP * CHARTERED ACCOUNTANTS * GURUGRAM

Prateek Agrawal
Partner
Membership No. 402826

Place: Gurugram
Date: May 27, 2025

For and on behalf of the Board of Directors of
Carnation Hotels Private Limited

Vilas Pawar
Director
DIN: 03626242

Kapil Sharma
Director
DIN: 00352890

Place: New Delhi
Date: May 27, 2025

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B RANJAN AND CO.
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HAMSTEDE LIVING PRIVATE LIMITED

Report on the Audit of IND AS Financial Statements

Opinion

We have audited the accompanying IND AS financial statements of **HAMSTEDE LIVING PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the IND AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid IND AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the IND AS financial statements under the provisions of the Companies Act, 2013 and the Rules issued there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information other than the Financial Statements and Auditor's Report thereon

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or

our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the IND AS financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these IND AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 IND AS financial statements, that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the IND AS financial Statements

Our objectives are to obtain reasonable assurance about whether the IND AS 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 IND AS financial statements.

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

1. Identify and assess the risks of material misstatement of the IND AS 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.

2. Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the IND AS 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.

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

Materiality is the magnitude of misstatements in the interim condensed standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit we report that:

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

   ii. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

   iii. The Balance Sheet, the Statement of Profit and Loss (including the Other Comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

iv. In our opinion, the aforesaid IND AS Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act.

v. On the basis of the written representations received from the directors as on 31st March, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

vi. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure II". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

vii. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, according to the explanations given to us, no managerial remuneration has been paid by the Company to its directors during the year, therefore the provisions of the section are not applicable.

viii. 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:

i. The Company does not have any pending litigations which could impact its financial positions.

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

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

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) 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 (a) and (b) above, contain any material misstatement.

v. The company has neither declared dividend nor paid any dividend during the year.

2. 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, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in "Annexure I" a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.

For B RANJAN AND CO
CHARTERED ACCOUNTANTS
FRN: 028076C

Baby Kumari

(BABY KUMARI)
PROPRIETOR
M No. 548600

PLACE : NEW DELHI
DATED : May 22, 2023
UDIN : 23548600BGZD0C6039

ANNEXURE- I TO THE INDEPENDENT AUDITOR'S REPORT

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

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The company does not have any intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the order is not applicable to the Company.

b) The Property, Plant and Equipment have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies were noticed on such verification.

c) The Company does not own any immovable property. Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.

d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

e) Based on audit procedures performed and the representation obtained from the management, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. The Company does not have any inventories as on the date of Balance Sheet. Therefore, requirements under clause 3(ii) are not applicable to the Company.

iii. The Company, during the year, has not made investment, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties Therefore, the provisions of clause 3(iii)(a) to 3(iii)(f) of the Order are not applicable.

iv. Based on audit procedures performed and the representation obtained from the management, the company has not granted any loans or provided any guarantees, or given any security or made any investments requiring compliance with provisions of section 185



and 186 of the Companies Act. Accordingly, provisions of clause 3(iv) are not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. To the best of our knowledge and as explained, the central government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act 2013.

vii. a) As per information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other statutory dues with the appropriate authorities. As informed to us there are no outstanding statutory dues in arrears as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) as on the balance sheet date which have not been deposited on account of any dispute.

viii. Based on our audit procedures and on the basis of information and explanations given to us by the management, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. a) According to the information and explanations given to us, the Company does not have any loans or other borrowings from any lender. Accordingly, reporting under clause 3(ix) of the Order is not applicable to the Company.

b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and there has been no utilisation during the current year of the term loans obtained by the Company during any previous years. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have, prima facie, been used for long-term purposes by the company.

e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.

x. a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public

offer or further public offer including debt instruments and term Loans during the year. Accordingly, the provisions of clause 3(x) of the Order are not applicable to the Company and hence not commented upon.

b) The company has not made preferential allotment/private placement of shares or fully or partly or optionally convertible debentures during the year covered under the provisions of Section 42 and 62 of Companies Act 2013 during the year under review.

xi. a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the company and no material fraud on the Company has been noticed or reported during the year.

b) We report that no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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

xii. The Company is not a Nidhi company and therefore clause 3(xii) of the Order related to such companies is not applicable to the Company.

xiii. According to information and explanations given to us, we are of the opinion that all related party transactions are in compliance with section 188 of Companies Act, 2013 as applicable. Necessary disclosures have been made in the financial statements as required by the applicable accounting standards. Further, Section 177 is not applicable to the Company.

xiv. According to the information and explanations given to us, the Company is not required to have an internal audit system under section 138 of the Act and consequently, does not have an internal audit system. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.

xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) of the Order is not applicable to the Company.

iii. The Company has not incurred cash losses in the financial year but had incurred cash losses amounting to Rs. 5.09 Lacs in the immediately preceding financial year.

iv. There has been resignation of the statutory auditors during the year and based on the information and explanations given to us by the management and the response to our communication with the outgoing auditor, there have been no issues, objections or concerns raised by the outgoing auditors.



v. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.

vi. The Company is not required to spend any amount on corporate social responsibility under section 135 of the Companies Act. Therefore, the provisions of clause 3(xx) of the Order are not applicable.

vii. The reporting under clause 3(xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For B RANJAN AND CO
CHARTERED ACCOUNTANTS
FRN: 028076C

Baby Kumari
(BABY KUMARI)
PROPRIETOR
M No. 548600

PLACE : NEW DELHI
DATED : May 22, 2023
UDIN : 23548600BGZDOC6039

ANNEXURE- II TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **HAMSTEDE LIVING PRIVATE LIMITED** ("the Company") as of 31st March 2023 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting with reference to these Standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Standalone Ind AS 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 judgment, 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 system over financial reporting with reference to these Standalone Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these financial statements

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Standalone Ind AS financial statements and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on "Audit of Internal Financial Controls Over Financial Reporting" issued by the Institute of Chartered Accountants of India.

For B RANJAN AND CO
CHARTERED ACCOUNTANTS
FRN: 028076C

Baby Kumari

(BABY KUMARI)
PROPRIETOR
M No. 548600

PLACE : NEW DELHI
DATED : May 22, 2023
UDIN : 23548600BGZDOC6039

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Hamstede Living Private Limited
CIN: U74999DL2018PTC342682
Balance Sheet as at 31 March 2023

	Notes	As at 31 March 2023 (Rupees in lakhs)	As at 31 March 2022 (Rupees in lakhs)
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	6.48	8.86
		6.48	**8.86**
Current assets			
(a) Financial assets	4		
(i) Investments		99.70	94.29
(ii) Cash and Cash equivalents		24.23	26.06
(iii) Other financial assets		154.97	154.97
		278.90	**275.32**
Total Assets		**285.38**	**284.18**
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	5	2,950.00	2,950.00
Other Equity	6	(2,665.21)	(2,666.68)
Total Equity		**284.79**	**283.32**
Liabilities			
Current liabilities			
(a) Financial liabilities			
(ii) Trade payables	7		
- Total outstanding dues of micro and small enterprises		-	-
- Total outstanding dues of creditors other than micro and small enterprises		0.56	0.66
(b) Other current liabilities	8	0.03	0.17
(c) Current tax liabilities (net)	9	-	0.03
Total Liabilities		**0.59**	**0.86**
Total Equity and Liabilities		**285.38**	**284.18**

See accompanying notes forming part of the financial statements 1-27

In terms of our report attached

For B Ranjan and Co
Firm Registration No. 028076C
Chartered Accountants

Baby Kumari

Baby Kumari
Proprietor
Membership No. 548600

For and on behalf of the Board of Directors of
HAMSTEDE LIVING PRIVATE LIMITED

Devinder Kumar
Whole time director
DIN: 09434340

Kapil Sharma
Director
DIN: 00352890

Nishant Monga
Chief Financial officer

Kantan Singh
Company Secretary
A32477

BMC

Place : New Delhi
Date: May 22, 2023

Hamstede Living Private Limited
CIN: U74999DL2018PTC342682
Statement of Profit and Loss for the year ended 31 March 2023

	Notes	Year Ended 31 March 2023 (Rupees in lakhs)	Year Ended 31 March 2022 (Rupees in lakhs)
Other income	10	5.50	3.20
Total Income (I)		**5.50**	**3.20**
Expenses			
Employee benefit expense	11	-	4.49
Other expenses	12	2.73	3.80
Total expenses (II)		**2.73**	**8.29**
Earnings before interest, tax, depreciation and amortisation (EBITDA) (I-II)		**2.77**	**(5.09)**
Finance costs	13	0.01	0.16
Depreciation and amortization expense	14	2.38	4.39
Finance income			
Loss before tax		**0.38**	**(9.64)**
Tax expense:			
-Current tax		-	-
-Tax relating to earlier periods		(1.09)	-
		(1.09)	-
Loss for the year		**1.47**	**(9.64)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		-	-
		-	-
Total Comprehensive Loss for the year		**1.47**	**(9.64)**
Loss per equity share:			
(1) Basic	15	0.05	(0.33)
(2) Diluted	15	0.05	(0.33)

See accompanying notes forming part of the financial statements 1-27

In terms of our report attached

For B Ranjan and Co
Firm Registration No. 028076C
Chartered Accountants

Baby Kumari

Baby Kumari
Proprietor
Membership No. 548600

Place : New Delhi
Date: May 22, 2023

For and on behalf of the Board of Directors of
HAMSTEDE LIVING PRIVATE LIMITED

Devinder Kumar
Whole time director
DIN: 09434840

Kapil Sharma
Director
DIN: 00352890

Nishant Monga
Chief Financial officer

Kaptan Singh
Company Secretary
A32477

Hamstede Living Private Limited
CIN: U74999DL2018PTC342682
Cash flow statement for the year ended 31 March 2023

	Year Ended 31 March 2023 (Rupees in lakhs)	Year Ended 31 March 2022 (Rupees in lakhs)
A. Cash flow from operating activities		
Loss before tax	**0.38**	**(9.64)**
Non-cash adjustments to reconcile loss before tax to net cash flows:		
Depreciation and amortisation expenses	2.38	4.39
Finance income (including fair value change in financial instruments)	(5.42)	(3.18)
Operating loss before working capital changes:	**(2.66)**	**(8.43)**
Movements in working capital:		
Decrease/(Increase) in loans and advances and other current assets	-	82.40
(Decrease)/Increase in other current liabilities and other current financial liabilities	(0.26)	(98.41)
Cash used in Operations	**(2.92)**	**(24.44)**
Direct taxes paid (net of refunds)	1.09	-
Net cash flow used in operating activities (A)	**(1.82)**	**(24.44)**
B. Cash flows from investing activities		
Interest received	0.01	-
Net Cash flow from investing activities (B)	**0.01**	**-**
C. Cash flows used in financing activities		
Net Cash used in financing activities(C)	**-**	**-**
Net decrease in cash and cash equivalents (A+B+C)	**(1.82)**	**(24.44)**
Cash and cash equivalents at the beginning of the year	26.06	50.50
Cash and cash equivalents at the end of the year	**24.24**	**26.06**
Components of cash and cash equivalents		
Cash on Hand	0.56	0.56
Balances with Scheduled Banks in		
- Current accounts	23.67	25.40
- Deposits with original maturity of less than three months	-	0.10
Total cash and cash equivalents	**24.24**	**26.06**

See accompanying notes forming part of the financial statements 1-27

In terms of our report attached

For B Ranjan and Co
Firm Registration No. 028076C
Chartered Accountants

Baby Kumari

Baby Kumari
Proprietor
Membership No. 548600

Place : New Delhi
Date: May 22, 2023

B RANJAN & CO. FRN:028076C M.No.:548600 Ghaziabad Chartered Accountants

For and on behalf of the Board of Directors of
HAMSTEDE LIVING PRIVATE LIMITED

Devinder Kumar
Whole time director
DIN: 09434340

Kapil Sharma
Director
DIN: 00352890

Nishant Mohan
Chief Financial officer

Kapish Singh
Company Secretary
A32477

Hamstede Living Private Limited
CIN: U74999DL2018PTC342682
Statement of Changes in Equity for the year ended 31 March 2023

A. Equity Share Capital

Equity shares of INR 10 each issued, subscribed and fully paid	**No. of shares**	**Amount Rs in lakhs**
Balance as at 01 April, 2021	**29,500,000**	**295**
Increase/(decrease) during the year	-	-
Balance as at 31 March, 2022	**29,500,000**	**295**
Increase/(decrease) during the year	-	-
Balance as at 31 March, 2023	**29,500,000**	**295**

B. Other Equity

Rs. In lakhs

	Equity Component of Compound Financial Instruments	**Retained Earnings**	**Share Issue Expenses**	**Other equity**
Balance as at 01 April, 2021	**2,900.00**	**(1,599.74)**	-	**1,300.26**
Conversion of Compund financial instruments	(2,900.00)	-	-	(2,900.00)
Expense on account of increase in Authorised Capital			(18.00)	(18.00)
Total Comprehensive Income for the year	-	(1,048.94)	-	(1,048.94)
Balance as at 31 March, 2022	**-**	**(2,648.68)**	**(18.00)**	**(2,666.68)**
Total Comprehensive Income for the year	-	1.47	-	1.47
Balance as at 31 March, 2023	**-**	**(2,647.21)**	**(18.00)**	**(2,665.21)**

See accompanying notes forming part of the financial statements 1-27

In terms of our report attached

For B Ranjan and Co
Firm Registration No. 028076C
Chartered Accountants

Baby Kumari

Baby Kumari
Proprietor
Membership No. 548600

For and on behalf of the Board of Directors of
HAMSTEDE LIVING PRIVATE LIMITED

Devinder Kumar
Whole time director
DIN: 09434940

Kapil Sharma
Director
DIN: 00252890

Nishant Monga
Chief Financial officer

Kaptan Singh
Company Secretary
A32477

Place : New Delhi
Date: May 22, 2023

1.1 Corporate Information

Hamstede Living Private Limited (the Company) is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at Asset No. 6, Aerocity Hospitality District, New Delhi 110037.
As on March 31, 2022, the Company becomes a subsidiary of 'Lemon Tree hotels Limited' which is a public Company, pursuant to the provisions of Companies Act, 2013.

The principal activities of the Company is to provide full-range accommodation and lodging services including food services, facilities management, transportation, laundry, communication, broadband, entertainment and community services through designing, developing, constructing, repositioning, refurbishing, owning, acquiring, leasing, and managing short and long stay real estate projects (including, shared accommodation, hostels, guesthouses), with a primary focus on student housing, co-living for working professionals/adults etc.

The financial statements are approved for issue by the Board of directors on May 22, 2023.

1.2 Recent Accounting Pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

2 Basis of preparation of financial statements and Significant accounting policies

2.1 Basis of preparation and Compliance with Ind AS

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), and the provisions of the Companies Act, 2013 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities which are measured at fair value / amortized cost (refer note 23).

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing account standard required a change to the accounting policy hitherto to in use.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, expect where otherwise indicated.

2.2 Significant accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

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

(b) Foreign Currencies

Functional and presentation currency

The Company's financial statements are presented in INR, which is also the Company's functional currency. Presentation currency is the currency in which the company's financial statements are presented. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash. All the financial information presented in Indian Rupees (INR) has been rounded to the nearest of lakhs rupees, except where otherwise stated.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

(c) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

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

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

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

B RANJAN & CO. Chartered Accountants Ghaziabad

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

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

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

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

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

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

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value. External valuers are involved for valuation of significant assets and liabilities. The management selects external valuer on various criteria such as market knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes:

- Disclosures for valuation methods, significant estimates and assumptions (note 2.3)
- Quantitative disclosures of fair value measurement hierarchy (note 23)
- Financial instruments (including those carried at amortized cost) (note 23)

(d) Revenue Recognition

Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash

B. RANJAN & CO. Chartered Accountants Ghaziabad

payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the income statement.

(e) Taxes

Tax expense represents Current income tax and Deferred tax.

Current income tax

The tax currently payable is based on taxable profit for the period/year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits (including MAT credit) and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized

The carrying amount of deferred tax assets (including MAT credit available) is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit



will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognized subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognized within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date.

If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognized in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realized are recognized in profit or loss.

Sales/ Value Added Taxes/Goods & Service Tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognized net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

(f) Property, plant, and equipment

Capital work in progress is stated at cost. Property, Plant, and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. Freehold land is not depreciated.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on fixed assets is provided as per Schedule II of Companies Act, 2013 on Straight Line Method over its economic useful life of fixed assets as follows:

Fixed Assets	Useful Life Considered
Computers	3 years
Lease hold improvements	6 years

Furniture and fixtures	10 years
Office equipment	5 years

The Company, based on management estimates, depreciates certain items of building, plant and equipment over estimated useful lives which are lower than the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively if appropriate.

(g) Intangible assets

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

The useful lives of intangible assets are assessed as 3 years and the same shall be amortised on Straight line basis over its useful life.

Intangible assets with indefinite useful lives are not amortized but are tested for impairment at each year end either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 income statement when the asset is derecognized.

(h) Borrowing costs

Borrowing cost includes interest expense as per Effective Interest Rate (EIR).

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset until such time that the assets are substantially ready for their intended use. Where funds are borrowed specifically to finance a project, the amount capitalized represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance a project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalized is calculated using a weighted average of rates applicable to relevant general borrowings of the Company during the year. Capitalization of borrowing costs is suspended and charged to profit and loss during the extended periods when the active development on the qualifying assets is interrupted.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial liability or a shorter period, where appropriate, to the amortized cost of a financial liability after considering all the contractual terms of the financial instrument.

(i) Leases

Company as a lessee

The Company assesses whether a contract contains a lease, at inception of contract. A contract is, or contains, a lease if the contract 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 a right to control the use of an identified asset, the company assesses whether: (i) the contract involves use of an identified asset (ii) the Company has substantially all of the economic benefits from the use of asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for lease 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 recognizes the lease payments as on operating expense on a straight-line basis over the term of lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in use) is determined on individual asset basis unless the asset does not generate cash flows that are largely dependent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease, or, if not readily determinable, using the incremental borrowing rate.

(j) Impairment of non-financial assets

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

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.



Impairment losses including impairment on inventories, are recognized in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(k) Provisions

General

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent Assets/ Liabilities

Contingent assets are not recognized. However, when realization of income is virtually certain, then the related asset is no longer a contingent asset, and is recognized as an asset.

Contingent liabilities are disclosed in notes to accounts when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(l) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to 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, for example, a reduction in future payment or a cash refund.

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Retirement benefits in the form of Superannuation Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

Short-term and other long-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

The Company treats leaves expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

(m) 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.

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- Equity instruments in subsidiaries/associates carried at cost

Debt instruments at amortized cost

A debt instrument is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is most applicable to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate ("EIR") method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.



Equity instruments

All equity investments (other than equity investments in subsidiaries) in scope of Ind AS 109 are measured at fair value. Equity instruments in subsidiaries are carried at cost in financial statements less impairments if any. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
b) Financial assets that are debt instruments and are measured as at FVTOCI.
c) Trade receivables or any contractual right to receive cash or another financial asset.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

At each reporting date, for recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until

the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

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

Financial liabilities at amortized cost

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

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

This category generally applies to borrowings. For more information refer Note 23.

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Financial guarantee

Financial guarantees issued by the Company on behalf of group companies are designated as 'Insurance Contracts'. The Company assess at the end of each reporting period whether its recognised insurance liabilities (if any) are adequate, using current estimates of future cash flows under its insurance contracts. If that assessment shows that the carrying amount of its insurance liabilities are inadequate in the light of the estimated future cash flows, the entire deficiency is recognised in profit or loss.

If a financial guarantee is an integral element of debts held by the entity, it is not accounted for separately.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(n) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and 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.

(o) Measurement of EBITDA

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

(p) Cash Flow Statement

Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(q) Earnings Per Share (EPS)

Basic EPS is calculated by dividing the profit for the period attributable to ordinary equity shareholders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity shareholders of the Company by the weighted average number of Equity shares outstanding during the period plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

2.3 Significant accounting judgements, estimates and assumptions

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The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these judgements, estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The estimates and underlying assumptions are reviewed on an ongoing basis and the revisions to accounting estimates are recognized in the period in which the estimate is revised.

1. Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using other valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements 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.



Hamstede Living Private Limited
Notes to financial statements for the year ended 31 March, 2023

3 Property, plant and equipment

Rs in lakhs

Particulars	Leasehold Improvements	Office equipments	Furniture and Fixtures	Computers	Total
Cost or Deemed Cost					
Balance as at 01 April, 2021	**26.36**	**3.06**	**8.64**	**9.42**	**47.48**
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Balance as at 31 March, 2022	**26.36**	**3.06**	**8.64**	**9.42**	**47.48**
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Balance as at 31 March, 2023	**26.36**	**3.06**	**8.64**	**9.42**	**47.48**
Depreciation					
Balance as at 01 April, 2021	**26.36**	**0.94**	**1.48**	**5.45**	**34.23**
Charge for the year	-	0.58	0.82	2.99	4.39
Disposals	-	-	-	-	-
Balance as at 31 March, 2022	**26.36**	**1.52**	**2.30**	**8.44**	**38.62**
Charge for the year	-	0.58	0.82	0.98	2.38
Disposals	-	-	-	-	-
Balance as at 31 March, 2023	**26.36**	**2.10**	**3.12**	**9.42**	**41.00**
Net Book value					
Balance as at 31 March, 2023	**-**	**0.96**	**5.52**	**-**	**6.48**
Balance as at 31 March, 2022	-	1.54	6.34	0.98	8.86

4 Financial assets

		As at 31 March 2023 (Rupees in lakhs)	As at 31 March 2022 (Rupees in lakhs)
(i)	**Investments**		
	Investments at fair value through Profit & Loss		
	Unquoted mutual funds		
	5584.704(Previous year 5584.704) Units of Nippon India Liquid Fund-Direct Plan Growth Plan - Growth Option	99.70	94.29
		99.70	**94.29**

		As at 31 March 2023 (Rupees in lakhs)	As at 31 March 2022 (Rupees in lakhs)
(ii)	**Cash and cash equivalents**		
	Balance with banks		
	On current & cash credit accounts	23.67	25.40
	Deposits with original maturity of 3 months or less	-	0.10
	Cash on hand	0.56	0.56
		24.23	**26.06**

		As at 31 March 2023 (Rupees in lakhs)	As at 31 March 2022 (Rupees in lakhs)
(iii)	**Other financial assets**		
	Current		
	Security Deposit	154.86	154.86
	Balance with statutory/ government authorities	0.11	0.11
		154.97	154.97

5 Equity Share capital

Authorised Share Capital

	Equity shares	
	No. of shares	Rs in lakhs
At 1 April, 2021	40,000,000	50.00
Increase/(decrease) during the year	-	-
At 31 March, 2022	40,000,000	50.00
Increase/(decrease) during the year	-	-
At 31 March, 2023	40,000,000	50.00

Terms/rights attached to equity shares

The company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders 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.

Issued equity capital

Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	Rs in lakhs
At 1 April, 2021	29,500,000	2,950.00
Increase/(decrease) during the year*	-	-
At 31 March, 2022	29,500,000	2,950.00
Increase/(decrease) during the year	-	-
At 31 March, 2023	29,500,000	2,950.00

*Increase due to converison of CCPS shares

(a) Shares held by holding company

	As at 31 March, 2023		As at 31 March, 2022	
	No. of shares	Rs in lakhs	No. of shares	Rs in lakhs
Equity shares of Rs. 10 each fully paid up				
Lemon Tree Hotels Limited	29,500,000	2,950.00	29,500,000	2,950.00

(b) Details of shareholders holding more than 5% shares in the company

	As at 31 March, 2023		As at 31 March, 2022	
	No. of shares	% Shareholding	No. of shares	% Shareholding
Equity shares of Rs. 10 each fully paid up				
Lemon Tree Hotels Limited	29,500,000	100.00%	29,500,000	100.00%

The Company has not issued Bonus Share, Share for consideration other than Cash and has not bought back shares during the period of five years immediately preceding the reporting date.



(c) Detail of shares held by promoters

As at March 31, 2023

S.No.	Promoter Name	Number of shares at the beginning of the year	Percentage of Total shares	Change during the year	Number of shares at the end of the year	Percentage of Total shares	Percentage change during the year
1	M/s Lemon Tree Hotels Limited	29,500,000	100.00%		29,500,000	100.00%	0.00%
	Total	**29,500,000**			**29,500,000**	**100.00%**	

As at March 31, 2022

S.No.	Promoter Name	Number of shares at the beginning of the year	Percentage of Total shares	Change during the year	Number of shares at the end of the year	Percentage of Total shares	Percentage change during the year
1	M/s Lemon Tree Hotels Limited	28,762,500	97.50%	737,500	29,500,000	100.00%	2.50%
2	Patanjali Govind Keswani	400,000	1.36%	(400,000)	-	0.00%	-1.36%
3	M/s Toucan Real Estate private Ltd	190,000	0.64%	(190,000)	-	0.00%	-0.64%
	Total	**29,352,500**		**147,500**	**29,500,000**	**100.00%**	

6 Other equity

		As at 31 March, 2023 Rs in lakhs	As at 31 March, 2022 Rs in lakhs
(i)	Preference Share Capital-equity component	-	-
(ii)	Retained Earnings	(2,647.21)	(2,648.68)
(iii)	Share Issue Expenses	(18.00)	(18.00)
		(2,665.21)	(2,666.68)

(i) Preference Share Capital

Authorised Share Capital

	Preference shares	
	No. of shares	Rs in lakhs
At 1 April, 2021	**29,000,000**	**2,900**
Reclassified into equity shares	(19,500,000)	(1,950)
At 31 March, 2022	**9,500,000**	**950**
Reclassified into equity shares	-	-
At 31 March, 2023	**9,500,000**	**950**

Terms/rights attached to preference shares

Preference Shares: The Company in previous year had issued 200 Lakhs 0.001% Compulsory Convertible Preference Shares (CCPS) in four series viz. Series I, II, II & IV having a par value of INR 10 per share. Each preference shareholder is entitled to receive notice of, and to attend, Shareholder Meetings of the Company. Further, preference shareholder is entitled to vote together with the holders of Equity Shares of the Company, on an As-Converted Basis, subject to applicable Law. Each CCPS is entitled to a preferential dividend of 0.001% per annum which shall become due and payable as and when the Company has profits available for distribution as per the Companies Act and dividend is actually declared by the Company.

Terms of conversion: The term of the Series I to IV CCPS shall be a period of 19 (nineteen) years and 364 (three hundred and sixty-four days) from the date of their issuance.
Upon conversion of CCPS, the Equity Shares issued will, in all respects, rank pari passu with the Equity Shares in issue on the CCPS Conversion Date. During the previous year, CCPS has been converted into equity shares in ratio 1:1

Issued Preference Share Capital

0.001% Compulsory Convertible Non Cumulative Preference Shares of INR 10 each issued, subscribed and fully paid	**No. of shares**	**Rs in lakhs**
At 1 April, 2021	**29,000,000**	**2,900**
Issued during the year	-	-
Conversion into equity	(29,000,000)	(2,900)
At 31 March, 2022	-	-
Issued during the year	-	-
Conversion into equity	-	-
At 31 March, 2023	-	-

(ii) Retained Earnings

	As at 31 March, 2023 Rs in lakhs	As at 31 March, 2022 Rs in lakhs
Opening Balance	**(2,648.68)**	**(2,638.04)**
Loss for the year	1.47	(9.64)
At 31 March, 2023	**(2,647.21)**	**(2,648.68)**

(iii) Share issue expenses

	As at 31 March, 2023 Rs in lakhs	As at 31 March, 2022 Rs in lakhs
Opening Balance	(18.00)	-
Addition during the year	-	(18.00)
At 31 March, 2023	**(18.00)**	**(18.00)**



7 (ii) Trade Payables

	As at 31 March 2023 (Rupees in lakhs)	As at 31 March 2022 (Rupees in lakhs)
Trade payables		
- Due to micro and small enterprises	-	-
- Others	0.56	0.66
	0.56	**0.66**

8 Other current liabilities

	As at 31 March 2023 (Rupees in lakhs)	As at 31 March 2022 (Rupees in lakhs)
Statutory Dues	0.03	0.17
	0.03	**0.17**

9 Current Tax Liabilities (net)

	As at 31 March 2023 (Rupees in lakhs)	As at 31 March 2022 (Rupees in lakhs)
Provision for taxation (net)	-	0.03
	-	**0.03**

10 Other income

	For year ended 31 March 2023 (Rupees in lakhs)	For year ended 31 March 2022 (Rupees in lakhs)
Interest income on :		
-Bank Deposits	0.01	-
Fair Value gain on investment at fair value through profit or loss	5.41	3.18
Income Tax Refund	0.08	0.02
Miscellaneous income	-	-
	5.50	3.20

11 Employee benefit expense

	For year ended 31 March 2023 (Rupees in lakhs)	For year ended 31 March 2022 (Rupees in lakhs)
Salaries, wages and bonus	-	2.90
Staff welfare expenses	-	1.59
	-	4.49

12 Other expenses

	Year Ended 31 March 2023 (Rupees in lakhs)	For year ended 31 March 2022 (Rupees in lakhs)
Repair and maintenance		
- Others	0.01	0.42
Rates and taxes	0.04	0.08
Communication costs	-	0.01
Legal and professional fees	2.54	3.23
Payment to auditors		
- for statutory audit fees	0.13	0.06
	2.73	3.80

13 Finance costs

	Year Ended 31 March 2023 (Rupees in lakhs)	For year ended 31 March 2022 (Rupees in lakhs)
Bank charges	0.01	0.16
	0.01	0.16

14 Depreciation and amortization expense

	Year Ended 31 March 2023 (Rupees in lakhs)	For year ended 31 March 2022 (Rupees in lakhs)
Depreciation of tangible assets	2.38	4.39
	2.38	4.39

15 Earnings per share (Basic And Diluted)

	Year Ended 31 March 2023 (Rupees in lakhs)	For year ended 31 March 2022 (Rupees in lakhs)
Loss after Tax (Rs in lakhs)	1.47	(9.64)
Weighted Average Number of Equity Shares*	2,891,507	2,891,507
Basic loss per share	0.05	(0.33)
Loss after Tax (Rs in lakhs)	1.47	(9.64)
Weighted average number of equity shares in calculating diluted EPS	2,891,507	2,891,507
Diluted loss per share	0.05	(0.33)

* The weighted average number of shares takes into account the weighted average effect of changes in share transactions during the year.

16 Employment benefit plans

a. Defined contribution plans

The Company makes Provident Fund which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Nil (Year ended 31 March, 2021 Rs. 6.79 Lacs) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

b. Defined benefit plans

i. Gratuity

The Company operates a non-funded gratuity defined benefit scheme for its employees under Payment of Gratuity Act. The scheme provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of 6 months subject to a ceiling of Rupees 2,000,000. Vesting occurs on completion of five years of service.
These plans typically expose the Company to actuarial risks such as: investment risk, interest risks, longevity risk and salary risk

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
Interest risk	A decrease in the bond interest rate will increase the plan liability, however, this will be partially offset by an increase in the return on the plan's investments.
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	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.



17 Commitments

a. Leases

The company has entered into operating leases for office premises, hostel buildings and others. These are generally cancellable and are renewable by mutual consent on mutually agreed terms. The operating lease payments of Nil (Previous year: Rs 0.58 lacs) has been recognised in the Statement of Profit and Loss.

For transition, the Company has assessed whether the contract is, or contains, the lease. The Company has elected not to apply the requirements of IND AS 116 to leases for which the underlying asset is of low value on a lease-by-lease basis and the leases with less than 12 months of lease term on the date of initial application. Therefore impact of Transition of IND AS 116 is nil.

b. Commitments

The estimated amount of contracts of capital nature (net of advances) remaining to be executed and not provided for is Nil (Previous year: Nil) and other commitments of Rs Nil (Previous year: Nil).

c. Contingent liabilities

There is no contingent liability or pending litigation as on 31 March 2023 (Previous year Rs Nil).

18 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 March 2023 (Rupees in lakhs)	As at 31 March 2022 (Rupees in lakhs)
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year ;	Nil	Nil
(ii) The amount of interest paid by the buyer in term of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of payment made to the supplier beyond the appointed day during each accounting year ;	Nil	Nil
(iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006 ;	Nil	Nil
(iv) The amount of interest accrued and remaining unpaid at the end of the each accounting year ;	Nil	Nil
(v) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance of deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

19 Segment information

The Company is into rental housing business. The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore there is no reportable segment for the Company as per the requirements of Ind AS 108 - "Operating Segments".

Information about geographical areas

The Company has only domestic operations and hence no information required for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about maior customers

There is no customer that individually accounted for more than 10% of the Company's revenue for the year ended 31 March 2022 and 31 March 2023.

20 Fair value measurement

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument

Financials assets/liabilities	As at 31 March 2023		As at 31 March 2022	
	(Rupees in lakhs)	(Rupees in lakhs)	(Rupees in lakhs)	(Rupees in lakhs)
	FTPVL	Amortised cost	FTPVL	Amortised cost
Assets				
Current assets				
Financial assets				
- Investments	99.70	-	94.29	-
- Cash and cash equivalents	-	24.23	-	26.06
- Other financial assets	-	154.97	-	154.97
	99.70	179.20	94.29	181.03
Liabilities				
Current liabilities				
Financial liabilities				
- Trade payables	-	0.56	-	0.66
	-	0.56	-	0.66

Fair value hierarchy and valuation techniques used to determine fair values:

To provide an indication about the reliability of inputs used in determining fair value, the Company has classified its financial instrument into three levels prescribed under the accounting standard.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities (in particular the valuation technique(s) and inputs used):

Financials assets/liabilities	Fair value at		Fair value hierarchy
	As at 31 March 2023 (Rupees in lakhs)	As at 31 March 2022 (Rupees in lakhs)	
Liabilities	-	-	Level 1
Assets	99.70	94.29	Level 1

There were no transfers between the Level 1, Level 2 and Level 3 during the year. There is no change in the valuation technique during the year. The Company classifies investment in mutual funds in Level 1 as quoted prices can be corroborated in active market for identical assets.

21 Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include other receivables and cash & cash equivalents that derive directly from its operations.

The Company is exposed to credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management advises on financial risks and the appropriate financial risk governance framework for the Company. The Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

Credit risk

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

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company monitors their risk of shortage of funds using cash flow forecasting models. These models consider the maturity of their financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner.

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

Particulars	On demand	0 - 1 year	1 - 5 years	> 5 years	Total
	(Rupees in lakhs)	(Rupees in lakhs)	(Rupees in lakhs)	(Rupees in lakhs)	(Rupees in lakhs)
As at 31 March 2023					
Other financial liabilities	-	0.56	-	-	0.56
	-	0.56	-	-	0.56
As at 31 March 2022					
Other financial liabilities	-	0.66	-	-	0.66
	-	0.66	-	-	0.66

22 Related party transactions

a. List of related parties:

Name of Related Parties	
Holding Company	- Lemon Tree Hotels Limited
Key Management Personnel	- Mr. Devinder Kumar (Whole Time Director) - Mr. Kapil Sharma (Director)

b. Disclosure of transactions between the Company and related parties are as under:

(Rupees in Lakhs)

Transactions with Related Party	Year Ended	Holding Company	Key Managerial Person	Entity having significant influence	Subsidiary of entity having significant influence over the company
Staff welfare expenses					
Lemon Tree Hotels Limited	31-Mar-23	-	-	-	-
	31-Mar-22	-	-	1.43	-

The above figures do not include provisions for encashable leave, gratuity and premium paid for group health insurance, as separate actuarial valuation / premium paid are not available.

Terms and conditions of transactions with related parties

Outstanding balances with related parties at the year-end are unsecure and settlement occurs in cash. For the year ended March 31, 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2022: Rs Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Commitments with related parties

The Company has not entered into any commitments with related parties during the year.

23 The Company does not have any long term contracts including derivative contracts for which there are any material foreseeable losses.

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

25 In accordance with Indian Accounting Standard 12 "Income Tax",deferred tax asset has not been recognised as Company are in losses and there is no convincing evidence that sufficient future taxable income will be available against which such deferred tax asset can be realised.



26 Previous year figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/disclosure.

27 Other Statutory Information

(i). The Company have not traded or invested in Crypto currency or Virtual currency during the financial year.

(ii). The Company have not 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.

(iii). The Company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property

(iv). The company do not have any transaction with companies struck off.

(v). The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(vi). The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vii). During the year, the company has not entered into any scheme of arrangements in terms of section 230 to 237 of the Companies Act, 2013 and accordingly, the prescribed disclosures of Schedule III are not required to be given.

(viii). The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or,

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

For B Ranjan and Co
Firm Registration No. 028076C
Chartered Accountants

Baby Kumari

Baby Kumari
Proprietor
Membership No. 548600

For and on behalf of the Board of Directors
HAMSTEDE LIVING PRIVATE LIMITED

Devinder Kumar
Whole time director
DIN: 09434340

Kapil Sharma
Director
DIN: 00352880

Nishant Mohan
Chief Financial officer

Kaptan Singh
Company Secretary
A32477

Place : New Delhi
Date: May 22, 2023

B RANJAN & CO
FRN 028076C
M.No.548600
Ghaziabad
Chartered Accountants

B RANJAN AND CO.
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HAMSTEDE LIVING PRIVATE LIMITED

Report on the Audit of IND AS Financial Statements

Opinion

We have audited the accompanying IND AS financial statements of **HAMSTEDE LIVING PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the IND AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid IND AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the IND AS financial statements under the provisions of the Companies Act, 2013 and the Rules issued there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information other than the Financial Statements and Auditor's Report thereon

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or

our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the IND AS financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these IND AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 IND AS financial statements, that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the IND AS financial Statements

Our objectives are to obtain reasonable assurance about whether the IND AS 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 IND AS financial statements.

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

1. Identify and assess the risks of material misstatement of the IND AS 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.

2. Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the IND AS 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.

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

Materiality is the magnitude of misstatements in the interim condensed standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit we report that:

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

   ii. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

   iii. The Balance Sheet, the Statement of Profit and Loss (including the Other Comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

iv. In our opinion, the aforesaid IND AS Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act.

v. On the basis of the written representations received from the directors as on 31st March, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

vi. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure II". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

vii. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, according to the explanations given to us, no managerial remuneration has been paid by the Company to its directors during the year, therefore the provisions of the section are not applicable.

viii. 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:

i. The Company does not have any pending litigations which could impact its financial positions.

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

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

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) 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 (a) and (b) above, contain any material misstatement.

v. The company has neither declared dividend nor paid any dividend during the year.

2. 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, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in "Annexure I" a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.

3. Based on our examination, we report that the company's accounting software for maintaining its books of account did not have a feature of recording audit trail (edit log) facility as required under the provisions of rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

For B RANJAN AND CO
CHARTERED ACCOUNTANTS
FRN: 028076C

Baby Kumari

(BABY KUMARI)
PROPRIETOR
M No. 548600

PLACE : NEW DELHI
DATED : May 24, 2024
UDIN : 24548600BKGXO2-8622

ANNEXURE- I TO THE INDEPENDENT AUDITOR'S REPORT

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

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The company does not have any intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the order is not applicable to the Company.

b) The Property, Plant and Equipment have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies were noticed on such verification.

c) The Company does not own any immovable property. Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.

d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

e) Based on audit procedures performed and the representation obtained from the management, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. The Company does not have any inventories as on the date of Balance Sheet. Therefore, requirements under clause 3(ii) are not applicable to the Company.

iii. The Company, during the year, has not made investment, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties Therefore, the provisions of clause 3(iii)(a) to 3(iii)(f) of the Order are not applicable.

iv. Based on audit procedures performed and the representation obtained from the management, the company has not granted any loans or provided any guarantees, or given any security or made any investments requiring compliance with provisions of section 185

and 186 of the Companies Act. Accordingly, provisions of clause 3(iv) are not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. To the best of our knowledge and as explained, the central government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act 2013.

vii. a) As per information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other statutory dues with the appropriate authorities. As informed to us there are no outstanding statutory dues in arrears as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) as on the balance sheet date which have not been deposited on account of any dispute.

viii. Based on our audit procedures and on the basis of information and explanations given to us by the management, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. a) According to the information and explanations given to us, the Company does not have any loans or other borrowings from any lender. Accordingly, reporting under clause 3(ix) of the Order is not applicable to the Company.

b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and there has been no utilisation during the current year of the term loans obtained by the Company during any previous years. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have, prima facie, been used for long-term purposes by the company.

e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.

x. a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans during the year. Accordingly, the provisions of clause 3(x) of the Order are not applicable to the Company and hence not commented upon.

b) The company has not made preferential allotment/private placement of shares or fully or partly or optionally convertible debentures during the year covered under the provisions of Section 42 and 62 of Companies Act 2013 during the year under review.

xi. a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the company and no material fraud on the Company has been noticed or reported during the year.

b) We report that no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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

xii. The Company is not a Nidhi company and therefore clause 3(xii) of the Order related to such companies is not applicable to the Company.

xiii. According to information and explanations given to us, we are of the opinion that all related party transactions are in compliance with section 188 of Companies Act, 2013 as applicable. Necessary disclosures have been made in the financial statements as required by the applicable accounting standards. Further, Section 177 is not applicable to the Company.

xiv. According to the information and explanations given to us, the Company is not required to have an internal audit system under section 138 of the Act and consequently, does not have an internal audit system. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.

xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) of the Order is not applicable to the Company.

xvii. The company has not incurred cash losses in the financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly clause 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the

opinion that no material uncertainty exists as on the date of the audit report that company is 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.

xx. The Company is not required to spend any amount on corporate social responsibility under section 135 of the Companies Act. Therefore, the provisions of clause 3(xx) of the Order are not applicable.

xxi. The reporting under clause 3(xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For B RANJAN AND CO
CHARTERED ACCOUNTANTS
FRN: 028076C



Baby Kumari
(BABY KUMARI)
PROPRIETOR
M No. 548600

PLACE : NEW DELHI
DATED : May 24, 2024
UDIN : 24548600BKGX028622

B RANJAN AND CO.
CHARTERED ACCOUNTANTS

ANNEXURE- II TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **HAMSTEDE LIVING PRIVATE LIMITED** ("the Company") as of 31st March 2024 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting with reference to these Standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Standalone Ind AS 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 judgment, 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 system over financial reporting with reference to these Standalone Ind AS financial statements.



Meaning of Internal Financial Controls Over Financial Reporting with reference to these financial statements

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Standalone Ind AS financial statements and such internal financial controls over financial reporting were operating effectively as at 31st March 2024, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on "Audit of Internal Financial Controls Over Financial Reporting" issued by the Institute of Chartered Accountants of India.

For B RANJAN AND CO
CHARTERED ACCOUNTANTS
FRN: 028076C

Baby Kumari

(BABY KUMARI)
PROPRIETOR
M No. 548600

PLACE : NEW DELHI
DATED : May 24, 2024
UDIN : 24548600BKGXOZ8622

Hamstede Living Private Limited
CIN: U74999DL2018PTC342682
Balance Sheet as at 31 March 2024

	Notes	As at 31 March 2024 (Rupees in lakhs)	As at 31 March 2023 (Rupees in lakhs)
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	5.15	6.48
		5.15	**6.48**
Current assets			
(a) Financial assets	4		
(i) Investments		106.98	99.70
(ii) Cash and Cash equivalents		26.04	24.23
(iii) Bank balances other than (i) above		150.00	-
(iv) Other financial assets		0.22	154.97
		283.24	**278.90**
Total Assets		**288.39**	**285.38**
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	5	2,950.00	2,950.00
Other Equity	6	(2,662.47)	(2,665.21)
Total Equity		**287.53**	**284.79**
Liabilities			
Current liabilities			
(a) Financial liabilities			
(ii) Trade payables	7		
- Total outstanding dues of micro and small enterprises		-	-
- Total outstanding dues of creditors other than micro and small enterprises		0.84	0.56
(b) Other current liabilities	8	0.02	0.03
Total Liabilities		**0.86**	**0.59**
Total Equity and Liabilities		**288.39**	**285.38**

See accompanying notes forming part of the financial statements

In terms of our report attached

For B Ranjan and Co
Firm Registration No. 028076C
Chartered Accountants

Baby Kumari

Baby Kumari
Proprietor
Membership No. 548600

Place : New Delhi
Date: May 24, 2024

For and on behalf of the Board of Directors of
HAMSTEDE LIVING PRIVATE LIMITED

Devinder Kumar
Whole Time Director
DIN: 09434340

Kapil Sharma
Director
DIN: 00352890

Nishant Monga
Chief Financial officer

Kaptan Singh
Company Secretary
Membership No. A32477

Place : New Delhi
Date: May 24, 2024

Hamstede Living Private Limited
CIN: U74999DL2018PTC342682
Statement of Profit and Loss for the year ended 31 March 2024

	Notes	Year Ended 31 March 2024 (Rupees in lakhs)	Year Ended 31 March 2023 (Rupees in lakhs)
Other Income	9	7.28	5.50
Total Income (I)		**7.28**	**5.50**
Expenses			
Other expenses	10	3.21	2.73
Total expenses (II)		**3.21**	**2.73**
Earnings before interest, tax, depreciation and amortisation (EBITDA) (I-II)		**4.07**	**2.77**
Finance costs	11	-	0.01
Depreciation and amortization expense	12	1.33	2.38
Profit before tax		**2.74**	**0.38**
Tax expense:			
-Current tax		-	-
-Tax relating to earlier periods		-	(1.09)
		-	**(1.09)**
Profit for the year		**2.74**	**1.47**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		-	-
		-	-
Total Comprehensive Profit for the year		**2.74**	**1.47**
Earning per equity share:			
(1) Basic	13	0.09	0.05
(2) Diluted	13	0.09	0.05

See accompanying notes forming part of the financial statements

In terms of our report attached

For B Ranjan and Co
Firm Registration No. 028076C
Chartered Accountants

Baby Kumari
Baby Kumari
Proprietor
Membership No. 548600

Place : New Delhi
Date: May 24, 2024

For and on behalf of the Board of Directors of
HAMSTEDE LIVING PRIVATE LIMITED

Devinder Kumar
Whole Time Director
DIN: 09484340

Kapil Sharma
Director
DIN: 00352890

Nishant Monga
Chief Financial officer

Kaptan Singh
Company Secretary
Membership No. A32477

Place : New Delhi
Date: May 24, 2024

Hamstede Living Private Limited
CIN: U74999DL2018PTC342682
Statement of Changes in Equity for the year ended 31 March 2024

A. Equity Share Capital

Equity shares of INR 10 each issued, subscribed and fully paid

	No. of shares	Amount Rs in lakhs
Balance as at 01 April, 2022	**2,95,00,000**	**295.00**
Increase/(decrease) during the year	-	-
Balance as at 31 March, 2023	**2,95,00,000**	**295.00**
Increase/(decrease) during the year	-	-
Balance as at 31 March, 2024	**2,95,00,000**	**295.00**

B. Other Equity

Rs. In lakhs

	Equity Component of Compound Financial Instruments	Retained Earnings	Share Issue Expenses	Other equity
Balance as at 01 April, 2022	-	**(2,648.68)**	(18.00)	**(2,666.68)**
Total Comprehensive Income for the year	-	1.47	-	1.47
Balance as at 31 March, 2023	-	**(2,647.21)**	**(18.00)**	**(2,665.21)**
Total Comprehensive Income for the year	-	2.74	-	2.74
Balance as at 31 March, 2024	-	**(2,644.47)**	**(18.00)**	**(2,662.47)**

See accompanying notes forming part of the financial statements 1-30

In terms of our report attached

For B Ranjan and Co
Firm Registration No. 028076C
Chartered Accountants

Baby Kumari

Baby Kumari
Proprietor
Membership No. 548600

Place : New Delhi
Date: May 24, 2024

For and on behalf of the Board of Directors of
HAMSTEDE LIVING PRIVATE LIMITED

Devinder Kumar
Whole Time Director
DIN: 09434390

Kapil Sharma
Director
DIN: 00358890

Nishant Monga
Chief Financial officer

Kaptan Singh
Company Secretary
Membership No. A32477

Place : New Delhi
Date: May 24, 2024

Hamstede Living Private Limited
CIN: U74999DL2018PTC342682
Cash flow statement for the year ended 31 March 2024

	Year Ended 31 March 2024 (Rupees in lakhs)	Year Ended 31 March 2023 (Rupees in lakhs)
A. Cash flow from operating activities		
Loss before tax	2.74	0.38
Non-cash adjustments to reconcile loss before tax to net cash flows:		
Depreciation and amortisation expenses	1.33	2.38
Finance income (including fair value change in financial instruments)	(7.28)	(5.42)
Operating loss before working capital changes:	(3.21)	(2.66)
Movements in working capital:		
Decrease/(Increase) in loans and advances and other current assets	154.75	-
(Decrease)/Increase in other current liabilities and other current financial liabilities	0.27	(0.27)
Cash used in Operations	151.81	(2.93)
Direct taxes paid (net of refunds)	-	1.09
Net cash flow generated from/(used in) operating activities (A)	151.81	(1.84)
B. Cash flows from investing activities		
Movement in fixed deposit	(150.00)	-
Interest received	-	0.01
Net Cash flow from investing activities (B)	(150.00)	0.01
C. Cash flows used in financing activities		
Interest paid	-	-
Net Cash used in financing activities(C)	-	-
Net increase/(decrease) in cash and cash equivalents (A+B+C)	1.81	(1.83)
Cash and cash equivalents at the beginning of the year	24.23	26.06
Cash and cash equivalents at the end of the year	26.04	24.23
Components of cash and cash equivalents		
Cash on Hand	0.56	0.56
Balances with Scheduled Banks in		
- Current accounts	25.48	23.67
Total cash and cash equivalents	26.04	24.23

See accompanying notes forming part of the financial statements

In terms of our report attached

For B Ranjan and Co
Firm Registration No. 028076C
Chartered Accountants

Baby Kumari

Baby Kumari
Proprietor
Membership No. 548600

Place : New Delhi
Date: May 24, 2024

For and on behalf of the Board of Directors of
HAMSTEDE LIVING PRIVATE LIMITED

Devinder Kumar
Whole Time Director
DIN: 09434240

Kapil Sharma
Director
DIN: 00352890

Nishant Monga
Chief Financial officer

Kapish Singh
Company Secretary
Membership No. A32477

Place : New Delhi
Date: May 24, 2024

20 Related party

a. List of related

Name of Related Parties	
Holding Company	- Lemon Tree Hotels Limited
Key Management Personnel	- Mr. Devinder Kumar (Whole Time Director) - Mr. Kapil Sharma (Director)
Additional related parties as per Companies Act 2013	- Mr Nishant Monga (Chief Financial Officer) - Mr Kaptan Singh (Company Secretary)

Terms and conditions of transactions with related parties

Outstanding balances with related parties at the year-end are unsecure and settlement occurs in cash. For the year ended March 31, 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2023: Rs Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Commitments with related parties

The Company has not entered into any commitments with related parties during the year.

21 The Company does not have any long term contracts including derivative contracts for which there are any material foreseeable losses.

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

23 In accordance with Indian Accounting Standard 12 "Income Tax",deferred tax asset has not been recognised as Company are in losses and there is no convincing evidence that sufficient future taxable income will be available against which such deferred tax asset can be realised.

24 Previous year figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/disclosure.

25 As per the proviso to Rule 3(1) of Companies (Accounts) Rules, 2014, for the financial year commencing on or after the 1st day of April 2023, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses SAP S/4 HANA as its accounting software operated for recording all the accounting transactions for the year ended March 31, 2024. SAP S/4 HANA has a feature of recording audit trail (edit log) facility which has not been enabled throughout the year.

The Management has adequate internal controls over financial reporting which were operating effectively for the year ended March 31, 2024. The Management is in the process of evaluating the options to ensure compliance with the requirements of proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 referred above in respect of audit trail (edit log).

26 Other Statutory Information

(i). The Company have not traded or invested in Crypto currency or Virtual currency during the financial year.

(ii). The Company have not 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.

(iii). The Company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property

(iv). The company do not have any transaction with companies struck off.

(v). The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(vi). The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vii). During the year, the company has not entered into any scheme of arrangements in terms of section 230 to 237 of the Companies Act, 2013 and accordingly, the prescribed disclosures of Schedule III are not required to be given.

(viii). The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or,

For B Ranjan and Co
Firm Registration No. 028076C
Chartered Accountants

Baby Kumari

Baby Kumari
Proprietor
Membership No. 548600

For and on behalf of the Board of Directors
HAMSTEDE LIVING PRIVATE LIMITED

Devinder Kumar
Whole Time Director
DIN: 09434340

Nishant Monga
Chief Financial officer

Kapil Sharma
Director
DIN: 00352890

Kaptan Singh
Company Secretary
Membership No. A32477

Place : New Delhi
Date: May 24, 2024

Place : New Delhi
Date: May 24, 2024

1.1 Corporate Information

Hamstede Living Private Limited (the Company) is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at Asset No. 6, Aerocity Hospitality District, New Delhi 110037.
As on March 31, 2022, the Company becomes a subsidiary of 'Lemon Tree hotels Limited' which is a public Company, pursuant to the provisions of Companies Act, 2013.

The principal activities of the Company is to provide full-range accommodation and lodging services including food services, facilities management, transportation, laundry, communication, broadband, entertainment and community services through designing, developing, constructing, repositioning, refurbishing, owning, acquiring, leasing, and managing short and long stay real estate projects (including, shared accommodation, hostels, guesthouses), with a primary focus on student housing, co-living for working professionals/adults etc.

The financial statements are approved for issue by the Board of directors on May24, 2024.

1.2 Recent Accounting Pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2024.

2 Basis of preparation of financial statements and Material accounting policies

2.1 Basis of preparation and Compliance with Ind AS

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), and the provisions of the Companies Act, 2013 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities which are measured at fair value / amortized cost (refer note 23).

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing account standard required a change to the accounting policy hitherto to in use.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, expect where otherwise indicated.

2.2 Material accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

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

(b) Foreign Currencies

Functional and presentation currency

The Company's financial statements are presented in INR, which is also the Company's functional currency. Presentation currency is the currency in which the company's financial statements are presented. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash. All the financial information presented in Indian Rupees (INR) has been rounded to the nearest of lakhs rupees, except where otherwise stated.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

(c) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

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

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

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



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

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

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

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

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

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

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value. External valuers are involved for valuation of significant assets and liabilities. The management selects external valuer on various criteria such as market knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes:

- Disclosures for valuation methods, significant estimates and assumptions (note 2.3)
- Quantitative disclosures of fair value measurement hierarchy (note 23)
- Financial instruments (including those carried at amortized cost) (note 23)



(d) Revenue Recognition

Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the income statement.

(e) Taxes

Tax expense represents Current income tax and Deferred tax.

Current income tax

The tax currently payable is based on taxable profit for the period/year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits (including MAT credit) and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable

future and taxable profit will be available against which the temporary differences can be utilized

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

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognized subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognized within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date.

If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognized in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realized are recognized in profit or loss.

Sales/ Value Added Taxes/Goods & Service Tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognized net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

(f) Property, plant, and equipment

Capital work in progress is stated at cost. Property, Plant, and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. Freehold land is not depreciated.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.



Depreciation on fixed assets is provided as per Schedule II of Companies Act, 2013 on Straight Line Method over its economic useful life of fixed assets as follows:

Fixed Assets	Useful Life Considered
Computers	3 years
Lease hold improvements	6 years
Furniture and fixtures	10 years
Office equipment	5 years

The Company, based on management estimates, depreciates certain items of building, plant and equipment over estimated useful lives which are lower than the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively if appropriate.

(g) Intangible assets

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

The useful lives of intangible assets are assessed as 3 years and the same shall be amortised on Straight line basis over its useful life.

Intangible assets with indefinite useful lives are not amortized but are tested for impairment at each year end either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 income statement when the asset is derecognized.

(h) Borrowing costs

Borrowing cost includes interest expense as per Effective Interest Rate (EIR).

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset until such time that the assets are substantially ready for their intended use. Where funds are borrowed specifically to finance a project, the amount capitalized represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance a project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalized is calculated using a weighted average of rates applicable to relevant general borrowings of the Company during the year. Capitalization of borrowing costs is suspended and charged to profit and loss during the extended periods when the active development on the qualifying assets is interrupted.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial liability or a shorter period, where appropriate, to the amortized cost of a financial liability after considering all the contractual terms of the financial instrument.

(i) Leases

Company as a lessee

The Company assesses whether a contract contains a lease, at inception of contract.A contract is, or contains, a lease if the contract 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 a right to control the use of an identified asset, the company assesses whether: (i) the contract involves use of an identified asset (ii) the Company has substantially all of the economic benefits from the use of asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for lease 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 recognizes the lease payments as on operating expense on a straight-line basis over the term of lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in use) is determined on individual asset basis unless the asset does not generate cash flows that are largely dependent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease, or, if not readily determinable, using the incremental borrowing rate.

(j) Impairment of non-financial assets

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

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are



allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

Impairment losses including impairment on inventories, are recognized in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(k) Provisions

General

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent Assets/ Liabilities

Contingent assets are not recognized. However, when realization of income is virtually certain, then the related asset is no longer a contingent asset, and is recognized as an asset.

Contingent liabilities are disclosed in notes to accounts when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(l) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to 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, for example, a reduction in future payment or a cash refund.

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Retirement benefits in the form of Superannuation Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

Short-term and other long-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

The Company treats leaves expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.



(m) 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.

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- Equity instruments in subsidiaries/associates carried at cost

Debt instruments at amortized cost

A debt instrument is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is most applicable to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate ("EIR") method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or



FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity instruments

All equity investments (other than equity investments in subsidiaries) in scope of Ind AS 109 are measured at fair value. Equity instruments in subsidiaries are carried at cost in financial statements less impairments if any. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
b) Financial assets that are debt instruments and are measured as at FVTOCI.
c) Trade receivables or any contractual right to receive cash or another financial asset.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

At each reporting date, for recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

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

Financial liabilities at amortized cost

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

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



This category generally applies to borrowings. For more information refer Note 23.

Financial guarantee

Financial guarantees issued by the Company on behalf of group companies are designated as 'Insurance Contracts'. The Company assess at the end of each reporting period whether its recognised insurance liabilities (if any) are adequate, using current estimates of future cash flows under its insurance contracts. If that assessment shows that the carrying amount of its insurance liabilities are inadequate in the light of the estimated future cash flows, the entire deficiency is recognised in profit or loss.

If a financial guarantee is an integral element of debts held by the entity, it is not accounted for separately.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(n) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and 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.

(o) Measurement of EBITDA

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

(p) Cash Flow Statement

Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(q) Earnings Per Share (EPS)

Basic EPS is calculated by dividing the profit for the period attributable to ordinary equity shareholders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity shareholders of the Company by the weighted average number of Equity shares outstanding during the period plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.



2.3 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these judgements, estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The estimates and underlying assumptions are reviewed on an ongoing basis and the revisions to accounting estimates are recognized in the period in which the estimate is revised.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using other valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements 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.

Hamstede Living Private Limited
Notes to financial statements for the year ended 31 March, 2024

3 Property, plant and equipment

(Rs in lakhs)

Particulars	Leasehold improvements	Office equipments	Furniture and Fixtures	Computers	Total
Cost or Deemed Cost					
Balance as at 01 April, 2022	**26.36**	**3.06**	**8.64**	**9.42**	**47.48**
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Balance as at 31 March, 2023	**26.36**	**3.06**	**8.64**	**9.42**	**47.48**
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Balance as at 31 March, 2024	**26.36**	**3.06**	**8.64**	**9.42**	**47.48**
Depreciation					
Balance as at 01 April, 2022	**26.36**	**1.52**	**2.30**	**8.44**	**38.62**
Charge for the year	-	0.58	0.82	0.98	2.38
Disposals	-	-	-	-	-
Balance as at 31 March, 2023	**26.36**	**2.10**	**3.12**	**9.42**	**41.00**
Charge for the year	-	0.55	0.78	-	1.33
Disposals	-	-	-	-	-
Balance as at 31 March, 2024	**26.36**	**2.65**	**3.90**	**9.42**	**42.33**
Net Book value					
Balance as at 31 March, 2024	**-**	**0.41**	**4.74**	**-**	**5.15**
Balance as at 31 March, 2023	-	0.96	5.52	-	6.48

4 Financial assets

		As at 31 March 2024 (Rupees in lakhs)	As at 31 March 2023 (Rupees in lakhs)
(i)	**Investments**		
	Investments at fair value through Profit & Loss		
	Unquoted mutual funds		
	5584.704(Previous year 5584.704) Units of Nippon India Liquid Fund-Direct Plan Growth Plan - Growth Option	106.98	99.70
		106.98	**99.70**

		As at 31 March 2024 (Rupees in lakhs)	As at 31 March 2023 (Rupees in lakhs)
(ii)	**Cash and cash equivalents**		
	Balance with banks		
	On current & cash credit accounts	25.48	23.67
	Cash on hand	0.56	0.56
		26.04	**24.23**

		As at 31 March 2024 (Rupees in lakhs)	As at 31 March 2023 (Rupees in lakhs)
(iii)	**Bank balances other than (ii) above**		
	Deposits with original maturity of more than 3 months but less than 12 months	150.00	-
		150.00	**-**

		As at 31 March 2024 (Rupees in lakhs)	As at 31 March 2023 (Rupees in lakhs)
(iv)	**Other financial assets**		
	Current		
	Security Deposit	-	154.86
	Balance with statutory/ government authorities	0.22	0.11
		0.22	154.97

5 Equity Share capital

Authorised Share Capital

	Equity shares	
	No. of shares	Rs in lakhs
At 1 April, 2022	**4,00,00,000**	**40.00**
Increase/(decrease) during the year	-	-
At 31 March, 2023	**4,00,00,000**	**40.00**
Increase/(decrease) during the year	-	-
At 31 March, 2024	**4,00,00,000**	**40.00**

Terms/rights attached to equity shares

The company has only one class of equity shares having par value of Re. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders 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.

Issued equity capital

Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	Rs in lakhs
At 1 April, 2022	**2,95,00,000**	**2,950.00**
Increase/(decrease) during the year	-	-
At 31 March, 2023	**2,95,00,000**	**2,950.00**
Increase/(decrease) during the year	-	-
At 31 March, 2024	**2,95,00,000**	**2,950.00**

(a) Shares held by holding company

	As at 31 March, 2024		As at 31 March, 2023	
	No. of shares	Rs in lakhs	No. of shares	Rs in lakhs
Equity shares of Rs. 10 each fully paid up				
Lemon Tree Hotels Limited	2,95,00,000	2,950.00	2,95,00,000	2,950.00

(b) Details of shareholders holding more than 5% shares in the company

	As at 31 March, 2024		As at 31 March, 2023	
	No. of shares	% Shareholding	No. of shares	% Shareholding
Equity shares of Rs. 10 each fully paid up				
Lemon Tree Hotels Limited	2,95,00,000	100.00%	2,95,00,000	100.00%

The Company has not issued Bonus Share, Share for consideration other than Cash and has not bought back shares during the period of five years immediately preceding the reporting date.



6 Other equity

	As at 31 March, 2024 Rs in lakhs	As at 31 March, 2023 Rs in lakhs
(i) Preference Share Capital-equity component	-	-
(ii) Retained Earnings	(2,644.47)	(2,647.21)
(iii) Share Issue Expenses	(18.00)	(18.00)
	(2,662.47)	(2,665.21)

(i) Preference Share Capital

Authorised Share Capital

	Preference shares	
	No. of shares	Rs in lakhs
At 1 April, 2022	95,00,000	950
Reclassified into equity shares		
At 31 March, 2023	95,00,000	950
Reclassified into equity shares		-
At 31 March, 2024	95,00,000	950

(ii) Retained Earnings

	As at 31 March, 2024 Rs in lakhs	As at 31 March, 2023 Rs in lakhs
Opening Balance	(2,647.21)	(2,648.68)
Loss for the year	2.74	1.47
At 31 March, 2024	(2,644.47)	(2,647.21)

(iii) Share issue expenses

	As at 31 March, 2024 Rs in lakhs	As at 31 March, 2023 Rs in lakhs
Opening Balance	(18.00)	(18.00)
Addition during the year	-	-
At 31 March, 2024	(18.00)	(18.00)



(c) Detail of shares held by promoters

As at March 31, 2024

S.No.	Promoter Name	Number of shares at the beginning of the year	Percentage of Total shares	Change during the year	Number of shares at the end of the year	Percentage of Total shares	Percentage change during the year
1	M/s Lemon Tree Hotels Limited	2,95,00,000	100.00%	-	2,95,00,000	100.00%	0.00%
	Total	**2,95,00,000**		-	**2,95,00,000**	**100.00%**	

As at March 31, 2023

S.No.	Promoter Name	Number of shares at the beginning of the year	Percentage of Total shares	Change during the year	Number of shares at the end of the year	Percentage of Total shares	Percentage change during the year
1	M/s Lemon Tree Hotels Limited	2,95,00,000	100.00%	-	2,95,00,000	100.00%	0.00%
	Total	**2,95,00,000**		-	**2,95,00,000**	**100.00%**	

7 (ii) Trade Payables

	As at 31 March 2024 (Rupees in lakhs)	As at 31 March 2023 (Rupees in lakhs)
Trade payables		
- Due to micro and small enterprises	-	-
- Others	0.84	0.56
	0.84	**0.56**

8 Other current liabilities

	As at 31 March 2024 (Rupees in lakhs)	As at 31 March 2023 (Rupees in lakhs)
Statutory Dues	0.02	0.03
	0.02	**0.03**

9 Other income

	For year ended 31 March 2024 (Rupees in lakhs)	For year ended 31 March 2023 (Rupees in lakhs)
Interest Income on :		
-Bank Deposits	-	0.01
Fair Value gain on investment at fair value through profit or loss	7.28	5.41
Income Tax Refund	-	0.08
	7.28	**5.50**

10 Other expenses

	Year Ended 31 March 2024 (Rupees in lakhs)	For year ended 31 March 2023 (Rupees in lakhs)
Repair and maintenance		
- Others	-	0.01
Rates and taxes	0.03	0.04
Legal and professional fees	3.18	2.55
- for statutory audit fees	-	0.13
	3.21	**2.73**

11 Finance costs

	Year Ended 31 March 2024 (Rupees in lakhs)	For year ended 31 March 2023 (Rupees in lakhs)
Bank charges	-	0.01
	-	**0.01**

12 Depreciation and amortization expense

	Year Ended 31 March 2024 (Rupees in lakhs)	For year ended 31 March 2023 (Rupees in lakhs)
Depreciation of tangible assets	1.33	2.38
	1.33	**2.38**

13 Earnings per share (Basic And Diluted)

	Year Ended 31 March 2024 (Rupees in lakhs)	For year ended 31 March 2023 (Rupees in lakhs)
Earning after Tax (Rs in lakhs)	2.74	1.47
Weighted Average Number of Equity Shares*	28,91,507	28,91,507
Basic Earning per share	**0.09**	**0.05**
Earning after Tax (Rs in lakhs)	2.74	1.47
Weighted average number of equity shares in calculating diluted EPS	28,91,507	28,91,507
Diluted Earning per share	**0.09**	**0.05**

* The weighted average number of shares takes into account the weighted average effect of changes in share transactions during the year.

14 Employment benefit plans

Defined contribution plans
The Company makes Provident Fund which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Nil (Year ended 31 March, 2023 Nil) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

15 Commitments

a. Commitments

The estimated amount of contracts of capital nature (net of advances) remaining to be executed and not provided for is Nil (Previous year: Nil) and other commitments of Rs Nil (Previous year: Nil).

b. Contingent liabilities

There is no contingent liability or pending litigation as on 31 March 2024 (Previous year Rs Nil).

16 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 March 2024 (Rupees in lakhs)	As at 31 March 2023 (Rupees in lakhs)
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year ;	Nil	Nil
(ii) The amount of interest paid by the buyer in term of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of payment made to the supplier beyond the appointed day during each accounting year ;	Nil	Nil
(iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006 ;	Nil	Nil
(iv) The amount of interest accrued and remaining unpaid at the end of the each accounting year ;	Nil	Nil
(v) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance of deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

17 Segment information

The Company is into rental housing business. The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore there is no reportable segment for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about geographical areas

The Company has only domestic operations and hence no information required for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about major customers

There is no customer that individually accounted for more than 10% of the Company's revenue for the year ended 31 March 2024 and 31 March 2023.

18 Fair value measurement

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument

Financials assets/liabilities	As at 31 March 2024 (Rupees in lakhs)		As at 31 March 2023 (Rupees in lakhs)	
	FTPVL	Amortised cost	FTPVL	Amortised cost
Assets				
Current assets				
Financial assets				
- Investments	106.98	-	99.70	-
- Cash and cash equivalents	-	26.04	-	24.23
-Bank balances	-	150.00	-	-
- Other financial assets	-	0.22	-	154.97
	106.98	176.26	99.70	179.20
Liabilities				
Current liabilities				
Financial liabilities				
- Trade payables	-	0.84	-	0.56
	-	0.84	-	0.56

Fair value hierarchy and valuation techniques used to determine fair values:

To provide an indication about the reliability of inputs used in determining fair value, the Company has classified its financial instrument into three levels prescribed under the accounting standard.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities (in particular the valuation technique(s) and inputs used):

Financials assets/liabilities	Fair value at		Fair value hierarchy
	As at 31 March 2024 (Rupees in lakhs)	As at 31 March 2023 (Rupees in lakhs)	
Liabilities	-	-	Level 1
Assets	106.98	99.70	Level 1

There were no transfers between the Level 1, Level 2 and Level 3 during the year. There is no change in the valuation technique during the year. The Company classifies investment in mutual funds in Level 1 as quoted prices can be corroborated in active market for identical assets.

19 Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include other receivables and cash & cash equivalents that derive directly from its operations.

The Company is exposed to credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management advises on financial risks and the appropriate financial risk governance framework for the Company. The Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

Credit risk

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

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company monitors their risk of shortage of funds using cash flow forecasting models. These models consider the maturity of their financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner.

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

Particulars	On demand (Rupees in lakhs)	0 - 1 year (Rupees in lakhs)	1 - 5 years (Rupees in lakhs)	> 5 years (Rupees in lakhs)	Total (Rupees in lakhs)
As at 31 March 2024					
Other financial liabilities	0.84	-	-	-	0.84
	0.84	-	-	-	0.84
As at 31 March 2023					
Other financial liabilities	0.56	-	-	-	0.56
	0.56	-	-	-	0.56

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CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HAMSTEDE LIVING PRIVATE LIMITED

Report on the Audit of IND AS Financial Statements

Opinion

We have audited the accompanying IND AS financial statements of **HAMSTEDE LIVING PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the IND AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid IND AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the IND AS financial statements under the provisions of the Companies Act, 2013 and the Rules issued there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information other than the Financial Statements and Auditor's Report thereon

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

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

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In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or

our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the IND AS financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these IND AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 IND AS financial statements, that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the IND AS financial Statements

Our objectives are to obtain reasonable assurance about whether the IND AS 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 IND AS financial statements.

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

1. Identify and assess the risks of material misstatement of the IND AS 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.

2. Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the IND AS 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.

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

Materiality is the magnitude of misstatements in the interim condensed standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit we report that:

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

   ii. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

   iii. The Balance Sheet, the Statement of Profit and Loss (including the Other Comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

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iv. In our opinion, the aforesaid IND AS Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act.

v. On the basis of the written representations received from the directors as on 31st March, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

vi. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure II". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

vii. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, according to the explanations given to us, no managerial remuneration has been paid by the Company to its directors during the year, therefore the provisions of the section are not applicable.

viii. 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:

i. The Company does not have any pending litigations which could impact its financial positions.

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

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

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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(c) 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 (a) and (b) above, contain any material misstatement.

v. The company has neither declared dividend nor paid any dividend during the year.

2. 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, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in "Annexure I" a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.

3. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the year ended March 31, 2025 wherein:

the accounting software has a feature of recording audit trail (edit log) facility and the audit trail at the application level has operated throughout the year for all relevant transactions recorded in the software except that the audit trail feature was enabled for certain tables/master records only from March 29, 2025. Further, audit trail was not enabled at the database level to log any direct data changes. Consequently, we are unable to comment whether there were any instances of the audit trail feature being tampered with.

As audit trail feature was not enabled for the year ended March 31, 2024, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable.

Additionally, the audit trail that was enabled and operated for the year ended March 31, 2024, has been preserved by the Company as per the statutory requirements for record retention. (Refer Note 22.1 of the financial statements)

For B RANJAN AND CO
CHARTERED ACCOUNTANTS
FRN: 028076C

Baby Kumari
(BABY KUMARI)
PROPRIETOR
M No. 548600

PLACE : NEW DELHI
DATED : May 26, 2025
UDIN : 25548600BMNSLY5698

ANNEXURE- I TO THE INDEPENDENT AUDITOR'S REPORT

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

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The company does not have any intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the order is not applicable to the Company.

b) The Property, Plant and Equipment have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies were noticed on such verification.

c) The Company does not own any immovable property. Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.

d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

e) Based on audit procedures performed and the representation obtained from the management, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. The Company does not have any inventories as on the date of Balance Sheet. Therefore, requirements under clause 3(ii) are not applicable to the Company.

iii. The Company, during the year, has not made investment, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties Therefore, the provisions of clause 3(iii)(a) to 3(iii)(f) of the Order are not applicable.

iv. Based on audit procedures performed and the representation obtained from the management, the company has not granted any loans or provided any guarantees, or given any security or made any investments requiring compliance with provisions of section 185

and 186 of the Companies Act. Accordingly, provisions of clause 3(iv) are not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. To the best of our knowledge and as explained, the central government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act 2013.

vii. a) As per information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other statutory dues with the appropriate authorities. As informed to us there are no outstanding statutory dues in arrears as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) as on the balance sheet date which have not been deposited on account of any dispute.

viii. Based on our audit procedures and on the basis of information and explanations given to us by the management, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. a) According to the information and explanations given to us, the Company does not have any loans or other borrowings from any lender. Accordingly, reporting under clause 3(ix) of the Order is not applicable to the Company.

b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and there has been no utilisation during the current year of the term loans obtained by the Company during any previous years. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have, prima facie, been used for long-term purposes by the company.

e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.



x. a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans during the year. Accordingly, the provisions of clause 3(x) of the Order are not applicable to the Company and hence not commented upon.

b) The company has not made preferential allotment/private placement of shares or fully or partly or optionally convertible debentures during the year covered under the provisions of Section 42 and 62 of Companies Act 2013 during the year under review.

xi. a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the company and no material fraud on the Company has been noticed or reported during the year.

b) We report that no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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

xii. The Company is not a Nidhi company and therefore clause 3(xii) of the Order related to such companies is not applicable to the Company.

xiii. According to information and explanations given to us, we are of the opinion that all related party transactions are in compliance with section 188 of Companies Act, 2013 as applicable. Necessary disclosures have been made in the financial statements as required by the applicable accounting standards. Further, Section 177 is not applicable to the Company.

xiv. According to the information and explanations given to us, the Company is not required to have an internal audit system under section 138 of the Act and consequently, does not have an internal audit system. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.

xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) of the Order is not applicable to the Company.

xvii. The company has not incurred cash losses in the financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly clause 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the

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opinion that no material uncertainty exists as on the date of the audit report that company is 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.

xx. The Company is not required to spend any amount on corporate social responsibility under section 135 of the Companies Act. Therefore, the provisions of clause 3(xx) of the Order are not applicable.

xxi. The reporting under clause 3(xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For B RANJAN AND CO
CHARTERED ACCOUNTANTS
FRN: 028076C



Baby Kumari
(BABY KUMARI)
PROPRIETOR
M No. 548600

PLACE : NEW DELHI
DATED : May 26, 2025
UDIN : 25548600BMNSLY5698

ANNEXURE- II TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **HAMSTEDE LIVING PRIVATE LIMITED** ("the Company") as of 31st March 2025 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting with reference to these Standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Standalone Ind AS 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 judgment, 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 system over financial reporting with reference to these Standalone Ind AS financial statements.



Meaning of Internal Financial Controls Over Financial Reporting with reference to these financial statements

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

For B RANJAN AND CO
CHARTERED ACCOUNTANTS
FRN: 028076C

Baby Kumari
(BABY KUMARI)
PROPRIETOR
M No. 548600

PLACE : NEW DELHI
DATED : May 26, 2025
UDIN : 25548600BMNSLY5698

Hamstede Living Private Limited
CIN: U74999DL2018PTC342682
Balance Sheet as at March 31, 2025

	Notes	As at March 31 2025 (Rupees in lakhs)	As at March 31 2024 (Rupees in lakhs)
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	3.96	5.15
		3.96	**5.15**
Current assets			
(a) Financial assets	4		
(i) Investments		265.84	106.98
(ii) Cash and Cash equivalents		30.23	26.04
(iii) Bank balances other than (ii) above		-	150.00
(iv) Other financial assets		0.01	0.22
		296.08	**283.24**
Total Assets		**300.04**	**288.39**
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	5	2,950.00	2,950.00
Other Equity	6	(2,650.65)	(2,662.47)
Total Equity		**299.35**	**287.53**
Liabilities			
Current liabilities			
(a) Financial liabilities			
(I) Trade payables	7		
- Total outstanding dues of micro and small enterprises		-	-
- Total outstanding dues of creditors other than micro and small enterprises		0.66	0.84
(b) Other current liabilities	8	0.03	0.02
Total Liabilities		**0.69**	**0.86**
Total Equity and Liabilities		**300.04**	**288.39**

See accompanying notes forming part of the financial statements **2**

In terms of our report attached

For B Ranjan and Co
Firm Registration No. 028076C
Chartered Accountants

Baby Kumari
Baby Kumari
Proprietor
Membership No. 548600

Place : New Delhi
Date: May 26, 2025

For and on behalf of the Board of Directors of
HAMSTEDE LIVING PRIVATE LIMITED

Prashant Mehrotra
Director
DIN: 07333894

Kapil Sharma
Director
DIN: 00352890

Nishant Monga
Chief Financial officer

Kaptan Singh
Company Secretary
Membership No. A32477

Place : New Delhi
Date: May 26, 2025

Hamstede Living Private Limited
CIN: U74999DL2018PTC342682
Statement of Profit and Loss for the year ended March 31 2025

	Notes	Year Ended March 31 2025 (Rupees in lakhs)	Year Ended 31 March 2024 (Rupees in lakhs)
Other income	9	15.92	7.28
Total Income (I)		**15.92**	**7.28**
Expenses			
Other expenses	10	2.91	3.21
Total expenses (II)		**2.91**	**3.21**
Earnings before interest, tax, depreciation and amortisation (EBITDA) (I-II)		**13.01**	**4.07**
Depreciation and amortization expense	11	1.19	1.33
Profit before tax		**11.82**	**2.74**
Tax expense:			
-Current tax		-	-
		-	-
Profit for the year		**11.82**	**2.74**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		-	-
		-	-
Total Comprehensive Profit for the year		**11.82**	**2.74**
Earning per equity share:			
(1) Basic	12	0.41	0.09
(2) Diluted	12	0.41	0.09

See accompanying notes forming part of the financial statements

In terms of our report attached

For B Ranjan and Co
Firm Registration No. 028076C
Chartered Accountants

Baby Kumari
Baby Kumari
Proprietor
Membership No. 548600

Place : New Delhi
Date: May 26, 2025

For and on behalf of the Board of Directors of
HAMSTEDE LIVING PRIVATE LIMITED

Prashant Mehrotra
Director
DIN: 07333994

Kapil Sharma
Director
DIN: 00352890

Nishant Monga
Chief Financial officer

Kaptan Singh
Company Secretary
Membership No. A32477

Place : New Delhi
Date: May 26, 2025

Hamstede Living Private Limited
CIN: U74999DL2018PTC342682
Cash flow statement for the year anded March 31, 2025

	Year Ended March 31, 2025 (Rupees in lakhs)	Year Ended March 31, 2024 (Rupees in lakhs)
A. Cash flow from operating activities		
Loss before tax	**11.82**	**2.74**
Non-cash adjustments to reconcile loss before tax to net cash flows:		
Depreciation and amortisation expenses	1.19	1.33
Finance income (including fair value change in financial instruments)	(15.92)	(7.28)
Operating loss before working capital changes:	**(2.91)**	**(3.21)**
Movements in working capital:		
Decrease/(Increase) in loans and advances and other current assets	0.21	154.75
(Decrease)/Increase in other current liabilities and other current financial liabilities	(0.17)	0.27
Cash used in Operations	**(2.87)**	**151.81**
Direct taxes paid (net of refunds)	-	-
Net cash flow used in operating activities (A)	**(2.87)**	**151.81**
B. Cash flows from investing activities		
Purchase of current investments	(150.00)	-
Movement in fixed deposit	150.00	(150.00)
Interest received	7.06	-
Net Cash flow from investing activities (B)	**7.06**	**(150.00)**
C. Cash flows used in financing activities		
Interest paid	-	-
Net Cash used in financing activities(C)	-	-
Net decrease in cash and cash equivalents (A+B+C)	**4.19**	**1.81**
Cash and cash equivalents at the beginning of the year	26.04	24.23
Cash and cash equivalents at the end of the year	**30.23**	**26.04**
Components of cash and cash equivalents		
Cash on Hand	0.56	0.56
Balances with Scheduled Banks in		
- Current accounts	29.67	25.48
Total cash and cash equivalents	**30.23**	**26.04**

See accompanying notes forming part of the financial statements

In terms of our report attached

For B Ranjan and Co
Firm Registration No. 028076C
Chartered Accountants

Baby Kumari
Proprietor
Membership No. 548600

Place : New Delhi
Date: May 26, 2025

For and on behalf of the Board of Directors of
HAMSTEDE LIVING PRIVATE LIMITED

Prashant Mehrotra
Director
DIN: 07333994

Kapil Sharma
Director
DIN: 00352890

Nishant Monga
Chief Financial officer

Kaptan Singh
Company Secretary
Membership No. A32477

Place : New Delhi
Date: May 26, 2025

Hamstede Living Private Limited
CIN: U74999DL2018PTC342682
Statement of Changes in Equity for the year ended March 31, 2025

A. Equity Share Capital

Equity shares of INR 10 each issued, subscribed and fully paid	**No. of shares**	**Amount Rs in lakhs**
Balance as at April 01, 2023	**29,500,000**	**295**
Increase/(decrease) during the year	-	-
Balance as at March 31, 2024	**29,500,000**	**295**
Increase/(decrease) during the year	-	-
Balance as at March 31, 2025	**29,500,000**	**295**

B. Other Equity

Rs. In lakhs

	Retained Earnings	**Share Issue Expenses**	**Other equity**
Balance as at April 01, 2023	**(2,647.21)**	(18.00)	**(2,665.21)**
Total Comprehensive Income for the year	2.74	-	2.74
Balance as at March 31, 2024	**(2,644.47)**	**(18.00)**	**(2,662.47)**
Total Comprehensive Income for the year	11.82	-	11.82
Balance as at March 31, 2025	**(2,632.65)**	**(18.00)**	**(2,650.65)**

See accompanying notes forming part of the financial statements 2

In terms of our report attached

For B Ranjan and Co
Firm Registration No. 028076C
Chartered Accountants

Baby Kumari
Proprietor
Membership No. 548600

Place : New Delhi
Date: May 26, 2025

For and on behalf of the Board of Directors of
HAMSTEDE LIVING PRIVATE LIMITED

Prashant Mehrotra
Director
DIN: 07333994

Kapil Sharma
Director
DIN: 00352890

Nishant Manga
Chief Financial officer

Kaptan Singh
Company Secretary
Membership No. A32477

Place : New Delhi
Date: May 26, 2025

(c) Detail of shares held by promoters

As at March 31, 2025

S.No.	Promoter Name	Number of shares at the beginning of the year	Percentage of Total shares	Change during the year	Number of shares at the end of the year	Percentage of Total shares	Percentage change during the year
1	M/s Lemon Tree Hotels Limited	29,500,000	100.00%	-	29,500,000	100.00%	0.00%
	Total	**29,500,000**		**-**	**29,500,000**	**100.00%**	

As at March 31, 2024

S.No.	Promoter Name	Number of shares at the beginning of the year	Percentage of Total shares	Change during the year	Number of shares at the end of the year	Percentage of Total shares	Percentage change during the year
1	M/s Lemon Tree Hotels Limited	29,500,000	100.00%	-	29,500,000	100.00%	0.00%
	Total	**29,500,000**		**-**	**29,500,000**	**100.00%**	



1.1 Corporate Information

Hamstede Living Private Limited (the Company) is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at Asset No. 6, Aerocity Hospitality District, New Delhi 110037.
As on March 31, 2022, the Company becomes a subsidiary of 'Lemon Tree hotels Limited' which is a public Company, pursuant to the provisions of Companies Act, 2013.

The principal activities of the Company is to provide full-range accommodation and lodging services including food services, facilities management, transportation, laundry, communication, broadband, entertainment and community services through designing, developing, constructing, repositioning, refurbishing, owning, acquiring, leasing, and managing short and long stay real estate projects (including, shared accommodation, hostels, guesthouses), with a primary focus on student housing, co-living for working professionals/adults etc.

The financial statements are approved for issue by the Board of directors on May 26, 2025.

1.2 Recent Accounting Pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2024.

2 Basis of preparation of financial statements and Material accounting policies

2.1 Basis of preparation and Compliance with Ind AS

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), and the provisions of the Companies Act, 2013 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities which are measured at fair value / amortized cost.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing account standard required a change to the accounting policy hitherto to in use.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, expect where otherwise indicated.

2.2 Material accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.



A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

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

(b) Foreign Currencies

Functional and presentation currency

The Company's financial statements are presented in INR, which is also the Company's functional currency. Presentation currency is the currency in which the company's financial statements are presented. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash. All the financial information presented in Indian Rupees (INR) has been rounded to the nearest of lakhs rupees, except where otherwise stated.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

(c) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

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

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

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

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

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

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

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

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

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

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value. External valuers are involved for valuation of significant assets and liabilities. The management selects external valuer on various criteria such as market knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes:

- Disclosures for valuation methods, significant estimates and assumptions (note 2.3)
- Quantitative disclosures of fair value measurement hierarchy (note 23)
- Financial instruments (including those carried at amortized cost) (note 23)



(d) Revenue Recognition

Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the income statement.

(e) Taxes

Tax expense represents Current income tax and Deferred tax.

Current income tax

The tax currently payable is based on taxable profit for the period/year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits (including MAT credit) and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized



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

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognized subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognized within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date.

If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognized in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realized are recognized in profit or loss.

Sales/ Value Added Taxes/Goods & Service Tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognized net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

(f) Property, plant, and equipment

Capital work in progress is stated at cost. Property, Plant, and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. Freehold land is not depreciated.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.



Depreciation on fixed assets is provided as per Schedule II of Companies Act, 2013 on Straight Line Method over its economic useful life of fixed assets as follows:

Fixed Assets	Useful Life Considered
Computers	3 years
Lease hold improvements	6 years
Furniture and fixtures	10 years
Office equipment	5 years

The Company, based on management estimates, depreciates certain items of building, plant and equipment over estimated useful lives which are lower than the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively if appropriate.

(g) Intangible assets

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

The useful lives of intangible assets are assessed as 3 years and the same shall be amortised on Straight line basis over its useful life.

Intangible assets with indefinite useful lives are not amortized but are tested for impairment at each year end either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 income statement when the asset is derecognized.

(h) Borrowing costs

Borrowing cost includes interest expense as per Effective Interest Rate (EIR).

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset until such time that the assets are substantially ready for their intended use. Where funds are borrowed specifically to finance a project, the amount capitalized represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance a project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalized is calculated using a weighted average of rates applicable to relevant general borrowings of the Company during the year. Capitalization of borrowing costs is suspended and charged to profit and loss during the extended periods when the active development on the qualifying assets is interrupted.



EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial liability or a shorter period, where appropriate, to the amortized cost of a financial liability after considering all the contractual terms of the financial instrument.

(I) Leases

Company as a lessee

The Company assesses whether a contract contains a lease, at inception of contract. A contract is, or contains, a lease if the contract 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 a right to control the use of an identified asset, the company assesses whether: (I) the contract involves use of an identified asset (II) the Company has substantially all of the economic benefits from the use of asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for lease 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 recognizes the lease payments as on operating expense on a straight-line basis over the term of lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in use) is determined on individual asset basis unless the asset does not generate cash flows that are largely dependent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease, or, if not readily determinable, using the incremental borrowing rate.

(j) Impairment of non-financial assets

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

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are



allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

Impairment losses including impairment on inventories, are recognized in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(k) Provisions

General

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent Assets/ Liabilities

Contingent assets are not recognized. However, when realization of income is virtually certain, then the related asset is no longer a contingent asset, and is recognized as an asset.

Contingent liabilities are disclosed in notes to accounts when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(l) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to 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, for example, a reduction in future payment or a cash refund.

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Retirement benefits in the form of Superannuation Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

Short-term and other long-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

The Company treats leaves expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.



(m) 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.

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- Equity instruments in subsidiaries/associates carried at cost

Debt instruments at amortized cost

A debt instrument is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is most applicable to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate ("EIR") method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or



FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity instruments

All equity investments (other than equity investments in subsidiaries) in scope of Ind AS 109 are measured at fair value. Equity instruments in subsidiaries are carried at cost in financial statements less impairments if any. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
b) Financial assets that are debt instruments and are measured as at FVTOCI.
c) Trade receivables or any contractual right to receive cash or another financial asset.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

At each reporting date, for recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:



- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

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

Financial liabilities at amortized cost

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

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

This category generally applies to borrowings. For more information refer Note 23.

Financial guarantee

Financial guarantees issued by the Company on behalf of group companies are designated as 'Insurance Contracts'. The Company assess at the end of each reporting period whether its recognised insurance liabilities (if any) are adequate, using current estimates of future cash flows under its insurance contracts. If that assessment shows that the carrying amount of its insurance liabilities are inadequate in the light of the estimated future cash flows, the entire deficiency is recognised in profit or loss.

If a financial guarantee is an integral element of debts held by the entity, it is not accounted for separately.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(n) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and 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.

(o) Measurement of EBITDA

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

(p) Cash Flow Statement

Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(q) Earnings Per Share (EPS)

Basic EPS is calculated by dividing the profit for the period attributable to ordinary equity shareholders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity shareholders of the Company by the weighted average number of Equity shares outstanding during the period plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.



2.3 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these judgements, estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The estimates and underlying assumptions are reviewed on an ongoing basis and the revisions to accounting estimates are recognized in the period in which the estimate is revised.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using other valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements 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.



Hamstede Living Private Limited
Notes to financial statements for the year ended March 31, 2025

3 Property, plant and equipment

(Rs in lakhs)

Particulars	Leasehold improvements	Office equipments	Furniture and Fixtures	Computers	Total
Cost or Deemed Cost					
Balance as at April 01, 2023	**26.36**	**3.06**	**8.64**	**9.42**	**47.48**
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Balance as at March 31, 2024	**26.36**	**3.06**	**8.64**	**9.42**	**47.48**
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Balance as at March 31, 2025	**26.36**	**3.06**	**8.64**	**9.42**	**47.48**
Depreciation					
Balance as at April 01, 2023	**26.36**	**2.10**	**3.12**	**9.42**	**41.00**
Charge for the year	-	0.55	0.78	-	1.33
Disposals	-	-	-	-	-
Balance as at March 31, 2024	**26.36**	**2.65**	**3.90**	**9.42**	**42.33**
Charge for the year	-	0.41	0.78	-	1.19
Disposals	-	-	-	-	-
Balance as at March 31, 2025	**26.36**	**3.06**	**4.68**	**9.42**	**43.52**
Net Book value					
Balance as at March 31, 2025	**-**	**-**	**3.96**	**-**	**3.96**
Balance as at March 31, 2024	-	0.41	4.74	-	5.15

4 Financial assets

		As at March 31 2025 (Rupees in lakhs)	As at 31 March 2024 (Rupees in lakhs)
(i)	**Investments**		
	Investments at fair value through Profit & Loss		
	Unquoted mutual funds		
	4,188.56(Previous year 1,810.53) Units of Nippon India Liquid Fund-Direct Plan Growth Plan - Growth Option	265.84	106.98
		265.84	**106.98**

		As at March 31 2025 (Rupees in lakhs)	As at 31 March 2024 (Rupees in lakhs)
(ii)	**Cash and cash equivalents**		
	Balance with banks		
	On current & cash credit accounts	29.67	25.48
	Cash on hand	0.56	0.56
		30.23	**26.04**

		As at March 31 2025 (Rupees in lakhs)	As at 31 March 2024 (Rupees in lakhs)
(iii)	**Bank balances other than (ii) above**		
	Deposits with original maturity of more than 3 months but less than 12 months	-	150.00
		-	150.00

		As at March 31 2025 (Rupees in lakhs)	As at 31 March 2024 (Rupees in lakhs)
(iv)	**Other financial assets**		
	Current		
	Balance with statutory/ government authorities	0.01	0.22
		0.01	0.22



5 Equity Share capital

Authorised Share Capital

	Equity shares	
	No. of shares	Rs in lakhs
At April 01, 2023	**40,000,000**	**4,000.00**
Increase/(decrease) during the year	-	-
At March 31, 2024	**40,000,000**	**4,000.00**
Increase/(decrease) during the year	-	-
At March 31, 2025	**40,000,000**	**4,000.00**

Terms/rights attached to equity shares

The company has only one class of equity shares having par value of Re. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders 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.

Issued equity capital

Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	Rs in lakhs
At April 01, 2023	**29,500,000**	**2,950.00**
	-	-
At March 31, 2024	**29,500,000**	**2,950.00**
Increase/(decrease) during the year	-	-
At March 31, 2025	**29,500,000**	**2,950.00**

(a) Shares held by holding company

	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Rs in lakhs	No. of shares	Rs in lakhs
Equity shares of Rs. 10 each fully paid up				
Lemon Tree Hotels Limited	29,500,000	2,950.00	29,500,000	2,950.00

(b) Details of shareholders holding more than 5% shares in the company

	As at March 31, 2025		As at March 31, 2024	
	No. of shares	% Shareholding	No. of shares	% Shareholding
Equity shares of Rs. 10 each fully paid up				
Lemon Tree Hotels Limited	29,500,000	100.00%	29,500,000	100.00%

The Company has not issued Bonus Share, Share for consideration other than Cash and has not bought back shares during the period of five years immediately preceding the reporting date.

6 Other equity

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(i) Preference Share Capital-equity component	-	-
(ii) Retained Earnings	(2,632.65)	(2,644.47)
(iii) Share Issue Expenses	(18.00)	(18.00)
	(2,650.65)	(2,662.47)

(i) Preference Share Capital

Authorised Share Capital

	Preference shares	
	No. of shares	Rs in lakhs
At April 01, 2023	9,500,000	950
Reclassified into equity shares		
At March 31, 2024	9,500,000	950
Reclassified into equity shares		-
At March 31, 2025	9,500,000	950

(II) Retained Earnings

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Opening Balance	(2,644.47)	(2,647.21)
Loss for the year	11.82	2.74
Closing balance	(2,632.65)	(2,644.47)

(III) Share issue expenses

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Opening Balance	(18.00)	(18.00)
Addition during the year	-	-
Closing balance	(18.00)	(18.00)

7 Trade Payables

	As at March 31 2025 (Rupees in lakhs)	As at 31 March 2024 (Rupees in lakhs)
Trade payables		
- Due to micro and small enterprises	-	-
- Others	0.66	0.84
	0.66	**0.84**

8 Other current liabilities

	As at March 31 2025 (Rupees in lakhs)	As at 31 March 2024 (Rupees in lakhs)
Statutory Dues	0.03	0.02
	0.03	**0.02**



9 Other income

	For year ended March 31 2025 (Rupees in lakhs)	For year ended 31 March 2024 (Rupees in lakhs)
Interest Income on :		
-Bank Deposits	7.06	-
Fair Value gain on investment at fair value through profit or loss	8.86	7.28
	15.92	**7.28**

10 Other expenses

	For year ended March 31 2025 (Rupees in lakhs)	For year ended 31 March 2024 (Rupees in lakhs)
Rates and taxes	0.02	0.03
Legal and professional fees	2.79	3.08
Payment to auditors		
- for statutory audit fees	0.10	0.10
	2.91	**3.21**

11 Depreciation and amortization expense

	For year ended March 31 2025 (Rupees in lakhs)	For year ended 31 March 2024 (Rupees in lakhs)
Depreciation of tangible assets	1.19	1.33
	1.19	**1.33**

12 Earnings per share (Basic And Diluted)

	For year ended March 31 2025	For year ended 31 March 2024
Earning after Tax (Rs in lakhs)	11.82	2.74
Weighted Average Number of Equity Shares*	2,891,507	2,891,507
Basic Earning per share	**0.41**	**0.09**
Earning after Tax (Rs in lakhs)	11.82	2.74
Weighted average number of equity shares in calculating diluted EPS	2,891,507	2,891,507
Diluted Earning per share	**0.41**	**0.09**

* The weighted average number of shares takes into account the weighted average effect of changes in share transactions during the year.



13 Employment benefit plans

a. Defined contribution plans

The Company makes Provident Fund which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Nil (Year ended 31 March, 2024 Nil) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

b. Defined benefit plans

i. Gratuity

The Company operates a non-funded gratuity defined benefit scheme for its employees under Payment of Gratuity Act. The scheme provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of 6 months subject to a ceiling of Rupees 2,000,000. Vesting occurs on completion of five years of service.

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

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
Interest risk	A decrease in the bond interest rate will increase the plan liability, however, this will be partially offset by an increase in the return on the plan's investments.
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	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.



14 Commitments

a. Commitments

The estimated amount of contracts of capital nature (net of advances) remaining to be executed and not provided for is Nil (Previous year: Nil) and other commitments of Rs Nil (Previous year: Nil).

b. Contingent liabilities

There is no contingent liability or pending litigation as on 31 March 2025 (Previous year Rs Nil).

15 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at March 31, 2025 (Rupees in lakhs)	As at March 31, 2024 (Rupees in lakhs)
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year ;	Nil	Nil
(ii) The amount of interest paid by the buyer in term of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of payment made to the supplier beyond the appointed day during each accounting year ;	Nil	Nil
(iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006 ;	Nil	Nil
(iv) The amount of interest accrued and remaining unpaid at the end of the each accounting year ;	Nil	Nil
(v) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance of deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

16 Segment information

The Company is into rental housing business. The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore there is no reportable segment for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about geographical areas

The Company has only domestic operations and hence no information required for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about major customers

There is no customer that individually accounted for more than 10% of the Company's revenue for the year ended March 31, 2025 and March 31, 2024.

17 Fair value measurement

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument

Financials assets/liabilities	As at March 31, 2025 (Rupees in lakhs)		As at March 31, 2024 (Rupees in lakhs)	
	FTPVL	Amortised cost	FTPVL	Amortised cost
Assets				
Current assets				
Financial assets				
- Investments	265.84	-	106.98	-
- Cash and cash equivalents	-	30.23	-	26.04
- Bank balances	-	-	-	150.00
- Other financial assets	-	0.01	-	0.22
	265.84	**30.24**	**106.98**	**176.26**
Liabilities				
Current liabilities				
Financial liabilities				
- Trade payables	-	0.66	-	0.84
	-	**0.66**	-	**0.84**

Fair value hierarchy and valuation techniques used to determine fair values:

To provide an indication about the reliability of inputs used in determining fair value, the Company has classified its financial instrument into three levels prescribed under the accounting standard.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities (in particular the valuation technique(s) and inputs used):

Financials assets/liabilities	Fair value at As at March 31, 2025 (Rupees in lakhs)	Fair value at As at March 31, 2024 (Rupees in lakhs)	Fair value hierarchy
Liabilities	-	-	Level 1
Assets	265.84	106.98	Level 1

There were no transfers between the Level 1, Level 2 and Level 3 during the year. There is no change in the valuation technique during the year. The Company classifies investment in mutual funds in Level 1 as quoted prices can be corroborated in active market for identical assets.

18 Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include other receivables and cash & cash equivalents that derive directly from its operations.

The Company is exposed to credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management advises on financial risks and the appropriate financial risk governance framework for the Company. The Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

Credit risk

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

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company monitors their risk of shortage of funds using cash flow forecasting models. These models consider the maturity of their financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner.

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

Particulars	On demand (Rupees in lakhs)	0 - 1 year (Rupees in lakhs)	1 - 5 years (Rupees in lakhs)	> 5 years (Rupees in lakhs)	Total (Rupees in lakhs)
As at March 31, 2025					
Other financial liabilities	0.66		-	-	0.66
	0.66	-	-	-	0.66
As at March 31, 2024					
Other financial liabilities	0.84		-	-	0.84
	0.84	-	-	-	0.84

19 **Related party**

a. List of related

Name of Related Parties	
Holding Company	- Lemon Tree Hotels Limited
Key Management Personnel	- Mr. Devinder Kumar (Whole Time Director) (upto February 03, 2025) - Mr. Patanjali Govind Keswani (Director) (Upto June 28, 2024) - Mr. Kapil Sharma (Director) -Mr. Rajeev Jaiveia (Director) (w.e.f June 28, 2024) -Mr. Prashant Mehrotra (Additional Director) (w.e.f. February 03, 2025) -Mr. Nishant Monga (Chief Financial Officer) -Mr. Kartan Singh (Company Secretary)

Terms and conditions of transactions with related parties

Outstanding balances with related parties at the year-end are unsecure and settlement occurs in cash. For the year ended March 31, 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2024: Rs Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Commitments with related parties

The Company has not entered into any commitments with related parties during the year.

20 The Company does not have any long term contracts including derivative contracts for which there are any material foreseeable losses.

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

22 In accordance with Indian Accounting Standard 12 "Income Tax",deferred tax asset has not been recognised as Company are in losses and there is no convincing evidence that sufficient future taxable income will be available against which such deferred tax asset can be realised.

22.1 As per the proviso to Rule 3(1) of Companies (Accounts) Rules, 2014, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses an accounting software for recording all the accounting transactions for the year ended March 31, 2025. The software has a feature of recording audit trail (edit log) facility which was enabled throughout the year. Subsequent to the year ended March 31, 2025, the Company has implemented audit trail (edit log) facility on this accounting software.

The audit trail that was enabled and operated for the year ended March 31, 2024, has been preserved by the Company as per the statutory requirements for record retention.

The Management has adequate internal controls over financial reporting which were operating effectively for the year ended March 31, 2025.

19 Related party

a. List of related

Name of Related Parties	
Holding Company	- Lemon Tree Hotels Limited
Key Management Personnel	- Mr. Devinder Kumar (Whole Time Director) (upto February 03, 2025) - Mr. Patanjali Govind Keswani (Director) (Upto June 28, 2024) - Mr. Kapil Sharma (Director) -Mr. Raleev Janveja (Director) (w.e.f June 28, 2024) -Mr. Prashant Mehrotra (Additional Director) (w.e.f. February 03, 2025) -Mr. Nishant Monga (Chief Financial Officer) -Mr. Kaptan Singh (Company Secretary)

Terms and conditions of transactions with related parties

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The audit trail that was enabled and operated for the year ended March 31, 2024, has been preserved by the Company as per the statutory requirements for record retention.

The Management has adequate internal controls over financial reporting which were operating effectively for the year ended March 31, 2025.

23 Previous year figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/disclosure.

24 Other Statutory Information

(i). The Company have not traded or invested in Crypto currency or Virtual currency during the financial year.

(ii). The Company have not 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.

(iii). The Company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property

(iv). The company do not have any transaction with companies struck off.

(v). The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(vi). The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vii). During the year, the company has not entered into any scheme of arrangements in terms of section 230 to 237 of the Companies Act, 2013 and accordingly, the prescribed disclosures of Schedule III are not required to be given.

(viii). The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or,

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

For B Ranjan and Co
Firm Registration No. 028076C
Chartered Accountants

Baby Kumari
Baby Kumari
Proprietor
Membership No. 548600

For and on behalf of the Board of Directors
HAMSTEDE LIVING PRIVATE LIMITED

Prashant Mehrotra
Director
DIN: 07333994

Kapil Sharma
Director
DIN: 00352890

Nishant Monga
Chief Financial officer

Kaptan Singh
Company Secretary
Membership No. A32477

Place : New Delhi
Date: May 26, 2025

Place : New Delhi
Date: May 26, 2025

APAS & CO LLP
CHARTERED ACCOUNTATNS

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CANARY HOTELS PRIVATE LIMITED

Report on the Audit of IND AS Financial Statements

Opinion

We have audited the accompanying IND AS financial statements of **CANARY HOTELS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the IND AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid IND AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the IND AS financial statements under the provisions of the Companies Act, 2013 and the Rules issued there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information other than the Financial Statements and Auditor's Report thereon

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the



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other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the IND AS financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these IND AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 IND AS financial statements, that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors/Management are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the IND AS financial Statements

Our objectives are to obtain reasonable assurance about whether the IND AS 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 IND AS financial statements.

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

1. Identify and assess the risks of material misstatement of the IND AS 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

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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.

2. Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the IND AS 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.

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

Materiality is the magnitude of misstatements in the interim condensed standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.



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Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit we report that:

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

   ii. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

   iii. The Balance Sheet, the Statement of Profit and Loss (including the Other Comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   iv. In our opinion, the aforesaid IND AS Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act.

   v. On the basis of the written representations received from the directors as on 31st March, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

   vi. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure II". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   vii. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, according to the explanations given to us, no managerial remuneration has been paid by the Company to its directors during the year, therefore the provisions of the section are not applicable.

   viii. 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:

      i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS financial statements. Refer Note 27 to the financial statements.

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

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

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iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) 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 (a) and (b) above, contain any material misstatement.

v. The company has neither declared dividend nor paid any dividend during the year.

2. 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, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in "Annexure I" a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.

For APAS & CO LLP
CHARTERED ACCOUNTANTS
Firm Regn No. 000340C/C400308

APAS & CO. LLP FRN-000340C/C400308 New Delhi CHARTERED ACCOUNTANTS

Rajeev Ranjan

PLACE : DELHI
DATED : May 26, 2023
UDIN : 23535395BGTWXV6685

(RAJEEV RANJAN)
PARTNER
M No. 535395

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ANNEXURE- I TO THE INDEPENDENT AUDITOR'S REPORT

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

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The company has maintained proper records showing full particulars of intangible assets.

b) The Property, Plant and Equipment have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies were noticed on such verification.

c) According to the information and explanations given by the management, the title deeds of immoveable properties included in property, plant and equipment are held in the name of the Company.

d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

e) Based on audit procedures performed and the representation obtained from the management, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. a) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on physical verification.

b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets during any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

iii. The Company, during the year, has not made investment, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured,

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to companies, firms, limited liability partnerships or any other parties Therefore, the provisions of clause 3(iii)(a) to 3(iii)(f) of the Order are not applicable.

iv. The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. To the best of our knowledge and as explained, the central government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act 2013.

vii. a) As per information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other statutory dues with the appropriate authorities. As informed to us there are no outstanding statutory dues in arrears as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) as on the balance sheet date which have not been deposited on account of any dispute.

viii. Based on our audit procedures and on the basis of information and explanations given to us by the management, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and there has been no utilisation during the current year of the term loans obtained by the Company during any previous years. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have, prima facie, been used for long-term purposes by the company.

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e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, The Company does not have any subsidiaries, joint ventures or associate companies and therefore the clause 3(ix)(e) and 3(ix)(f) is not applicable.

x. a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans during the year. Accordingly, the provisions of clause 3(x) of the Order are not applicable to the Company and hence not commented upon.

b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the company and no material fraud on the Company has been noticed or reported during the year.

b) We report that no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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

xii. The Company is not a Nidhi company and therefore clause 3(xii) of the Order related to such companies is not applicable to the Company.

xiii. All transactions entered during the year with the related party are in compliance with the provisions of sections 188 where applicable and the details with respect to all related party transactions have been disclosed in the Financial Statements as required by applicable accounting standards. Section 177 of the Companies Act, 2013 is not applicable on the Company.

xiv. a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.

b) We have considered the internal audit reports of the company issued till date, in determining the nature, timing and extent of our audit procedures.

xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3

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(xv) of the Order are not applicable to the Company and hence not commented upon.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) of the Order is not applicable to the Company.

xvii. The company has not incurred cash losses in the financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly clause 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.

xx. The Company is not required to spend any amount on corporate social responsibility under section 135 of the Companies Act. Therefore, the provisions of clause 3(xx) of the Order are not applicable.

xxi. The reporting under clause 3(xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report

For APAS & CO LLP
CHARTERED ACCOUNTANTS
Firm Regn No. 000340C/C400308

APAS & CO. LLP FRN-000340C/C400308 New Delhi CHARTERED ACCOUNTANTS

Rajeev Ranjan

(RAJEEV RANJAN)
PARTNER
M No. 535395

PLACE : DELHI
DATED : May 26, 2023
UDIN : 23535395BGTWXU6685

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ANNEXURE- II TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **CANARY HOTELS PRIVATE LIMITED** ("the Company") as of 31st March 2023 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting with reference to these Standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Standalone Ind AS financial statements, assessing the risk that a material weakness exists, and testing and

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evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 system over financial reporting with reference to these Standalone Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these financial statements

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



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Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Standalone Ind AS financial statements and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on "Audit of Internal Financial Controls Over Financial Reporting" issued by the Institute of Chartered Accountants of India.

For APAS & CO LLP
CHARTERED ACCOUNTANTS
Firm Regn No. 000340C/C400308

Rajeev Ranjan

(RAJEEV RANJAN)
PARTNER
M No. 535395

PLACE : DELHI
DATED : May 26, 2023
UDIN : 23535395BGTWXU6685

Canary Hotels Private Limited
CIN: U55101DL2006PTC144532
Balance Sheet as at March 31, 2023

	Note	March 31, 2023 Rs in lakhs	March 31, 2022 Rs in lakhs
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	4,337.37	4,363.28
(b) Intangible assets	4	0.50	0.20
(c) Financial assets	5		
(i) Other non current financial assets		36.27	35.67
(d) Deferred tax assets (net)	6	-	-
(e) Non-current tax assets (net)		-	3.15
		4,374.14	4,402.30
Current assets			
(a) Inventories	7	52.98	30.01
(b) Financial assets	8		
(i) Trade receivables		26.17	17.70
(ii) Cash and Cash equivalents		37.98	56.14
(c) Other current assets	9	70.05	61.51
		187.18	165.36
Total Assets		4,561.32	4,567.66
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	10	5,009.45	5,009.45
(b) Other Equity	11	(1,910.39)	(1,932.43)
Total Equity		3,099.06	3,077.02
Liabilities			
Non-current liabilities			
(a) Financial liabilities	12		
(i) Borrowings		1,203.26	1,195.62
(b) Long term provisions	13	11.97	9.82
		1,215.23	1,205.44
Current liabilities			
(a) Financial liabilities	14		
(i) Borrowings		48.75	91.91
(ii) Trade payables			
- total outstanding dues of micro enterprises and small enterprises		40.04	23.17
- total outstanding dues of creditors other than micro enterprises and		68.85	79.30
(iii) Other current financial liabilities		37.93	31.30
(b) Other current liabilities	15	44.73	52.12
(c) Provisions	13	6.73	7.40
		247.03	285.20
Total Liabilities		1,462.26	1,490.64
Total Equity and Liabilities		4,561.32	4,567.66
Summary of significant accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For APAS & CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

Rajeev Ranjan
Partner
Membership No. 535395

APAS & CO. LLP FRN-000340C/C400308 New Delhi CHARTERED ACCOUNTANTS

Place : New Delhi
Date : May 26, 2023

Rajeev Janveja
Director
DIN No: 07334001

Rajesh Kumar
Whole Time Director
DIN: 05251730

Nikhil Sethi
Company Secretary
Mem no. A18883

Nitin Sharma
Chief Financial Officer

Canary Hotels Private Limited
CIN: U55101DL2006PTC144532
Statement of Profit and Loss for the year ended March 31, 2023

	Note	March 31, 2023 Rs in lakhs	March 31, 2022 Rs in lakhs
Revenue from operations	16	1,152.77	553.90
Other income	17	1.67	5.59
Total Income		1,154.44	559.49
Expenses			
Cost of food and beverages consumed	18	153.66	78.08
Employee benefits expense	19	304.85	198.77
Other expenses	20	506.69	336.13
Total expenses		965.20	612.98
Earnings before interest, tax, depreciation and amortisation (EBITDA)		189.24	(53.49)
Finance costs	21	116.80	210.34
Depreciation and amortization expense	22	50.63	63.31
Finance income	23	(0.13)	(2.09)
Profit/(loss) before tax		21.94	(325.05)
Remeasurements of defined benefit plans		0.10	(0.52)
Total Comprehensive income/(loss) for the year		22.04	(325.57)
Earnings per equity share			
(1) Basic	24	0.00	(0.06)
(2) Diluted	24	0.00	(0.06)
Summary of significant accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For APAS & CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

Rajeev Ranjan
Partner
Membership No. 535395

APAS & CO. LLP ★ FRN-000340C/C400308 ★ New Delhi ★ CHARTERED ACCOUNTANTS

Place : New Delhi
Date : May 26, 2023

For and on behalf of the Board of Directors of
Canary Hotels Private Limited

Rajeev Janveja
Director
DIN No: 07334001

Rajesh Kumar
Whole Time Director
DIN: 05251730

Nikhil Sethi
Company Secretary
Mem no.- A18883

Nitin Sharma
Chief Financial Officer

Canary Hotels Private Limited
CIN: U55101DL2006PTC144532
Cash flow statement for the year ended March 31, 2023

	For the year ended March 31, 2023 (Rs. in lakhs)	For the year ended March 31, 2022 (Rs. in lakhs)
A. Cash flow from operating activities		
Profit/(Loss) before tax	**21.94**	(325.06)
Non-cash adjustments to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortisation expenses	**50.63**	63.31
Finance income (including fair value change in financial instruments)	**-**	(0.21)
Finance costs (including fair value change in financial instruments)	**112.15**	207.24
Provision for gratuity	**0.84**	1.52
Provision for leave encashment	**0.74**	1.16
Excess provision/ credit balances written back	**(1.67)**	(4.90)
Provision for doubtful debts	**-**	0.40
Operating profit before working capital changes:	**184.63**	(51.63)
Movements in working capital:		
Change in trade receivables	**(8.48)**	0.92
Change in loans and advances and other current assets	**(9.13)**	181.45
Change in inventories	**(22.97)**	(12.61)
Change in liabilities and provisions	**7.33**	(101.70)
Cash Generated from Operations	**151.38**	16.43
Direct taxes paid (net of refunds)	**3.15**	**13.75**
Net cash flow from operating activities (A)	**154.53**	30.18
B. Cash flows used in investing activities		
Purchase of property, plant and equipment	**(25.02)**	(11.42)
Interest received	**-**	0.21
Net Cash flow used in investing activities (B)	**(25.02)**	(11.21)
C Cash flows from financing activities		
Proceeds from issuance of share capital	**-**	1,400.00
Proceeds/(Repayment) of long term borrowings	**9.48**	(1,104.54)
Repayment of short term borrowings	**(45.00)**	(75.41)
Interest paid	**(112.15)**	(207.24)
Net Cash (used in)/from financing activities (C)	**(147.67)**	12.81
Net (decrease)/increase in cash and cash equivalents (A + B + C)	**(18.16)**	31.77
Cash and cash equivalents at the beginning of the year	**56.14**	24.37
Cash and cash equivalents at the end of the year	**37.98**	56.14
Components of cash and cash equivalents		
Cash on Hand	**3.73**	6.12
Balances with Scheduled Banks in		
- Current accounts	**34.25**	50.02
Total cash and cash equivalents	**37.98**	56.14

Summary of significant accounting policies 2.2

As per our report of even date

For APAS & CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

Rajeev Ranjan
Partner
Membership No. 535395

APAS & CO. LLP FRN-000340C/C400308 New Delhi CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Canary Hotels Private Limited

Rajeev Janveja
Director
DIN No: 07334001

Rajesh Kumar
Whole Time Director
DIN: 05251730

Nikhil Sethi
Company Secretary
Mem no.- A18883

Nitin Sharma
Chief Financial Officer

Place : New Delhi
Date : May 26, 2023

Canary Hotels Private Limited
CIN: U55101DL2006PTC144532
Statement of Changes in Equity

A. Equity Share Capital

Equity shares of INR 1 each issued, subscribed and fully paid	**No. of shares**	**Amount (Rs in lakhs)**
At April 1, 2021	**360,945,400**	**3,609.45**
Issue of share capital	140,000,000	1,400.00
At March 31, 2022	**500,945,400**	**5,009.45**
Issue of share capital	-	-
At March 31, 2023	**500,945,400**	**5,009.45**

B. Other Equity
For the period ended March 31, 2023

Rs in lakhs

	Reserves and Surplus			
	Capital reserve	**Securities Premium**	**Retained Earnings**	**Other equity**
Balance at April 1, 2021	**11.45**	584.54	(2,202.85)	**(1,606.86)**
Total Comprehensive Income for the year	-	-	(325.57)	**(325.57)**
Balance at March 31, 2022	11.45	584.54	(2,528.42)	**(1,932.43)**
Total Comprehensive Income for the year	-	-	22.04	**22.04**
Balance at March 31, 2023	**11.45**	**584.54**	**(2,506.38)**	**(1,910.39)**

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For APAS & CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

Rajeev Ranjan
Partner
Membership No. 535395

Place : New Delhi
Date : May 26, 2023

For and on behalf of the Board of Directors of
Canary Hotels Private Limited

Rajeev Jauveja
Director
DIN No: 07334001

Rajesh Kumar
Whole Time Director
DIN: 05251730

Nikhil Sethi
Company Secretary
Mem no: A18883

Nitin Sharma
Chief Financial Officer

1. Corporate Information

Canary Hotels Private Limited (the Company) is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at Asset no. 6, Aerocity hospitality district, new delhi-110037.

The principal activities of the Companyis to carry out business of developing, owning, acquiring, renovating and promoting hotels, motels, resorts, restaurants, etc. under the brand name of Lemon Tree Hotel.

The financial statements were authorised for issue in accordance with a resolution of the directors on May26, 2023.

2 Basis of preparation

2.1 Significant accounting policies

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities which are measured at fair value/ amortised cost.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing account standard required a change to the accounting policy hitherto to in use.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, expect where otherwise indicated.

2.2 Summary of significant accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

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The Company classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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

(b) Foreign currencies

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

(c) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

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

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

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

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

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The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value. External valuers are involved for valuation of significant assets and liabilities. The management selects external valuer on various criteria such as market knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 25)
- Contingent consideration (note 27)
- Quantitative disclosures of fair value measurement hierarchy (note 29)
- Financial instruments (including those carried at amortised cost) (note 29)



(d) Revenue recognition

In arrangements for room revenue and related services, the Company has applied the guidance in Ind AS 115 for recognition of Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering room revenue and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognized.

Sales tax/ value added tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government.

Accordingly, it is excluded from revenue.

Rooms, Restaurant, Banquets and Other Services

Income from guest accommodation is recognized on a day to day basis after the guest checks into the Hotels and are stated net of allowances, Incomes from other services are recognized as and when services are rendered. Sales are stated exclusive of Service Tax, Value Added Taxes (VAT), Goods and Service tax(GST) and Luxury Tax. Shortfall of revenue over the billed as at the year-end is carried in financial statement as unbilled revenue separately.

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, sale of food and beverage are recognized at the points of serving these items to the guests. Sales are stated exclusive of Sales Tax / VAT/GST.

Interest income

For all financial instruments measured at amortized cost and interest bearing financial assets classified as available for sale, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the income statement.

Dividends

Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

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(e) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

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

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(f) Property, plant and equipment

Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on fixed assets is provided as per Schedule II of Companies Act, 2013 on Straight Line Method over its economic useful life of fixed assets as follows:

Fixed Assets	Useful life considered (SLM)
Plant & Machinery	15 Years
Building	60 Years
Electrical fittings	10 Years
Electrical Equipment's	10 Years
Office Equipment's	5 Years
Furniture and Fixtures	10 Years
Commercial Vehicles	6 Years
Private Vehicles	8 Years
Computers	3 Years

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end, and adjusted prospectively if appropriate.

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(g) Intangible assets

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

The useful lives of intangible assets are assessed as 3 years and the same shall be amortised on Straight line basis over its useful life.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 income statement when the asset is derecognized.

(h) Borrowing costs

Borrowing cost includes interest expense as per Effective Interest Rate (EIR).

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset until such time that the assets are substantially ready for their intended use. Where funds are borrowed specifically to finance aproject, the amount capitalized represents the actualborrowing costs incurred. Where surplus funds areavailable out of money borrowed specifically to financea project, the income generated from such currentinvestments is deducted from the total capitalizedborrowing cost. Where the funds used to finance aproject form part of general borrowings, the amountcapitalized is calculated using a weighted average ofrates applicable to relevant general borrowings of the Company during the year. Capitalisation of borrowingcosts is suspended and charged to profit and loss duringthe extended periods when the active development onthe qualifying assets is interrupted.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expectedlife of the financial liability or a shorter period, whereappropriate, to the amortised cost of a financial liability after considering all the contractual terms of the financial instrument.

(i) Inventories

Stock of food & beverages, stores and operating supplies are valued at lower of cost and net 7ealizable Value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a first in first out basis.Net 7ealizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make sale.



(j) Impairment of non-financial assets

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

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(k) Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(l) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to 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, for example, a reduction in future payment or a cash refund.

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.
Retirement benefit in the form of gratuity is a defined benefit scheme. Gratuity liability of employees is accounted for on the basis of actuarial valuation on projected unit credit method at the close of the year. Company's contribution made to Life Insurance Corporation is expenses off at the time of payment of premium.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.The Company recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Retirement benefits in the form of Superannuation Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

The company treats leaves expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

(m) 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.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- Equity instruments in subsidiaries carried at cost

Debt instruments at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instrument at FVTOCI

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.



Debt instrument at FVTPL

VTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

The Company has designated compulsory redeemable preference shares investments in its subsidiaries at FVTPL. The difference between the transaction amount and amortized cost is considered as 'deemed investment in compulsory redeemable preference shares'.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:



a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Financial assets that are debt instruments and are measured as at FVTOCI
c) Lease receivables under Ind AS 17
d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 (referred to as 'contractual revenue receivables' in these illustrative financial statements)
e) Loan commitments which are not measured as at FVTPL
f) Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.
Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms



ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

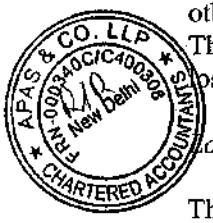
Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:
Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

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



Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

This category generally applies to borrowings. For more information refer Note 12.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(n) Redeemable preference shares

Redeemable preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the redeemable preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

(o) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and 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.

(p) Segment reporting policies

Identification of segments

The management of the Company reviews the specific performance of its respective hotel properties. However, since all hotels have similarity in terms of products and services, customer classes, method of providing services and the regulatory environment, the individual hotels qualify for aggregation. Thus, the management has considered aggregating all the hotels as one reportable operating segment. Accordingly, the figures appearing in these financial statements relate to the Company's single operating segment.

(q) Measurement of EBITDA

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

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Canary Hotels Private Limited
Notes to financial statements for the year ended March 31, 2023

3 Property, plant and equipment

Rs in lakhs

Particulars	Freehold land	Building on freehold land	Plant and Machinery	Electrical fittings	Electrical equipments	Office equipments	Furniture and Fixtures	Computers	Vehicles	Total
Cost										
At April 1, 2021	2,824.56	1,611.50	379.93	97.73	26.15	2.06	42.37	6.38	23.76	5,014.44
Additions	-	5.07			4.03	1.57		0.75		11.42
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2022	**2,824.56**	**1,616.57**	**379.93**	**97.73**	**30.18**	**3.63**	**42.37**	**7.13**	**23.76**	**5,025.86**
Additions			7.31		1.25	0.66			15.20	24.42
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2023	**2,824.56**	**1,616.57**	**387.24**	**97.73**	**31.43**	**4.29**	**42.37**	**7.13**	**38.96**	**5,050.28**
Depreciation										
At April 1, 2021	-	180.34	249.99	95.93	21.01	1.42	27.33	4.07	20.29	600.38
Charge for the year		29.02	28.32	0.05	0.49	0.17	1.44	0.51	2.20	62.20
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2022	-	**209.36**	**278.31**	**95.98**	**21.50**	**1.59**	**28.77**	**4.58**	**22.49**	**662.58**
Charge for the year		29.02	16.28	0.05	0.86	0.48	1.44	0.47	1.73	50.33
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2023	-	**238.38**	**294.59**	**96.03**	**22.36**	**2.07**	**30.21**	**5.05**	**24.22**	**712.91**
Net Book value										
At March 31, 2023	2,824.56	1,378.19	92.65	1.70	9.07	2.22	12.16	2.08	14.74	4,337.37
At March 31, 2022	2,824.56	1,407.21	101.62	1.75	8.68	2.04	13.59	2.55	1.27	4,363.28

Net book value	As at March 31, 2023	As at March 31, 2022
Plant, property and equipment	4,337.37	4,363.28

a) The property, plant and equipment are valued at cost. The company has not used registered valuer for fair valuation/revaluation.

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Canary Hotels Private Limited
Notes to financial statements for the year ended March 31, 2023

4 Intangible Assets

The intengible are assets are valued at cost. The company has not used registered valuer for fuur valuation/revaulation.

Rs in lakhs

Particulars	Software	Total
Cost		
At April 1, 2021	4.77	4.77
Additions	-	-
Disposals	-	-
At March 31, 2022	**4.77**	**4.77**
Additions	0.60	0.60
Disposals	-	-
At March 31, 2023	**5.37**	**5.37**
Amortisation		
At April 1, 2021	3.46	3.46
Amortisation	1.11	1.11
Disposals	-	-
At March 31, 2022	**4.57**	**4.56**
Amortisation	0.30	0.30
Disposals	-	-
At March 31, 2023	**4.86**	**4.86**
Net Block		
At March 31, 2023	**0.50**	**0.50**
At March 31, 2022	0.20	0.20

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Canary Hotels Private Limited
Notes to financial statements for the year ended March 31, 2023

5	**Financial assets**	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(i)	**Other non current financial assets**		
	Security Deposits	**36.17**	35.36
	Non current bank balances	**0.10**	**0.10**
	Interest accrued on deposits with banks and others	**-**	**0.21**
		36.27	35.67

6	**Deferred tax assets (net)**	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
	Fixed assets : Impact of difference between tax depreciation and depreciation/ amortization charged for financial year	**251.03**	246.43
	Deferred tax liability	**251.03**	246.43
	Impact of expenditure charged to the statement of profit and loss in the current/ earlier period but allowable for tax purposes on payment basis	**5.66**	3.81
	Interest on Borrowings u/s 43B	**25.22**	25.22
	Effect of unabsorbed depreciation and business loss	**215.29**	212.93
	Provision for gratuity	**3.63**	3.44
	Provision for leave compensation	**1.23**	1.03
	Deferred tax asset	**251.03**	246.43
	Deferred tax assets (net)	**-**	-

* Deferred tax asset on losses and credits has been recognized to the extent of Deferred tax liability.

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2023 and March 31, 2022:

	March 31, 2023	March 31, 2022
Profit/(loss) before tax	**21.94**	(325.05)
Tax rate	**26.00%**	26.00%
Tax at statutory income tax rate	**5.70**	(84.51)
Unrecognized tax assets (net)	**(5.70)**	84.51
Net	**-**	-



Canary Hotels Private Limited
Notes to financial statements for the year ended March 31, 2023

7 **Inventories** **(valued at lower of cost and net realisable value, unless otherwise stated)**	**As at March 31, 2023 Rs in lakhs**	As at **March 31, 2022** Rs in lakhs
Food and beverages (excluding liquor and wine)	**14.68**	6.48
Stores, cutlery, crockery, linen, provisions and others (valued at cost)	**38.30**	23.53
Total	**52.98**	30.01



8 Financial assets

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(i) Trade receivables		
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	**26.57**	18.10
Less: Allowances for doubtful receivables	**0.40**	0.40
	26.17	17.70
Break-up for security details:		
Trade receivables		
Unsecured, considered good	**26.57**	18.10
	26.57	18.10

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person, Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
The interest free credit period given to customers is upto 90 days.

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(ii) Cash and cash equivalents		
Balance with banks		
On current accounts	**34.25**	50.02
Cash on hand	**3.73**	6.12
	37.98	56.14

Break up of current financial assets carried at amortised cost	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Trade receivables	**26.17**	17.70
Cash and cash equivalents	**37.98**	56.14
Total current financial assets carried at amortised cost	**64.15**	73.84

9 Other current assets

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Advances recoverable in cash or kind		
- Others	**7.88**	10.93
Balance with statutory/ government authorities	**49.25**	43.41
Prepaid Expenses	**12.92**	7.17
Total	**70.05**	61.51

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10 Share capital

Authorised Share Capital

	Equity shares	
	No. of shares	Rs in lakhs
At April 1, 2021	346,000,000	3,460.00
Increase/(decrease) during the year	320,000,000	3,200.00
At March 31, 2022	666,000,000	6,660.00
Increase/(decrease) during the year	-	-
At March 31, 2023	666,000,000	6,660.00

Terms/rights attached to equity shares

The company has only one class of equity shares having par value of Rs. 1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders 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.

Issued equity capital

Equity shares of INR 1 each issued, subscribed and fully paid	No. of shares	Rs in lakhs
At April 1, 2021	360,945,400	3,609.45
Increase/(decrease) during the year	140,000,000	1,400.00
At March 31, 2022	500,945,400	5,009.45
Increase/(decrease) during the year	-	-
At March 31, 2023	500,945,400	5,009.45

Shares held by holding company

	As at March 31, 2023		As At March 31, 2022	
	No. of shares	Rs in lakhs	No. of shares	Rs in lakhs
Equity shares of Rs. 1 each fully paid up				
Lemon Tree Hotels Limited	500,945,400	5,009.45	500,945,400	5,009.45

Details of shareholders holding more than 5% shares in the company

	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% held	No. of shares	% held
Equity shares of Rs. 1 each fully paid up				
Lemon Tree Hotels Limited	500,945,400	100.00%	500,945,400	100.00%

The Company has not issued Bonus Share, Share for consideration other than Cash and has not bought back shares during the period of five years immediately preceding the reporting date



11 Other equity

Securities Premium	Rs in lakhs
At April 1, 2021	584.54
Increase/(decrease) during the year	-
At March 31, 2022	584.54
Increase/(decrease) during the year	-
At March 31, 2023	584.54

Retained Earnings	Rs in lakhs
At April 1, 2021	(2,202.85)
Profit/(loss) for the year	(325.57)
At March 31, 2022	(2,528.42)
Profit/(loss) for the year	22.04
At March 31, 2023	(2,506.38)

Capital Reserve (Equity Component of Reedemable Preference share)	Rs in lakhs
At April 1, 2021	11.45
Increase/(decrease) during the year	-
At March 31, 2022	11.45
Increase/(decrease) during the year	-
At March 31, 2023	11.45

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Other reserves		
Securities Premium	584.54	584.54
Retained Earnings	(2,506.38)	(2,528.42)
Capital Reserve (Equity Component of Reedemable Preference share)	11.45	11.45
	(1,910.39)	(1,932.43)

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12 Borrowings

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Non-current borrowings		
Term Loans		
Indian rupee loans from Banks (Secured)		
Vehicle loans (Refer note 1 below)	6.77	-
Rupee term loans from financial institutions		
Aditya Birla Finance Limited (Refer note 2 below)	1,196.49	1,195.62
Total non-current borrowings	1,203.26	1,195.62
Current borrowings		
Term Loans		
Current maturity of long term loans		
Vehicle loans (Refer note 1 below)	1.84	-
Total current borrowings	1.84	-
Less: Amount clubbed under "short term borrowing"	(1.84)	-
Net current borrowings	-	-

Term loans

1) Vehicle loan is secured by hypothecation of underlying motor vehicle acquired out of such loans. Rate of interest of the loan is 7.25%. The loan is repaid on agreed monthly installments.

2) Term loan of Aditya Birla Finance Limited having sanctioned amount of Rs.2,350 lakhs is repayable in 44 Structured Quarterly Installments payable after moratorium period of 12 months from the date of first disbursement , presently having rate of interest of 9.90%(previously 8.80%) secured by :
a) First exclusive charge on all the immovable fixed assets (both current and future) of the Lemon Tree Hotel EDM, Kaushambi Ghaziabad to provide minimum cover of 2.00x cover all the times during the tenure of loan,
b) First exclusive charge on all the movable fixed assets (both current and future) of the Lemon Tree Hotel EDM,
c) First exclusive charge on the escrow account of entire cash flow of Lemon Tree Hotel EDM,
d) Unconditional & irrevocable Guarantee by Lemon Tree Hotels Limited, DPN

3) The Company has not defaulted in the repayment of loans and interest at Balance Sheet date.
4) Bank loans availed by the Group are subject to certain covenants relating to interest coverage ratio, debt service coverage ratio, capital gearing ratio, fixed assets coverage ratio.
5) The Group has complied significant covenants from bank and financial institutions as per the terms of the loan agreement.
6) The company has used borrowings from banks/financial institutions for the specific purpose for which it was taken
7) Basis on several terms and conditions as specefied in sanction letters, the company submits quarterly returns/statements of current assets with banks/ financial institution and these returns/statements are in agreement with the books of accounts.

13 Provisions

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Provision for gratuity	13.95	13.21
Current	1.98	3.39
Non-current	11.97	9.82

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Provision for leave benefits	4.75	4.01
Current	4.75	4.01
Non-current	-	-

Total current	6.73	7.40
Total non-current	11.97	9.82

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14 Financial liabilities

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(i) Borrowings		
0% loan from Lemon Tree Hotels Limited repayable on demand	**46.91**	91.91
Current maturities of long-term borrowings	**1.84**	-
	48.75	91.91

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(ii) Trade payables		
-Micro and small enterprises	**40.04**	23.17
-Other than Micro and small enterprises	**68.85**	79.30
	108.89	102.47

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Trade payables	**97.33**	**86.10**
Trade payables to related parties	**11.56**	**16.37**
	108.89	102.47

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(iii) Other current financial liabilities		
Outstanding dues of other creditors	**37.93**	31.30
	37.93	31.30

15 Other current liabilities

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Advance from customers	**32.45**	45.44
Statutory Dues	**12.28**	6.68
	44.73	52.12

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Canary Hotels Private Limited
Notes to financial statements for the year ended March 31, 2023

16 Revenue from operations

	March 31, 2023 Rs in lakhs	March 31, 2022 Rs in lakhs
Sale of products and services		
- Room rental	**646.82**	302.22
- Food and beverage (excluding liquor and wine)	**394.45**	193.01
- Banquet rentals	**71.62**	39.16
- Telephone and telex	**-**	0.02
- Other Services	**39.88**	19.49
Revenue from operations	**1,152.77**	553.90

17 Other income

	March 31, 2023 Rs in lakhs	March 31, 2022 Rs in lakhs
Excess provision/ credit balances written back	**1.67**	4.90
Miscellaneous income	**-**	0.69
Total	**1.67**	5.59

18 Cost of food and beverages consumed

	March 31, 2023 Rs in lakhs	March 31, 2022 Rs in lakhs
(a) Consumption of food & beverages excluding liquor & wine		
Inventory at the beginning of the year	**6.48**	3.30
Add: Purchases	**161.86**	81.26
	168.34	84.56
Less: Inventory at the end of the year	**14.68**	6.48
Cost of food and beverage consumed	**153.66**	78.08

19 Employee benefit expense

	March 31, 2023 Rs in lakhs	March 31, 2022 Rs in lakhs
Salaries, wages and bonus	**281.48**	176.32
Contribution to provident fund and other funds	**15.33**	11.13
Gratuity expense	**1.93**	1.92
Leave compensation expenses	**1.07**	1.47
Staff welfare expenses	**5.04**	7.93
	304.85	198.77

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Canary Hotels Private Limited
Notes to financial statements for the year ended March 31, 2023

20 Other expenses	March 31, 2023 Rs in lakhs	March 31, 2022 Rs in lakhs
Consumption of stores, cutlery, crockery, linen, provisions and others	**16.86**	11.77
Power and fuel	**209.12**	102.52
Linen & uniform washing and laundry expenses	**7.32**	5.42
Guest transportation	**8.56**	7.73
Subscription charges	**1.98**	3.11
Repair and maintenance		
- Buildings	**35.87**	16.99
- Plant and machinery	**29.68**	32.29
- Others	**14.14**	4.25
Rates and taxes	**56.68**	56.11
Insurance	**3.00**	3.26
Communication costs	**7.07**	5.55
Printing and stationery	**3.53**	2.56
Traveling and conveyance	**2.92**	1.86
Advertisement and business promotion	**0.35**	0.16
Management fees	**26.59**	20.69
Commission -other than sole selling agent	**35.71**	22.80
Security and cleaning expenses	**9.82**	6.69
Legal and professional fees	**8.25**	10.34
Provision for doubtful debts and advances	**-**	0.40
Payment to auditor	**0.70**	0.70
Miscellaneous expenses	**28.54**	20.93
	506.69	336.13

Payment to auditor

As auditor	0.70	0.70
	0.70	0.70

21 Finance Costs	March 31, 2023 Rs in lakhs	March 31, 2022 Rs in lakhs
Interest		
- on term loans from banks	**111.58**	207.24
- on vehicle loans	**0.57**	0.01
Bank charges (including commission on credit card collection)	**4.65**	3.09
	116.80	210.34

22 Depreciation and amortization expense	March 31, 2023 Rs in lakhs	March 31, 2022 Rs in lakhs
Depreciation of tangible assets	**50.33**	62.20
Amortization of intangible assets	**0.30**	1.11
	50.63	63.31

23 Finance income	March 31, 2023 Rs in lakhs	March 31, 2022 Rs in lakhs
Interest Income on :		
-Bank Deposits	**0.00**	0.21
- Interest on income tax refund	**0.13**	1.88
	0.13	2.09



24 Earnings Per Share (Basic And Diluted)

Basic EPS amounts are calculated by dividing the (loss)/profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) 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.

The following reflects the income and share data used in the basic and diluted EPS computations:

	March 31, 2023	March 31, 2022
Profit/(loss) attributable to equity holders (for basic and diluted) (Rs in lakhs)	**21.94**	(325.05)
Weighted Average Number of Equity Shares (for basic and diluted)*	**500,945,400**	500,945,400
Basic & Diluted EPS	**0.00**	(0.06)

* The weighted average number of shares takes into account the weighted average effect of changes in share transactions during the year. There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.



25. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilitiesaffected in future periods.

a) Impairment of property, plant and equipment

Each hotel property is an identifiable asset that generates cash inflows and is independent of the cash inflows of the other hotel properties, hence identified as cash generating units. The Company assesses the carrying amount of hotel properties (CGU) to determine whether there is any indication that those assets have suffered an impairment loss. Where the carrying amount of CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. An impairment loss (if any) is recognised in the statement of profit and loss.

While assessing the recoverable amount, the Company used the discounted cash flow approach including various significant estimates and assumptions such as forecast of future revenue, operating margins, growth rate and selection of the discount rates. The key assumptions used for the calculations are as follows:

Particulars	As at March 31, 2023
Discount Rate *(pre tax rate of WACC)*	12.50%
Long Term Growth Rate	5.50%

As at March 31, 2023, the estimated recoverable amount of the CGU exceeded its carrying amount.

b) Loss Allowance on trade receivables

An impairment analysis of trade receivables is performed at each reporting period based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates. Basis this assessment, the allowance for doubtful trade receivables as at March 31, 2023 is considered adequate.

c) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

26. Gratuity and other post-employment benefit plans

Rs in lakhs

	March 31, 2023	March 31, 2022
Gratuity plan	**13.95**	13.21
Total	**13.95**	13.21

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The Company makes provision of such gratuity asset/ liability in the books of accounts on the basis of actuarial valuation as per the Projected unit credit method.

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Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2023:

Rs in lakhs

	Gratuity cost charged to profit or loss					Remeasurement gains/(losses) in other comprehensive income						
	April 1, 2022	Service cost	Net interest expense	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	March 31, 2023
Defined benefit obligation	13.21	1.14	0.79	1.93	(1.09)	-	-	(0.50)	0.40	(0.10)	-	13.95
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**13.21**	**1.14**	**0.79**	**1.93**	**(1.09)**	**-**	**-**	**(0.50)**	**0.40**	**(0.10)**	**-**	**13.95**

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2022:

Rs in lakhs

	Gratuity cost charged to profit or loss					Remeasurement gains/(losses) in other comprehensive income						
	April 1, 2021	Service cost	Net interest expense	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	March 31, 2022
Defined benefit obligation	11.17	1.29	0.63	1.92	(0.40)	-	-	(0.16)	0.69	0.52	-	13.21
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**11.17**	**1.29**	**0.63**	**1.92**	**(0.40)**	**-**	**-**	**(0.16)**	**0.69**	**0.52**	**-**	**13.21**

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The major categories of plan assets of the fair value of the total plan assets are as follows:

	March 31, 2023	March 31, 2022
Unquoted investments:		
Asset invested in insurance scheme with the LIC	-	-
Total	-	-

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

	March 31, 2023	March 31, 2022
Discount rate:	%	%
Pension plan	**7.20%**	**6.00%**
Future salary increases:		
Pension plan	**5.00%**	**5.00%**
Life expectation for pensioners at the age of 65:	**Years**	**Years**
Pension plan		
Male	**60**	**60**
Female	**60**	**60**

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

India gratuity plan:

Rs in lakhs

	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.39)	0.41	0.41	(0.40)

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

Rs in lakhs

	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.39)	0.87	0.42	(0.40)

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

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

Rs in lakhs

Duration (Years)	**For the year ended March 31, 2023**	For the year ended March 31, 2022
1	**3.94**	3.49
2	**3.13**	2.78
3	**2.42**	2.29
4	**1.88**	1.77
5	**1.46**	1.38
Above 5	**4.79**	4.52
Total expected payments	**17.62**	16.23

The average duration of the defined benefit plan obligation at the end of the reporting period is 4years (March 31, 2023: 4years).

27. Commitments and contingencies

a. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:

At March 31, 2023, the Company had NIL commitments (March 31, 2022: Rs NIL)

b. Contingent liabilities

Claims against the Company not acknowledged as debts

Rs in lakhs

		March 31, 2023	March 31, 2022
a.	Counter guarantees issued in respect of guarantees issued by company's bankers to a maximum amount & carrying amount	-	50.70

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28. Related Party Transactions

a) Names of related parties where control exists irrespective of whether transactions have occurred,

Holding company	- Lemon Tree Hotels Limited
Fellow subsidiary companies	-Fleur Hotels Private Limited - Hyacinth Hotels Private Limited - Oriole Dr. Fresh Hotels Private Limited - Sukhsagar Complexes Private Limited
Enterprise in which holding company has significant influence	-Mind Leaders Learning India Private Limited
Key Management Personnel	- Mr. Rajesh Kumar(Whole Time Director) -Mr. ParamarthaSaikia(Independent Director)(till March 29, 2023) -Mr. Pushpinder Kumar (Additional Director w.e.f November 11,2020 upto April 23, 2021) - Mr. Rajeev Janveja (Director w.e.f April 23, 2021)

b) Additional related parties as per Companies Act 2013 with whom transactions have taken place during the year:

Chief Financial Officer	: Mr. Nitin Sharma
Company Secretary	: Mr. Nikhil Sethi

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The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year

Rs in lakhs

Transactions with Related Party	Year Ended	Holding company	Fellow Subsidiary	Enterprise in which holding company has significant influence	Key Management Personal(Managing Director,Whole Time Director,Manager & other Key Managerial Personal)
Reimbursement of Expenses paid on behalf of the party					
Lemon Tree Hotels Limited	31-Mar-23	**0.19**	-	-	-
	31-Mar-22	0.30	-	-	-
Management Fees (cross charge) (Gross)					
Lemon Tree Hotels Limited	31-Mar-23	**26.59**	-	-	-
	31-Mar-22	20.69	-	-	-
Remuneration Paid					
Mr. Rajesh Kumar	31-Mar-23	-	-	-	**61.91**
	31-Mar-22	-	-	-	40.11
Mr. Nitin Sharma	31-Mar-23	-	-	-	**32.57**
	31-Mar-22	-	-	-	24.51
Loan Received					
Lemon Tree Hotels Limited	31-Mar-23	**75.00**			
	31-Mar-22	1,495.50	-	-	-
Loan Repaid					
Lemon Tree Hotels Limited	31-Mar-23	**120.00**	-	-	
	31-Mar-22	1,420.00	-	-	-
Guarantee received for loan availed					
Lemon Tree Hotels Limited	31-Mar-23	-	-	-	-
	31-Mar-22	2,350.00	-	-	-
Oriole Dr Fresh Hotels Private Limited	31-Mar-23	-	**0.24**	-	-
	31-Mar-22	-	0.18	-	-

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Transactions with Related Party	Year Ended	Holding company	Fellow Subsidiary	Enterprise in which holding company has significant influence	Key Management Personal(Managing Director,Whole Time Director,Manager & other Key Managerial Personal)
Hyacinth Hotels Private Limited	31-Mar-23	-	-	-	-
	31-Mar-22	-	1.94	-	-
Amount paid on behalf of the Party					
Hyacinth Hotels Private Limited	31-Mar-23	-	**0.27**	-	-
	31-Mar-22	-	0.17	-	-
Fleur Hotels Private Limited	31-Mar-23	-	**0.25**		
	31-Mar-22	-	0.28	-	-
Oriole Dr. Fresh Hotels Private Limited	31-Mar-23	-	-	-	-
	31-Mar-22	-	**0.21**	-	-
Balances outstanding at the year end- Other current liabilities					
Lemon Tree Hotels Limited	31-Mar-23	**58.47**	-	-	-
	31-Mar-22	108.28	-	-	-
Mr. Nitin Sharma	31-Mar-23	-	-	-	-
	31-Mar-22	-	-	-	0.02
Mr. Rajesh Kumar	31-Mar-23	-	-	-	-
	31-Mar-22	-	-	-	1.73
Mind Leaders Learning India Private Limited	31-Mar-23	-	-	**0.53**	-
	31-Mar-22	-	-	1.96	-
Guarantee received for loan availed					
Lemon Tree Hotels Limited	31-Mar-23	**2,350.00**	-	-	
	31-Mar-22	2,350.00	-	-	

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29. Fair value measurement

This section gives an overview of the significance of financial instruments for the company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument

a. Financial Assets

Rs in lakhs

	March 31, 2023		March 31, 2022	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets				
Trade Receivables	-	**26.17**	-	17.70
Security Deposits (non-current)	-	**36.17**	-	35.36
Other bank balances	-	**0.10**	-	0.10
Cash and Cash Equivalents	-	**37.98**	-	56.14
Interest Accrued on deposits	-	-	-	0.21
Total Financial Assets	-	**100.42**	-	109.51

b. Financial Liabilities

Rs in lakhs

	March 31, 2023		March 31, 2022	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Borrowings (Non-current)	-	**1,203.26**	-	1,195.62
Borrowings (Current)		**48.75**		91.91
Trade Payables	-	**108.89**	-	102.47
Other Current Financial Liabilities	-	**37.93**	-	31.30
Total Financial Liabilities		**1,398.83**		1,421.30

c. Fair value measurement hierarchy for assets and liabilities

Fair value measurement

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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

i) Level 1

Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

ii) Level 2

Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

iii) Level 3

Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

Financial assets and liabilities measured at fair value

	March 31, 2023			
	Level 1	Level 2	Level 3	**Total**
Financial Assets as FVTPL	-	-	-	-
Financial Liabilities as FVTPL	-	-	-	-

	March 31, 2022			
	Level 1	Level 2	Level 3	**Total**
Financial Assets as FVTPL	-	-	-	-
Financial Liabilities as FVTPL	-	-	-	-

30. Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations . The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:



Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises ofinterest rate risk. Financial instruments affected by market risk include loans and borrowings, deposits and payables/receivables in foreign currencies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

Rs in lakhs

	March 31, 2023	March 31, 2022
Variable rate borrowings	**1,196.49**	1,195.62
Fixed rate borrowings	**55.52**	91.91

Interest rate sensitivity

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

	Increase/decrease in basis points	**Effect on profit before tax**
		Rs in lakhs
31-March-23		
Rs.	50	6.04
Rs.	-50	(6.04)
31-March-22		
Rs.	50	11.47
Rs.	-50	(11.47)

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has no exposure in foreign currency.

Credit risk

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

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Trade receivables

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.
An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 8. The Company does not hold collateral as security.

Rs in lakhs

Ageing	March 31, 2023	March 31, 2022
Not due	-	-
0-60 days past due	15.92	17.70
61-120 days past due	5.85	-
121-180 days past due	2.06	-
180-365 days past due	2.22	-
More than 365 days	0.12	-

Provision for doubtful debts

Rs. In Lakhs

Ageing	March 31, 2023	March 31, 2022
Not due	-	-
0-60 days past due	-	-
61-120 days past due	-	-
121-180 days past due	-	-
180-365 days past due	-	0.40
More than 365 days	**0.40**	-

Rs. In Lakhs

	March 31, 2023	March 31, 2022
Provision at beginning	**0.40**	-
Addition during the year	-	0.40
Reversal during the year	-	-
Utilised during the year	-	-
Provision at closing	**0.40**	**0.40**

Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders.



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

Rs in lakhs

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2023						
Borrowings*	46.91	0.30	1.54	353.27	861.49	1,263.51
Trade and other payables	108.89	-	-	-	-	108.89
Other dues of other creditors	37.93	-	-	-	-	37.93
	193.73	**0.30**	**1.54**	**353.27**	**861.49**	**1,410.33**
Year ended March 31, 2022						
Borrowings*	91.91	-	-	346.50	849.12	1,287.53
Trade and other payables	102.46	-	-	-	-	102.46
Other dues of other creditors	31.30	-	-	-	-	31.30
	225.67	**-**	**-**	**346.50**	**849.12**	**1,421.29**

*on undiscounted basis

31. Capital management

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. TheCompany includes within net debt, interest bearing loans and borrowings, trade payables, less cash and cash equivalents.

Rs in lakhs

	March 31, 2023	March 31, 2022
Borrowings (Note 12 & 14)	1,252.01	1,287.53
Trade payables (Note 14)	108.89	102.46
Less: cash and cash equivalents (Note 8)	37.98	56.14
Net debt	**1,322.92**	**1,333.85**
Total capital	3,099.06	3,077.02
Capital and net debt	**4,421.98**	**4,410.87**
	29.91%	**30.23%**



No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

32. Segment Reporting

The Company is into Hoteliering business. The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore there is no reportable segment for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about geographical areas

The Company has only domestic operations and hence no information required for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about major customers

No customer accounted more than 10% of revenue in year ended March 31, 2023.The details of customer individually accounted for more than 10% of the revenue as at March 31, 2022 is given herein below:

Party	March 31, 2022
MAKE MY TRIP INDIA PVT. LTD.	70.93
IBIBO GROUP PVT LTD	58.16

33. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006.

	March 31, 2023	March31, 2022
the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	40.04	23.17
the amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
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 enterprisefor the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

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34. The Company does not have any long term contracts including derivative contracts for which there are any material foreseeable losses.

35. Supplementary information as per requirement of Schedule III of the Companies Act.

a) Detail of shareholding of promoters of the company

As at March 31, 2023

S.No.	Promoter Name	Number of shares at the beginning of the year 2022	% of total Share Capital	Change during the year	Number of shares at the end of the year 2023	Percentage of Total shares	% change during the year
1	Lemon tree Hotels Limited	500,945,400	100%	-	500,945,400	100%	-

As at March 31, 2022

S.No.	Promoter Name	Number of shares at the beginning of the year 2021	% of total Share Capital	Change during the year	Number of shares at the end of the year 2022	Percentage of Total shares	% change during the year
1	Lemon Tree Hotels Limited	360,945,400	100%	14,00,00,000	50,09,45,400	100%	-

b) Ratio Analysis and its elements

S.No.	Ratio	Numerator	Denominator	March 2023	March 2022	% Variance	Reason for variance
1	Current Ratio	current Asset	Current liabilities	0.76	0.58	30.69%	Change due to increase revenue from operation
2	Debt Equity Ratio	Total Debt	Shareholder equity	0.40	0.42	(3.45%)	-
3	Debt service coverage Ratio	Earnings available for debt service	Debt service	2.41	(0.06)	4202.52%	Change due to increase in profit in current year.
4	Return on Equity	Net profit after taxes	Average shareholders equity	0.71%	(12.80%)	105.55%	Change due to increase revenue from operation
5	Inventory Turnover Ratio	Cost of Good Sold	Average Inventory	3.70	2.99	24.04%	-

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S.No.	Ratio	Numerator	Denominator	March 2023	March 2022	% Variance	Reason for variance
6	Trade Receivable turnover Ratio	Net credit sales	Avg. accounts receivable	52.57	30.17	74.22%	Change in revenue has lead to increase in average debtors
7	Trade Payables turnover Ratio	NA	NA	NA	NA	NA	-
8	Net capital Turnover Ratio	Net Sales	Working capital	(19.24)	(4.62)	316.24%	Change due to increase revenue from operation
9	Net Profit Ratio	Net Profit	Net sales	(1.90%)	(58.68%)	103.25%	Change due to increase in profit in current year
10	Return on capital employed	EBIT	Capital employed	(0.50%)	(7.50%)	106.69%	Change due to increase in profit in current year
11	Return on investment	Income generated from investments(Fixed Deposits	Average invested funds in treasury investments	-	-	-	

(i) Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

(ii) Debt Service = Interest & Lease Payments + Principal Repayments

(iii) Capital Employed= Net worth+ Total Debt + Deferred Tax Liability - Net Intangible aseets

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c) Trade Receivables ageing schedule based on requirement of Schedule III:

As at March 31, 2023

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	23.83	2.22	0.12	-	-	26.17
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired						
Unbilled Revenue	-	-	-	-	-	-

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As at March 31, 2022 (Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	17.70	-	-	-	-	17.70
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired						
Unbilled Revenue	-	-	-	-	-	-

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d) Trade payables Ageing Schedule based on the requirement of Schedule III

As at March 31, 2023

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	40.04	-	-	-	40.04
Total outstanding dues of creditors other than micro enterprises and small enterprises	68.21	-	-	0.01	68.22
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	0.63	-	-	-	0.63

As at March 31, 2022

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	23.17	-	-	-	23.17
Total outstanding dues of creditors other than micro enterprises and small enterprises	62.41	1.93	4.37	10.43	79.14
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	0.16	-	-	-	0.16

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e) **Other Statutory Information**

(i). The Company have not traded or invested in Crypto currency or Virtual currency during the financial year.

(ii). The Company have not 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.

(iii). The Company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property

(iv).The company has not entered into any transaction with companies struck off.

(v). The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(vi). The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vii).During the year, the company has not entered into any scheme of arrangements in terms of section 230 to 237 of the Companies Act, 2013 and accordingly, the prescribed disclosures of Schedule III are not required to be given.

(viii). The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or,

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ix) The Company is not required to spend towards Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013, since there is no average profit in the last 3 years calculated as per the provisions of the Act.

(x). No bank has declared the company as "willful defaulter".

(ix).The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.



36. Previous period's figures have been regrouped/reclassified wherever necessary to correspond with the current period's classification/disclosure.

As per our report of even date

For APAS& CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

Rajeev Ranjan

Rajeev Ranjan
Partner
Membership No. 535395

APAS & CO LLP FRN-000340C/C400308 New Delhi CHARTERED ACCOUNTANTS

Place: New Delhi

Date: May 26, 2023

For and on behalf of the Board of Directors of
Canary Hotels Private Limited

Rajeev Janveja
Director
DIN: 07334001

Rajesh Kumar
Whole Time Director
DIN: 05251730

Nikhil Sethi
Company Secretary
Mem. no. - A18883

Nitin Sharma
Chief Financial Officer

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CANARY HOTELS PRIVATE LIMITED

Report on the Audit of IND AS Financial Statements

Opinion

We have audited the accompanying IND AS financial statements of **CANARY HOTELS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the IND AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid IND AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the IND AS financial statements under the provisions of the Companies Act, 2013 and the Rules issued there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information other than the Financial Statements and Auditor's Report thereon

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the IND AS financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these IND AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 IND AS financial statements, that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors/Management are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the IND AS financial Statements

Our objectives are to obtain reasonable assurance about whether the IND AS 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

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or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these IND AS financial statements.

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

1. Identify and assess the risks of material misstatement of the IND AS 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.

2. Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the IND AS 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.

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

Materiality is the magnitude of misstatements in the interim condensed standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit we report that:

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

   ii. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

   iii. The Balance Sheet, the Statement of Profit and Loss (including the Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   iv. In our opinion, the aforesaid IND AS Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act.

   v. On the basis of the written representations received from the directors as on 31st March, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

   vi. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure II". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   vii. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, according to the explanations given to us, no managerial remuneration has been paid by the Company to its directors during the year, therefore the provisions of the section are not applicable.

   viii. 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:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements. Refer Note 27 to the financial statements.

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

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

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) 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 (a) and (b) above, contain any material misstatement.

v. The company has neither declared dividend nor paid any dividend during the year.

2. 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, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in "Annexure I" a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.

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3. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the year ended March 31, 2024 wherein:

   a. an accounting software did not have audit trail feature enabled throughout the year,

   b. In respect of a revenue management software used for maintaining its revenue records, has a feature of recording audit trail (edit log) facility at the application level and the same has operated from July 1, 2023 for all relevant transactions recorded; however the software does not have feature of audit trail at database level to log direct data changes.

Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with, in respect of accounting software(s) for the period for which the audit trail feature was enabled and operating.

For APAS & CO LLP
CHARTERED ACCOUNTANTS
Firm Regn No. 000340C/C400308

APAS & CO LLP * 000340C/C400308 * CHARTERED ACCOUNTANTS

PLACE : DELHI
DATED : May 24, 2024
UDIN : 24535395BKCAVS4093

Rajeev Ranjan
(RAJEEV RANJAN)
PARTNER
M No. 535395

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ANNEXURE- I TO THE INDEPENDENT AUDITOR'S REPORT

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

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The company has maintained proper records showing full particulars of intangible assets.

b) The Property, Plant and Equipment have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies were noticed on such verification.

c) According to the information and explanations given by the management, the title deeds of immoveable properties included in property, plant and equipment are held in the name of the Company.

d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

e) Based on audit procedures performed and the representation obtained from the management, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. a) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on physical verification.

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b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets during any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

iii. The Company, during the year, has not made investment, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties Therefore, the provisions of clause 3(iii)(a) to 3(iii)(f) of the Order are not applicable.

iv. The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. To the best of our knowledge and as explained, the central government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act 2013.

vii. a) As per information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other statutory dues with the appropriate authorities. As informed to us there are no outstanding statutory dues in arrears as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) as on the balance sheet date which have not been deposited on account of any dispute.

viii. Based on our audit procedures and on the basis of information and explanations given to us by the management, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

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b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and there has been no utilisation during the current year of the term loans obtained by the Company during any previous years. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have, prima facie, been used for long-term purposes by the company.

e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, The Company does not have any subsidiaries, joint ventures or associate companies and therefore the clause 3(ix)(e) and 3(ix)(f) is not applicable.

x. a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans during the year. Accordingly, the provisions of clause 3(x) of the Order are not applicable to the Company and hence not commented upon.

b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the company and no material fraud on the Company has been noticed or reported during the year.

b) We report that no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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

xii. The Company is not a Nidhi company and therefore clause 3(xii) of the Order related to such companies is not applicable to the Company.

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xiii. All transactions entered during the year with the related party are in compliance with the provisions of sections 188 where applicable and the details with respect to all related party transactions have been disclosed in the Financial Statements as required by applicable accounting standards. Section 177 of the Companies Act, 2013 is not applicable on the Company.

xiv. a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.

b) We have considered the internal audit reports of the company issued till date, in determining the nature, timing and extent of our audit procedures.

xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) of the Order is not applicable to the Company.

xvii. The company has not incurred cash losses in the financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly clause 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.

xx. The Company is not required to spend any amount on corporate social responsibility under section 135 of the Companies Act. Therefore, the provisions of clause 3(xx) of the Order are not applicable.



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xxi. The reporting under clause 3(xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report

For APAS & CO LLP
CHARTERED ACCOUNTANTS
Firm Regn No. 000340C/C400308

Rajeev Ranjan

(RAJEEV RANJAN)
PARTNER
M No. 535395

PLACE : DELHI
DATED : May 24, 2024
UDIN : 24535395BKCAVS4093

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ANNEXURE- II TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of CANARY HOTELS PRIVATE LIMITED ("the Company") as of 31st March 2024 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting with reference to these Standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Standalone

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Ind AS 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 judgment, 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 system over financial reporting with reference to these Standalone Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these financial statements

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Standalone Ind AS financial statements and such internal financial controls over financial reporting were operating effectively as at 31st March 2024, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on "Audit of Internal Financial Controls Over Financial Reporting" issued by the Institute of Chartered Accountants of India.

For APAS & CO LLP
CHARTERED ACCOUNTANTS
Firm Regn No. 000340C/C400308

PLACE : DELHI
DATED : May 24, 2024
UDIN : 24535395BKCAVS4093

Rajeev Ranjan
(RAJEEV RANJAN)
PARTNER
M No. 535395

Canary Hotels Private Limited
CIN: U55101DL2006PTC144532
Balance Sheet as at March 31, 2024

	Note	March 31, 2024 Rs in lakhs	March 31, 2023 Rs in lakhs
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	4,467.05	4,337.37
(b) Intangible assets	4	0.19	0.80
(c) Financial assets	5		
(i) Other non current financial assets		45.27	36.27
(d) Deferred tax assets (net)	6	-	-
(e) Non-current tax assets (net)		14.52	-
		4,527.03	4,374.14
Current assets			
(a) Inventories	7	82.04	52.98
(b) Financial assets	8		
(i) Trade receivables		28.13	26.17
(ii) Cash and Cash equivalents		79.41	37.98
(c) Other current assets	9	74.36	70.05
		263.94	187.18
Total Assets		4,790.97	4,561.32
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	10	5,009.45	5,009.45
(b) Other Equity	11	(1,947.49)	(1,910.39)
Total Equity		3,061.96	3,099.06
Liabilities			
Non-current liabilities			
(a) Financial liabilities	12		
(i) Borrowings		1,231.75	1,203.26
(b) Long term provisions	13	11.46	11.97
		1,243.21	1,215.23
Current liabilities			
(a) Financial liabilities	14		
(i) Borrowings		253.19	48.75
(ii) Trade payables			
- total outstanding dues of micro enterprises and small enterprises		32.48	40.04
- total outstanding dues of creditors other than micro enterprises and		83.16	68.85
(iii) Other current financial liabilities		50.53	37.93
(b) Other current liabilities	15	56.50	44.73
(c) Provisions	13	9.94	6.73
		485.80	247.03
Total Liabilities		1,729.01	1,462.26
Total Equity and Liabilities		4,790.97	4,561.32
Summary of material accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For APAS & CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

Rajeev Ranjan
Partner
Membership No. 535395

Place : New Delhi
Date : May 24, 2024

For and on behalf of the Board of Directors of
Canary Hotels Private Limited

Rajeev Janveja
Director
DIN No: 07334001

Rajesh Kumar
Whole Time Director
DIN: 05251730

Jyoti Verma
Company Secretary
Mem no.- F7210

Nitin Sharma
Chief Financial Officer

Place : New Delhi
Date : May 24, 2024

Canary Hotels Private Limited
CIN: U55101DL2006PTC144532
Statement of Profit and Loss for the year ended March 31, 2024

	Note	March 31, 2024 Rs in lakhs	March 31, 2023 Rs in lakhs
Revenue from operations	16	1,318.06	1,152.77
Other income	17	-	1.67
Total Income		1,318.06	1,154.44
Expenses			
Cost of food and beverages consumed	18	161.72	153.66
Employee benefits expense	19	383.04	304.85
Other expenses	20	645.67	506.69
Total expenses		1,190.43	965.20
Earnings before interest, tax, depreciation and amortisation (EBITDA)		127.63	189.24
Finance costs	21	123.04	116.80
Depreciation and amortization expense	22	41.64	50.63
Finance Income	23	(0.42)	(0.13)
Profit/(loss) before tax		(36.63)	21.94
Other comprehensive income			
Remeasurements of defined benefit plans		(0.47)	0.10
Total Comprehensive income/(loss) for the year		(37.10)	22.04
Earnings per equity share			
(1) Basic	24	(0.01)	0.00
(2) Diluted	24	(0.01)	0.00
Summary of material accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

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Firm Regn No. 000340C/C400308
Chartered Accountants

Rajeev Ranjan
Partner
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Place : New Delhi
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Place : New Delhi
Date : May 24, 2024

APAS & CO. LLP ★ FRN : 000340C/C400308 ★ CHARTERED ACCOUNTANTS ★ New Delhi

CANARY HOTELS PVT. LTD. ★ NEW DELHI ★

Canary Hotels Private Limited
CIN: U55101DL2006PTC144532
Statement of Changes in Equity

A. Equity Share Capital

Equity shares of INR 1 each issued, subscribed and fully paid	No. of shares	Amount (Rs in lakhs)
At April 1, 2022	50,09,45,400	5,009.45
Issue of share capital	-	-
At March 31, 2023	50,09,45,400	5,009.45
Issue of share capital	-	-
At March 31, 2024	50,09,45,400	5,009.45

B. Other Equity
For the year ended March 31, 2024

Rs in lakhs

	Reserves and Surplus			
	Capital reserve	Securities Premium	Retained Earnings	Other equity
Balance at April 1, 2022	11.45	584.54	(2,528.42)	(1,932.43)
Total Comprehensive Income for the year	-	-	22.04	22.04
Balance at March 31, 2023	11.45	584.54	(2,506.38)	(1,910.39)
Total Comprehensive loss for the year	-	-	(37.10)	(37.10)
Balance at March 31, 2024	11.45	584.54	(2,543.48)	(1,947.49)

Summary of material accounting policies 2.2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For APAS & CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

Rajeev Ranjan
Partner
Membership No. 535395

Place : New Delhi
Date : May 24, 2024

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Canary Hotels Private Limited

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DIN No: 07334001

Jyoti Verma
Company Secretary
Mem no.- F7210

Place : New Delhi
Date : May 24, 2024

Rajesh Kumar
Whole Time Director
DIN: 05251730

Nitin Sharma
Chief Financial Officer

CANARY HOTELS PVT. LTD. NEW DELHI

APAS & CO. LLP FRN : 000340C/C400308 CHARTERED ACCOUNTANTS New Delhi

Canary Hotels Private Limited
CIN: U55101DL2006PTC144532
Cash flow statement for the year ended March 31, 2024

		For the year ended March 31, 2024 (Rs. in lakhs)	For the year ended March 31, 2023 (Rs. in lakhs)
A.	**Cash flow from operating activities**		
	(Loss)/Profit before tax	**(36.63)**	21.94
	Non-cash adjustments to reconcile profit/(loss) before tax to net cash flows:		
	Depreciation and amortisation expenses	**41.64**	50.63
	Finance costs (including fair value change in financial instruments)	117.54	112.15
	Provision for gratuity	**1.38**	0.84
	Provision for leave encashment	**0.85**	0.74
	Excess provision/ credit balances written back	**-**	(1.67)
	Provision for doubtful debts	**0.21**	-
	Operating profit before working capital changes:	**124.99**	184.63
	Movements in working capital:		
	Change in trade receivables	**(2.17)**	(8.48)
	Change in loans and advances and other current assets	**(13.32)**	(9.13)
	Change in inventories	**(29.06)**	(22.97)
	Change in liabilities and provisions	**31.81**	7.33
	Cash Generated from Operations	**112.25**	151.38
	Direct taxes paid (net of refunds)	**(14.52)**	3.15
	Net cash flow from operating activities (A)	**97.73**	154.53
B.	**Cash flows used in investing activities**		
	Purchase of property, plant and equipment	**(171.70)**	(25.02)
	Net Cash flow used in investing activities (B)	**(171.70)**	(25.02)
C	**Cash flows from financing activities**		
	Proceeds/(Repayment) of long term borrowings	**35.93**	9.48
	Repayment of short term borrowings	**197.00**	(45.00)
	Interest paid	**(117.53)**	(112.15)
	Net Cash flow generated from/ (used in) financing activities (C)	**115.40**	(147.67)
	Net increase/(decrease) in cash and cash equivalents (A + B + C)	**41.43**	(18.16)
	Cash and cash equivalents at the beginning of the year	**37.98**	56.14
	Cash and cash equivalents at the end of the year	**79.41**	37.98
	Components of cash and cash equivalents		
	Cash on Hand	**3.14**	3.73
	Balances with Scheduled Banks in		
	- Current accounts	**76.27**	34.25
	Total cash and cash equivalents	**79.41**	37.98

Summary of material accounting policies 2.2

As per our report of even date

For APAS & CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

Rajeev Ranjan
Partner
Membership No. 535395

Place : New Delhi
Date : May 24, 2024

For and on behalf of the Board of Directors of
Canary Hotels Private Limited

Rajeev Jahveja
Director
DIN No: 07334001

Rajesh Kumar
Whole Time Director
DIN: 05251730

Jyoti Verma
Company Secretary
Mem no.- F7210

Nitin Sharma
Chief Financial Officer

Place : New Delhi
Date : May 24, 2024

APAS & CO. LLP FRN: 000340C/C400308 CHARTERED ACCOUNTANTS New Delhi

CANARY HOTELS PVT. LTD. NEW DELHI

1. Corporate Information

Canary Hotels Private Limited (the Company) is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at Asset no. 6, Aerocity hospitality district, new delhi-110037.

The principal activities of the Company is to carry out business of developing, owning, acquiring, renovating and promoting hotels, motels, resorts, restaurants, etc. under the brand name of Lemon Tree Hotel.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 24, 2024.

2 Basis of preparation

2.1 Material accounting policies

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities which are measured at fair value/ amortised cost.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing account standard required a change to the accounting policy hitherto to in use.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, expect where otherwise indicated.

2.2 Summary of material accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

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CANARY HOTELS PVT. LTD. NEW DELHI

The Company classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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

(b) Foreign currencies

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

(c) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

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

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

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

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

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The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value. External valuers are involved for valuation of significant assets and liabilities. The management selects external valuer on various criteria such as market knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 25)
- Contingent consideration (note 27)
- Quantitative disclosures of fair value measurement hierarchy (note 29)
- Financial instruments (including those carried at amortised cost) (note 29)





(d) Revenue recognition

In arrangements for room revenue and related services, the Company has applied the guidance in Ind AS 115 for recognition of Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering room revenue and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognized.

Sales tax/ value added tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government.

Accordingly, it is excluded from revenue.

Rooms, Restaurant, Banquets and Other Services

Income from guest accommodation is recognized on a day to day basis after the guest checks into the Hotels and are stated net of allowances. Incomes from other services are recognized as and when services are rendered. Sales are stated exclusive of Service Tax, Value Added Taxes (VAT), Goods and Service tax(GST) and Luxury Tax. Shortfall of revenue over the billed as at the year-end is carried in financial statement as unbilled revenue separately.

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, sale of food and beverage are recognized at the points of serving these items to the guests. Sales are stated exclusive of Sales Tax / VAT/GST.

Interest income

For all financial instruments measured at amortized cost and interest bearing financial assets classified as available for sale, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the income statement.

Dividends

Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

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(e) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

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

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(f) Property, plant and equipment

Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on fixed assets is provided as per Schedule II of Companies Act, 2013 on Straight Line Method over its economic useful life of fixed assets as follows:

Fixed Assets	Useful life considered (SLM)
Plant & Machinery	15 Years
Building	60 Years
Electrical fittings	10 Years
Electrical Equipment's	10 Years
Office Equipment's	5 Years
Furniture and Fixtures	10 Years
Commercial Vehicles	6 Years
Private Vehicles	8 Years
Computers	3 Years

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end, and adjusted prospectively if appropriate.

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(g) Intangible assets

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

The useful lives of intangible assets are assessed as 3 years and the same shall be amortised on Straight line basis over its useful life.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 income statement when the asset is derecognized.

(h) Borrowing costs

Borrowing cost includes interest expense as per Effective Interest Rate (EIR).

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset until such time that the assets are substantially ready for their intended use. Where funds are borrowed specifically to finance aproject, the amount capitalized represents the actualborrowing costs incurred. Where surplus funds areavailable out of money borrowed specifically to financea project, the income generated from such currentinvestments is deducted from the total capitalizedborrowing cost. Where the funds used to finance aproject form part of general borrowings, the amountcapitalized is calculated using a weighted average ofrates applicable to relevant general borrowings of the Company during the year. Capitalisation of borrowingcosts is suspended and charged to profit and loss duringthe extended periods when the active development onthe qualifying assets is interrupted.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expectedlife of the financial liability or a shorter period, whereappropriate, to the amortised cost of a financial liability after considering all the contractual terms of the financial instrument.

(i) Inventories

Stock of food & beverages, stores and operating supplies are valued at lower of cost and net realizable Value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a first in first out basis.Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make sale.





(j) Impairment of non-financial assets

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

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(k) Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(l) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to 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, for example, a reduction in future payment or a cash refund.

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.
Retirement benefit in the form of gratuity is a defined benefit scheme. Gratuity liability of employees is accounted for on the basis of actuarial valuation on projected unit credit method at the close of the year. Company's contribution made to Life Insurance Corporation is expenses off at the time of payment of premium.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Retirement benefits in the form of Superannuation Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

The company treats leaves expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.





(m) 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.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- Equity instruments in subsidiaries carried at cost

Debt instruments at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

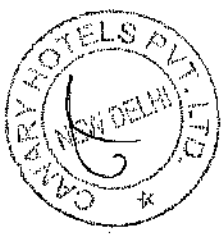
Debt instrument at FVTOCI

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.





Debt instrument at FVTPL

VTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

The Company has designated compulsory redeemable preference shares investments in its subsidiaries at FVTPL. The difference between the transaction amount and amortized cost is considered as 'deemed investment in compulsory redeemable preference shares'.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

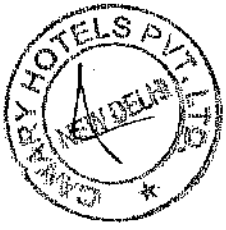
When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:





a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Financial assets that are debt instruments and are measured as at FVTOCI
c) Lease receivables under Ind AS 17
d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 (referred to as 'contractual revenue receivables' in these illustrative financial statements)
e) Loan commitments which are not measured as at FVTPL
f) Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.
Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

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Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:
Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

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

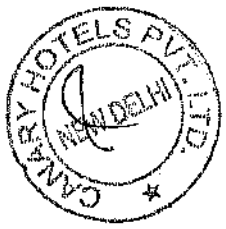
Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

This category generally applies to borrowings. For more information refer Note 12.





Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(n) Redeemable preference shares

Redeemable preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the redeemable preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

(o) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and 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.

(p) Segment reporting policies

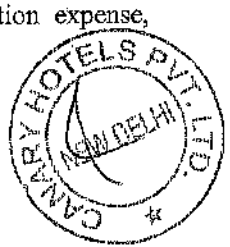
Identification of segments

The management of the Company reviews the specific performance of its respective hotel properties. However, since all hotels have similarity in terms of products and services, customer classes, method of providing services and the regulatory environment, the individual hotels qualify for aggregation. Thus, the management has considered aggregating all the hotels as one reportable operating segment. Accordingly, the figures appearing in these financial statements relate to the Company's single operating segment.

(q) Measurement of EBITDA

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





Canary Hotels Private Limited
Notes to financial statements for the year ended March 31, 2024

3 Property, plant and equipment

Rs in lakhs

Particulars	Freehold land	Building on freehold land	Plant and Machinery	Electrical fittings	Electrical equipments	Office equipments	Furniture and Fixtures	Computers	Vehicles	Total
Cost										
At April 1, 2022	2,824.56	1,616.57	379.93	97.73	30.18	3.63	42.37	7.13	23.76	5,025.87
Additions			7.31		1.25	0.66			15.20	24.41
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2023	2,824.56	1,616.57	387.24	97.73	31.43	4.29	42.37	7.13	38.96	5,050.28
Additions	-	-	112.08	-	5.79	0.81	-	1.50	51.52	171.70
Disposals	-	-	-	-	-	-	-	-	13.90	13.90
At March 31, 2024	2,824.56	1,616.57	499.32	97.73	37.22	5.10	42.37	8.63	76.58	5,208.08
Depreciation										
At April 1, 2022	-	209.36	278.31	95.98	21.50	1.59	28.77	4.58	22.49	662.58
Charge for the year		29.02	16.28	0.05	0.86	0.48	1.44	0.47	1.73	50.33
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2023	-	238.38	294.59	96.03	22.36	2.07	30.21	5.05	24.22	712.91
Charge for the year	-	29.02	4.62	0.05	1.16	0.63	1.44	0.52	3.88	41.33
Disposals	-	-	-	-	-	-	-	-	13.20	13.20
At March 31, 2024	-	267.39	299.22	96.08	23.52	2.71	31.65	5.56	14.90	741.03
Net Book value										
At March 31, 2024	2,824.56	1,349.18	200.10	1.65	13.70	2.39	10.72	3.07	61.68	4,467.05
At March 31, 2023	2,824.56	1,378.19	92.65	1.70	9.07	2.22	12.16	2.08	14.74	4,337.37

Net book value	As at March 31, 2024	As at March 31, 2023
Plant, property and equipment	4,467.05	4,337.37

a) The property, plant and equipment are valued at cost. The company has not used registered valuer for fair valuation/revaulation.

Canary Hotels Private Limited
Notes to financial statements for the year ended March 31, 2024

4 Intangible Assets

The intengible are assets are valued at cost. The company has not used registered valuer for fair valuation/revaulation.

Rs in lakhs

Particulars	Software	Total
Cost		
At April 1, 2022	4.77	4.77
Additions	0.60	0.60
Disposals	-	-
At March 31, 2023	5.37	5.37
Additions		-
Disposals	-	-
At March 31, 2024	5.37	5.37
Amortisation		
At April 1, 2022	4.57	4.57
Amortisation	0.30	0.30
Disposals	-	-
At March 31, 2023	4.87	4.87
Amortisation	0.31	0.31
Disposals	-	-
At March 31, 2024	5.18	5.18
Net Block		
At March 31, 2024	0.19	0.19
At March 31, 2023	0.50	0.50

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Canary Hotels Private Limited
Notes to financial statements for the year ended March 31, 2024

5	**Financial assets**	**As at March 31, 2024 Rs in lakhs**	As at March 31, 2023 Rs in lakhs
(i)	**Other non current financial assets**		
	Security Deposits	**45.17**	36.17
	Non current bank balances	**0.10**	0.10
		45.27	36.27

6	**Deferred tax assets (net)**	**As at March 31, 2024 Rs in lakhs**	As at March 31, 2023 Rs in lakhs
	Fixed assets : Impact of difference between tax depreciation and depreciation/ amortization charged for financial year	**259.36**	251.03
	Deferred tax liability	**259.36**	251.03
	Impact of expenditure charged to the statement of profit and loss in the current/ earlier period but allowable for tax purposes on payment basis	**6.50**	5.66
	Interest on Borrowings u/s 43B	**25.22**	25.22
	Effect of unabsorbed depreciation and business loss	**222.07**	215.29
	Provision for gratuity	**4.11**	3.63
	Provision for leave compensation	**1.46**	1.23
	Deferred tax asset	**259.36**	251.03
	Deferred tax assets (net)	**-**	-

* Deferred tax asset on losses and credits has been recognized to the extent of Deferred tax liability.

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2024 and March 31, 2023:

	March 31, 2024	March 31, 2023
Profit/(loss) before tax	**(36.63)**	21.94
Tax rate	**26.00%**	26.00%
Tax at statutory income tax rate	**(9.52)**	5.70
Unrecognized tax assets (net)	**9.52**	(5.70)
Net	**-**	-

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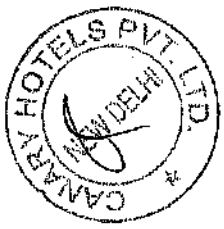
Canary Hotels Private Limited
Notes to financial statements for the year ended March 31, 2024

7 **Inventories** (valued at lower of cost and net realisable value, unless otherwise stated)	As at March 31, 2024 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Food and beverages (excluding liquor and wine)	**33.74**	14.68
Stores, cutlery, crockery, linen, provisions and others (valued at cost)	**48.30**	38.30
Total	**82.04**	52.98





8 Financial assets	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(i) Trade receivables		
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	28.74	26.57
Less: Allowances for doubtful receivables	0.61	0.40
	28.13	26.17
Break-up for security details:		
Trade receivables		
Unsecured, considered good	28.74	26.57
	28.74	26.57

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
The interest free credit period given to customers is upto 90 days.

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(ii) Cash and cash equivalents		
Balance with banks		
On current accounts	76.27	34.25
Cash on hand	3.14	3.73
	79.41	37.98

Break up of current financial assets carried at amortised cost	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Trade receivables	28.13	26.17
Cash and cash equivalents	79.41	37.98
Total current financial assets carried at amortised cost	107.54	64.15

9 Other current assets	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Advances recoverable in cash or kind		
- Employee Advance	0.10	-
- Others	15.83	7.88
Balance with statutory/ government authorities	46.87	49.25
Prepaid Expenses	11.56	12.92
Total	74.36	70.05

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10 Share capital

Authorised Share Capital

	Equity shares	
	No. of shares	Rs in lakhs
At April 1, 2022	66,60,00,000	6,660.00
Increase/(decrease) during the year	-	-
At March 31, 2023	66,60,00,000	6,660.00
Increase/(decrease) during the year	-	-
At March 31, 2024	66,60,00,000	6,660.00

Terms/rights attached to equity shares

The company has only one class of equity shares having par value of Rs. 1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders 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.

Issued equity capital

Equity shares of INR 1 each issued, subscribed and fully paid	No. of shares	Rs in lakhs
At April 1, 2022	50,09,45,400	5,009.45
Increase/(decrease) during the year	-	-
At March 31, 2023	50,09,45,400	5,009.45
Increase/(decrease) during the year	-	-
At March 31, 2024	50,09,45,400	5,009.45

Shares held by holding company

	As at March 31, 2024		As At March 31, 2023	
	No. of shares	Rs in lakhs	No. of shares	Rs in lakhs
Equity shares of Rs. 1 each fully paid up				
Lemon Tree Hotels Limited	50,09,45,400	5,009.45	50,09,45,400	5,009.45

Details of shareholders holding more than 5% shares in the company

	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% held	No. of shares	% held
Equity shares of Rs. 1 each fully paid up				
Lemon Tree Hotels Limited	50,09,45,400	100.00%	50,09,45,400	100.00%

The Company has not issued Bonus Share, Share for consideration other than Cash and has not bought back shares during the period of five years immediately preceding the reporting date.

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11 Other equity

Securities Premium	Rs in lakhs
At April 1, 2022	584.54
Increase/(decrease) during the year	-
At March 31, 2023	584.54
Increase/(decrease) during the year	-
At March 31, 2024	584.54

Retained Earnings	Rs in lakhs
At April 1, 2022	(2,528.42)
Profit for the year	22.04
At March 31, 2023	(2,506.38)
Loss for the year	(37.10)
At March 31, 2024	(2,543.48)

Capital Reserve (Equity Component of Reedemable Preference share)	Rs in lakhs
At April 1, 2022	11.45
Increase/(decrease) during the year	-
At March 31, 2023	11.45
Increase/(decrease) during the year	-
At March 31, 2024	11.45

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Other reserves		
Securities Premium	584.54	584.54
Retained Earnings	(2,543.48)	(2,506.38)
Capital Reserve (Equity Component of Reedemable Preference share)	11.45	11.45
	(1,947.49)	(1,910.39)

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CANARY HOTELS PVT. LTD. NEW DELHI

12 Borrowings

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Non-current borrowings		
Term Loans		
Indian rupee loans from Banks (Secured)		
Vehicle loans (Refer note 1 below)	34.27	6.77
Rupee term loans from financial institutions		
Aditya Birla Finance Limited (Refer note 2 below)	1,197.48	1,196.49
Total non-current borrowings	1,231.75	1,203.26
Current borrowings		
Term Loans		
Current maturity of long term loans		
Vehicle loans (Refer note 1 below)	9.28	1.84
Total current borrowings	9.28	1.84
Less: Amount clubbed under "short term borrowing"	(9.28)	(1.84)
Net current borrowings	-	-

Term loans

1) Vehicle loan is secured by hypothecation of underlying motor vehicle acquired out of such loans. Rate of interest of the loan is 7.25%. The loan is repaid on agreed monthly installments.

2) Term loan of Aditya Birla Finance Limited having sanctioned amount of Rs.2,350 lakhs is repayable in 44 Structured Quarterly Installments payable after moratorium period of 12 months from the date of first disbursement , presently having rate of interest of 9.50% (March 31, 2023 9.90%) secured by :

a) First exclusive charge on all the immovable fixed assets (both current and future) of the Lemon Tree Hotel EDM, Kaushambi Ghaziabad to provide minimum cover of 2.00x cover all the times during the tenure of loan,

b) First exclusive charge on all the movable fixed assets (both current and future) of the Lemon Tree Hotel EDM,

c) First exclusive charge on the escrow account of entire cash flow of Lemon Tree Hotel EDM,

d) Unconditional & irrevocable Guarantee by Lemon Tree Hotels Limited, DPN

3) The Company has not defaulted in the repayment of loans and interest at Balance Sheet date.

4) Bank loans availed by the Company are subject to certain covenants relating to interest coverage ratio, debt service coverage ratio, capital gearing ratio, fixed assets coverage ratio.

5) The Company has complied all covenants from bank as per the terms of the loan agreement.

6) The company has used borrowings from banks/financial institutions for the specific purpose for which it was taken

7) Basis on several terms and conditions as specified in sanction letters, the company submits quarterly returns/statements of current assets with banks/ financial institution and these returns/statements are in agreement with the books of accounts.

13 Provisions

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Provision for gratuity	15.80	13.95
Current	4.34	1.98
Non-current	11.46	11.97

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Provision for leave benefits	5.60	4.75
Current	5.60	4.75
Non-current	-	-
Total current	9.94	6.73
Total non-current	11.46	11.97

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14 Financial liabilities

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(i) Borrowings		
0% loan from Lemon Tree Hotels Limited repayable on demand	**243.91**	46.91
Current maturities of long-term borrowings	**9.28**	1.84
	253.19	48.75

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(ii) Trade payables		
-Micro and small enterprises	**32.48**	40.04
-Other than Micro and small enterprises	**83.16**	68.85
	115.64	108.89

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Trade payables	**83.27**	97.33
Trade payables to related parties	**32.37**	11.56
	115.64	108.89

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(iii) Other current financial liabilities		
Outstanding dues of other creditors	**50.53**	37.93
	50.53	37.93

15 Other current liabilities

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Advance from customers	**43.80**	32.45
Statutory Dues	**12.70**	12.28
	56.50	44.73

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16 Revenue from operations

	March 31, 2024 Rs in lakhs	March 31, 2023 Rs in lakhs
Sale of products and services		
- Room rental	**737.92**	646.82
- Food and beverage (excluding liquor and wine)	**440.91**	394.45
- Banquet rentals	**101.08**	71.62
- Telephone and telex	**0.08**	-
- Other Services	**38.07**	39.88
Revenue from operations	**1,318.06**	1,152.77

17 Other income

	March 31, 2024 Rs in lakhs	March 31, 2023 Rs in lakhs
Excess provision/ credit balances written back	-	1.67
Total	-	1.67

18 Cost of food and beverages consumed

	March 31, 2024 Rs in lakhs	March 31, 2023 Rs in lakhs
(a) Consumption of food & beverages excluding liquor & wine		
Inventory at the beginning of the year	**14.68**	6.48
Add: Purchases	**180.79**	161.86
	195.47	168.34
Less: Inventory at the end of the year	**33.74**	14.68
Cost of food and beverage consumed	**161.73**	43.98
Cost of food and beverage consumed	**161.73**	153.66

19 Employee benefit expense

	March 31, 2024 Rs in lakhs	March 31, 2023 Rs in lakhs
Salaries, wages and bonus	**336.68**	281.48
Contribution to provident fund and other funds	**18.06**	15.33
Gratuity expense	**2.33**	1.93
Leave compensation expenses	**1.04**	1.07
Staff welfare expenses	**24.93**	5.04
	383.04	304.85

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20 Other expenses

	March 31, 2024 Rs in lakhs	March 31, 2023 Rs in lakhs
Consumption of stores, cutlery, crockery, linen, provisions and others	**25.45**	16.86
Power and fuel	**240.12**	209.12
Linen & uniform washing and laundry expenses	**6.81**	7.32
Guest transportation	**13.12**	8.56
Subscription charges	**3.43**	1.98
Repair and maintenance		
- Buildings	**54.87**	35.87
- Plant and machinery	**34.51**	29.68
- Others	**16.25**	14.14
Rates and taxes	**71.27**	56.68
Insurance	**3.78**	3.00
Communication costs	**7.54**	7.07
Printing and stationery	**4.28**	3.53
Traveling and conveyance	**4.77**	2.92
Advertisement and business promotion	**2.47**	0.35
Management fees	**36.79**	26.59
Commission -other than sole selling agent	**50.51**	35.71
Security and cleaning expenses	**16.26**	9.82
Legal and professional fees	**9.11**	8.25
Loss on sale of fixed assets	**0.69**	-
Provision for doubtful debts and advances	**0.21**	-
Payment to auditor	**0.80**	0.70
Miscellaneous expenses	**42.63**	28.54
	645.67	506.69

Payment to auditor

As auditor	0.80	0.70
	0.80	0.70

21 Finance Costs

	March 31, 2024 Rs in lakhs	March 31, 2023 Rs in lakhs
Interest		
- on term loans from banks	**114.68**	111.58
- on vehicle loans	**2.85**	0.57
Bank charges (including commission on credit card collection)	**5.51**	4.65
	123.04	116.80

22 Depreciation and amortization expense

	March 31, 2024 Rs in lakhs	March 31, 2023 Rs in lakhs
Depreciation of tangible assets	**41.33**	50.33
Amortization of intangible assets	**0.31**	0.30
	41.64	50.63

23 Finance income

	March 31, 2024 Rs in lakhs	March 31, 2023 Rs in lakhs
Interest Income on :		
- Interest on income tax refund	**0.43**	0.13
	0.42	0.13

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24 Earnings Per Share (Basic And Diluted)

Basic EPS amounts are calculated by dividing the (loss)/profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) 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.

The following reflects the income and share data used in the basic and diluted EPS computations:

	March 31, 2024	March 31, 2023
(Loss)/Profit attributable to equity holders (for basic and diluted) (Rs in lakhs)	**(36.63)**	21.94
Weighted Average Number of Equity Shares (for basic and diluted)*	**50,09,45,400**	50,09,45,400
Basic & Diluted EPS	**(0.01)**	0.00

* The weighted average number of shares takes into account the weighted average effect of changes in share transactions during the year. There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.

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25. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Impairment of property, plant and equipment

Each hotel property is an identifiable asset that generates cash inflows and is independent of the cash inflows of the other hotel properties, hence identified as cash generating units. The Company assesses the carrying amount of hotel properties (CGU) to determine whether there is any indication that those assets have suffered an impairment loss. Where the carrying amount of CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. An impairment loss (if any) is recognised in the statement of profit and loss.

While assessing the recoverable amount, the Company used the discounted cash flow approach including various significant estimates and assumptions such as forecast of future revenue, operating margins, growth rate and selection of the discount rates. The key assumptions used for the calculations are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Discount Rate *(pre tax rate of WACC)*	12.00%	12.50%
Long Term Growth Rate	5.00%	5.50%

As at March 31, 2024, the estimated recoverable amount of the CGU exceeded its carrying amount.

b) Loss Allowance on trade receivables

An impairment analysis of trade receivables is performed at each reporting period based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates. Basis this assessment, the allowance for doubtful trade receivables as at March 31, 2024 is considered adequate.

c) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

26. Gratuity and other post-employment benefit plans

Rs in lakhs

	March 31, 2024	March 31, 2023
Gratuity plan	**15.80**	13.95
Total	**15.80**	13.95

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The Company makes provision of such gratuity asset/ liability in the books of accounts on the basis of actuarial valuation as per the Projected unit credit method.

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Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2024:

Rs in lakhs

	Gratuity cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income							
	April 1, 2023	**Service cost**	**Net interest expense**	**Sub-total included in profit or loss**	**Benefits paid**	**Return on plan assets (excluding amounts included in net interest expense)**	**Actuarial changes arising from changes in demographic assumptions**	**Actuarial changes arising from changes in financial assumptions**	**Experience adjustments**	**Sub-total included in OCI**	**Contributions by employer**	**March 31, 2024**
Defined benefit obligation	13.95	1.33	1.00	2.33	(0.95)	-	-	0.05	0.42	0.47	-	15.80
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**13.95**	**1.33**	**1.00**	**2.33**	**(0.95)**	**-**	**-**	**(0.05)**	**0.42**	**0.47**	**-**	**15.80**



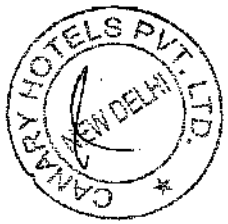


Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2023:

Rs in lakhs

	Gratuity cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income							
	April 1, 2022	**Service cost**	**Net interest expense**	**Sub-total included in profit or loss**	**Benefits paid**	**Return on plan assets (excluding amounts included in net interest expense)**	**Actuarial changes arising from changes in demographic assumptions**	**Actuarial changes arising from changes in financial assumptions**	**Experience adjustments**	**Sub-total included in OCI**	**Contributions by employer**	**March 31, 2023**
Defined benefit obligation	13.21	1.14	0.79	1.93	(1.09)	-	-	(0.50)	0.40	(0.10)	-	13.95
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**13.21**	**1.14**	**0.79**	**1.93**	**(1.09)**	**-**	**-**	**(0.50)**	**0.40**	**(0.10)**	**-**	**13.95**





The major categories of plan assets of the fair value of the total plan assets are as follows:

	March 31, 2024	March 31, 2023
Unquoted investments:		
Asset invested in insurance scheme with the LIC	-	-
Total	-	-

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

	March 31, 2024	March 31, 2023
Discount rate:	%	%
Pension plan	7.10%	7.20%
Future salary increases:		
Pension plan	5.00%	5.00%
Life expectation for pensioners	Years	Years
Pension plan		
Male	60	60
Female	60	60

A quantitative sensitivity analysis for significant assumption as at March 31, 2024 is as shown below:

India gratuity plan:

Rs in lakhs

	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.44)	0.46	0.46	(0.44)

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

Rs in lakhs

	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.39)	0.41	0.41	(0.40)

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

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

Rs in lakhs

Duration (Years)	**For the year ended March 31, 2024**	For the year ended March 31, 2023
1	**3.94**	3.94
2	**3.13**	3.13
3	**2.42**	2.42
4	**1.88**	1.88
5	**1.46**	1.46
Above 5	**4.79**	4.79
Total expected payments	**17.62**	17.62

The average duration of the defined benefit plan obligation at the end of the reporting period is 4 years (March 31, 2023: 4 years).

27. Commitments and contingencies

a. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:

At March 31, 2024, the Company had NIL commitments (March 31, 2023: Rs NIL)

b. Contingent liabilities

The Company does not have any pending litigation which would impact the financials position of the Company.

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28. Related Party Transactions

a) Names of related parties where control exists irrespective of whether transactions have occurred,

Holding company	- Lemon Tree Hotels Limited
Fellow subsidiary companies	-Fleur Hotels Private Limited - Hyacinth Hotels Private Limited - Oriole Dr. Fresh Hotels Private Limited - Sukhsagar Complexes Private Limited
Enterprise in which holding company has significant influence	-Mind Leaders Learning India Private Limited
Key Management Personnel	- Mr. Rajesh Kumar(Whole Time Director) -Mr. Paramartha Saikia(Independent Director)(till March 29, 2023) - Mr. Rajeev Janveja - Mr Freyan Jamshed Desai (w.e.f. June 01, 2023)

b) Additional related parties as per Companies Act 2013 with whom transactions have taken place during the year:

Chief Financial Officer	: Mr. Nitin Sharma
Company Secretary	: Mrs. Jyoti Verma

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The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year

Rs in lakhs

Transactions with Related Party	Year Ended	Holding company	Fellow Subsidiary	Enterprise in which holding company has significant influence	Key Management Personal
Reimbursement of Expenses paid on behalf of the party					
Lemon Tree Hotels Limited	31-Mar-24	**0.17**	-	-	-
	31-Mar-23	0.19	-	-	-
Management Fees (cross charge) (Gross)					
Lemon Tree Hotels Limited	31-Mar-24	**36.77**	-	-	-
	31-Mar-23	26.59	-	-	-
Remuneration Paid					
Mr. Rajesh Kumar	31-Mar-24	-	-	-	**70.50**
	31-Mar-23	-	-	-	61.91
Mr. Nitin Sharma	31-Mar-24	-	-	-	**38.92**
	31-Mar-23	-	-	-	32.57
Loan Received					
Lemon Tree Hotels Limited	31-Mar-24	**228.00**			
	31-Mar-23	75.00	-	-	-
Loan Repaid					
Lemon Tree Hotels Limited	31-Mar-24	**31.00**	-	-	
	31-Mar-23	120.00	-	-	-
Amount received on behalf of the Party					
Fleur Hotels Private Limited	31-Mar-24	-	**0.10**	-	-
	31-Mar-23	-	-	-	-
Oriole Dr. Fresh Hotels Private Limited	31-Mar-24	-	**0.11**	-	-
	31-Mar-23	-	0.24	-	-

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Transactions with Related Party	Year Ended	Holding company	Fellow Subsidiary	Enterprise in which holding company has significant influence	Key Management Personal
Amount paid on behalf of the Party					
Hyacinth Hotels Private Limited	31-Mar-24	-	-	-	-
	31-Mar-23	-	0.27	-	-
Fleur Hotels Private Limited	31-Mar-24	-	-		
	31-Mar-23	-	0.25	-	-
Balances outstanding at the year end- Other current liabilities					
Lemon Tree Hotels Limited	31-Mar-24	**276.28**	-	-	-
	31-Mar-23	58.47	-	-	-
Mr. Rajesh Kumar	31-Mar-24	-	-	-	**2.18**
	31-Mar-23	-	-	-	-
Mind Leaders Learning India Private Limited	31-Mar-24	-	-	**0.53**	-
	31-Mar-23	-	-	0.53	-
Guarantee received for loan availed					
Lemon Tree Hotels Limited	31-Mar-24	**2,350.00**	-	-	-
	31-Mar-23	2,350.00	-	-	-

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29. Fair value measurement

This section gives an overview of the significance of financial instruments for the company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument

a. Financial Assets

Rs in lakhs

	March 31, 2024		March 31, 2023	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets				
Trade Receivables	-	**28.13**	-	26.17
Security Deposits (non-current)	-	**45.17**	-	36.17
Other bank balances	-	**0.10**	-	0.10
Cash and Cash Equivalents	-	**79.41**	-	37.98
Total Financial Assets	-	**152.81**	-	100.42

b. Financial Liabilities

Rs in lakhs

	March 31, 2024		March 31, 2023	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Borrowings (Non-current)	-	**1,231.75**	-	1,203.26
Borrowings (Current)		**253.19**		48.75
Trade Payables	-	**115.64**	-	108.89
Other Current Financial Liabilities	-	**50.53**	-	37.93
Total Financial Liabilities		**1,651.11**		1,398.83

c. Fair value measurement hierarchy for assets and liabilities

Fair value measurement

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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

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i) Level 1

Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

ii) Level 2

Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

iii) Level 3

Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

The management assessed that fair values of cash and cash equivalents, other current financial assets and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

30. Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk. Financial instruments affected by market risk include loans and borrowings, deposits and payables/receivables in foreign currencies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

Rs in lakhs

	March 31, 2024	March 31, 2023
Variable rate borrowings	**1,197.48**	1,196.49
Fixed rate borrowings	**287.46**	55.52





Interest rate sensitivity

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

	Increase/decrease in basis points	Effect on profit before tax
		Rs in lakhs
31-March-24		
Rs.	50	(6.06)
Rs.	-50	6.06
31-March-23		
Rs.	50	(6.04)
Rs.	-50	6.04

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has no exposure in foreign currency.

Credit risk

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

Trade receivables

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.
An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 8. The Company does not hold collateral as security.

Rs in lakhs

Ageing	March 31, 2024	March 31, 2023
Not due	-	-
0-60 days past due	22.85	15.92
61-120 days past due	1.59	5.85
121-180 days past due	3.69	2.06
180-365 days past due	-	2.22
More than 365 days	-	0.12

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Provision for doubtful debts

Rs. In Lakhs

Ageing	March 31, 2024	March 31, 2023
Not due	-	-
0-60 days past due	**0.07**	-
61-120 days past due	**0.02**	-
121-180 days past due	**0.12**	-
180-365 days past due	-	-
More than 365 days	**0.40**	0.40

Rs. In Lakhs

	March 31, 2024	March 31, 2023
Provision at beginning	**0.40**	0.40
Addition during the year	**0.21**	-
Reversal during the year	-	-
Utilised during the year	-	-
Provision at closing	**0.61**	0.40

Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders.

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

Rs in lakhs

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2024						
Borrowings*	243.91	2.25	7.03	683.27	558.99	1,495.45
Trade and other payables	115.64	-	-	-	-	115.64
Other dues of other creditors	50.53	-	-	-	-	50.53
	410.08	**2.25**	**7.03**	**683.27**	**558.99**	**1,661.62**

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	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2023						
Borrowings*	46.91	0.30	1.54	353.27	861.49	1,263.51
Trade and other payables	108.89	-	-	-	-	108.89
Other dues of other creditors	37.93	-	-	-	-	37.93
	193.73	**0.30**	**1.54**	**353.27**	**861.49**	**1,410.33**

*on undiscounted basis

31. Capital management

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

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

Rs in lakhs

	March 31, 2024	March 31, 2023
Borrowings (Note 12 & 14)	1,484.94	1,252.01
Trade payables (Note 14)	115.64	108.89
Less: cash and cash equivalents (Note 8)	79.41	37.98
Net debt	**1,521.17**	**1,322.92**
Total capital	3,061.96	3,099.06
Capital and net debt	**4,583.13**	**4,421.98**
	33.19%	**29.91%**

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

32. Segment Reporting

The Company is into Hoteliering business. The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore there is no reportable segment for the Company as per the requirements of Ind AS 108 – "Operating Segments".





Information about geographical areas

The Company has only domestic operations and hence no information required for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about major customers

No customer accounted more than 10% of revenue in year ended March 31, 2024 (March 31, 2023: Nil.)

33. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006.

	March 31, 2024	March31, 2023
the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	**32.48**	40.04
the amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

34. The Company does not have any long term contracts including derivative contracts for which there are any material foreseeable losses.

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35. Supplementary information as per requirement of Schedule III of the Companies Act.

a) Detail of shareholding of promoters of the company

As at March 31, 2024

S.No.	Promoter Name	Number of shares at the beginning of the year 2023	% of total Share Capital	Change during the year	Number of shares at the end of the year 2024	Percentage of Total shares	% change during the year
1	Lemon tree Hotels Limited	500,945,400	100%	-	500,945,400	100%	-

As at March 31, 2023

S.No.	Promoter Name	Number of shares at the beginning of the year 2022	% of total Share Capital	Change during the year	Number of shares at the end of the year 2023	Percentage of Total shares	% change during the year
1	Lemon Tree Hotels Limited	500,945,400	100%	-	500,945,400	100%	-

b) Ratio Analysis and its elements

S.No.	Ratio	Numerator	Denominator	March 2024	March 2023	% Variance	Reason for variance
1	Current Ratio	Current Asset	Current liabilities	0.54	0.76	(28.30%)	Change due to more working capital requirement during the year
2	Debt Equity Ratio	Total Debt	Shareholder equity	0.48	0.40	20.04%	-
3	Debt service coverage Ratio	Earnings available for debt service	Debt service	1.04	1.65	(36.69%)	Change due to decrease in profit in current year.
4	Return on Equity	Net profit after taxes	Average shareholders equity	(1.19%)	0.71%	(267.93%)	Change due to increase in losses in current year
5	Inventory Turnover	Cost of Good Sold	Average Inventory	2.40	3.70	(35.31%)	Increase in revenue as

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S.No.	Ratio	Numerator	Denominator	March 2024	March 2023	% Variance	Reason for variance
	Ratio						compared to previous year
6	Trade Receivable turnover Ratio	Net credit sales	Avg. accounts receivable	48.54	52.57	(7.66%)	-
7	Trade Payables turnover Ratio	NA	NA	NA	NA	NA	-
8	Net capital Turnover Ratio	Net Sales	Working capital	(5.94)	(19.26)	(69.16%)	Change due to increase revenue from operation
9	Net Profit Ratio	Net Profit	Net sales	(2.78%)	1.90%	(245.99%)	Change due to decrease in profit in current year
10	Return on capital employed	EBIT	Capital employed	1.89%	3.19%	(40.64%)	Changedue to increase in profit in current year
11	Return on investment	Income generated from investments(Fixed Deposits	Average invested funds in treasury investments	-	-	-	

(i) Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and otheramortizations + Interest + otheradjustments like loss on sale of Fixed assets etc.

(ii) Debt Service = Interest&Lease Payments + Principal Repayments

(iii) Capital Employed= Networth+ Total Debt + DeferredTaxLiability - Net Intangible aseets

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c) Trade Receivables ageing schedule based on requirement of Schedule III:

As at March 31, 2024 (Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	28.13	-	-	-	-	28.13
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired						
Unbilled Revenue	-	-	-	-	-	-

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As at March 31, 2023 (Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	23.83	2.22	0.12	-	-	26.17
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired						
Unbilled Revenue	-	-	-	-	-	-

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d) Trade payables Ageing Schedule based on the requirement of Schedule III

As at March 31, 2024 (Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	32.48	-	-	-	32.48
Total outstanding dues of creditors other than micro enterprises and small enterprises	81.70	0.46	-	0.01	82.17
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	0.99	-	-	-	0.99

As at March 31, 2023 (Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	40.04	-	-	-	40.04
Total outstanding dues of creditors other than micro enterprises and small enterprises	68.21	-	-	0.01	68.22
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	0.63	-	-	-	0.63

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e) **Other Statutory Information**

(i). The Company have not traded or invested in Crypto currency or Virtual currency during the financial year.

(ii). The Company have not 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.

(iii). The Company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property

(iv).The company has not entered into any transaction with companies struck off.

(v). The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(vi). The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vii).During the year, the company has not entered into any scheme of arrangements in terms of section 230 to 237 of the Companies Act, 2013 and accordingly, the prescribed disclosures of Schedule III are not required to be given.

(viii). The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or,

(b)provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ix) The Company is not required to spend towards Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013, since there is no average profit in the last 3 years calculated as per the provisions of the Act.

(x). No bank has declared the company as "willful defaulter".

(ix).The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

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36. As per the proviso to Rule 3(1) of Companies (Accounts) Rules, 2014, for the financial year commencing on or after the 1st day of April 2023, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

    The Company uses SAP S/4 HANA as its accounting software operated for recording all the accounting transactions for the year ended March 31, 2024. SAP S/4 HANA has a feature of recording audit trail (edit log) facility which has not been enabled for specific tables.

    In respect of maintaining revenue records, the Company has used an revenue management software. The said software has a feature of recording audit trail (edit log) facility from July 9, 2023, except the software does not have feature of audit trail at database level.

    The Management has adequate internal controls over financial reporting which were operating effectively for the year ended March 31, 2024. The Management is in the process of evaluating the options to ensure compliance with the requirements of proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 referred above in respect of audit trail (edit log).

37. Previous period's figures have been regrouped/reclassified wherever necessary to correspond with the current period's classification/disclosure.

As per our report of even date

For APAS & CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

Rajeev Ranjan
Partner
Membership No. 535395

Place: New Delhi
Date: May 24, 2024

For and on behalf of the Board of Directors of Canary Hotels Private Limited

Rajeev Janveja
Director
DIN: 07334001

Rajesh Kumar
Whole Time Director
DIN: 05251730

Jyoti Verma
Company Secretary
Mem. no. – F7210

Nitin Sharma
Chief Financial Officer

Place: New Delhi
Date: May 24, 2024

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CANARY HOTELS PRIVATE LIMITED

Report on the Audit of IND AS Financial Statements

Opinion

We have audited the accompanying IND AS financial statements of **CANARY HOTELS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the IND AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid IND AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the IND AS financial statements under the provisions of the Companies Act, 2013 and the Rules issued there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information other than the Financial Statements and Auditor's Report thereon

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the IND AS financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these IND AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 IND AS financial statements, that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors/Management are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the IND AS financial Statements

Our objectives are to obtain reasonable assurance about whether the IND AS 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 IND AS financial statements.

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

1. Identify and assess the risks of material misstatement of the IND AS 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.

2. Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the IND AS 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.

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

Materiality is the magnitude of misstatements in the interim condensed standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

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Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit we report that:

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

   ii. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

   iii. The Balance Sheet, the Statement of Profit and Loss (including the Other Comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   iv. In our opinion, the aforesaid IND AS Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act.

   v. On the basis of the written representations received from the directors as on 31st March, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

   vi. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure II". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, being a private Limited Company, the provisions of Section 197 read with schedule V to the Companies Act, 2013 with regard to managerial remuneration paid and provided are not applicable to the Company.

   vii. 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:

      i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS financial statements. Refer Note 27 to the financial statements.

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

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

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) 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 (a) and (b) above, contain any material misstatement.

v. The company has neither declared dividend nor paid any dividend during the year.

2. 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, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in "Annexure I" a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.

3. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the year ended March 31, 2025 wherein:

a) the accounting software has a feature of recording audit trail (edit log) facility and the audit trail at the application level has operated throughout the year for all relevant transactions recorded in the software except that the audit trail feature

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was enabled for certain tables/master records only from March 29, 2025. Further, audit trail was not enabled at the database level to log any direct data changes. Consequently, we are unable to comment whether there were any instances of the audit trail feature being tampered with.

As audit trail feature was not enabled for the year ended March 31, 2024, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable.

b) In respect of a revenue management software used for maintaining its revenue records, it has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that the audit trail (edit log) at database level was enabled on March 19, 2025 and the software do not have feature to capture whether audit trail (edit log) has been tampered or not. Consequently, we are unable to comment whether there were any instances of the audit trail feature being tampered with.

Additionally, the audit trail that was enabled and operated for the year ended March 31, 2024, has been preserved by the Company as per the statutory requirements for record retention. (Refer Note 35 of the financial statements)

For APAS & CO LLP
CHARTERED ACCOUNTANTS
Firm Regn No. 000340C/C400308

Rajeev Ranjan

PLACE : DELHI
DATED : May 26, 2025
UDIN : 25535395BMJNVN7393

APAS & CO. LLP * 000340C/C400308 * FRN * CHARTERED ACCOUNTANTS

(RAJEEV RANJAN)
PARTNER
M No. 535395

APAS & CO LLP
CHARTERED ACCOUNTATNS

606, 6TH FLOOR, PP CITY CENTRE
ROAD NO. 44, PITAMPURA
DELHI - 110034
TEL.: 011-49058720
E-MAIL: apas.delhi@gmail.com

ANNEXURE- I TO THE INDEPENDENT AUDITOR'S REPORT

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

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The company has maintained proper records showing full particulars of intangible assets.

b) The Property, Plant and Equipment have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies were noticed on such verification.

c) According to the information and explanations given by the management, the title deeds of immoveable properties included in property, plant and equipment are held in the name of the Company.

d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

e) Based on audit procedures performed and the representation obtained from the management, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. a) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on physical verification.

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[redacted]

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b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets during any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

iii. The Company, during the year, has not made investment, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties Therefore, the provisions of clause 3(iii)(a) to 3(iii)(f) of the Order are not applicable.

iv. The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. To the best of our knowledge and as explained, the central government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act 2013.

vii. a) As per information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other statutory dues with the appropriate authorities. As informed to us there are no outstanding statutory dues in arrears as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) as on the balance sheet date which have not been deposited on account of any dispute.

viii. Based on our audit procedures and on the basis of information and explanations given to us by the management, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

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b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and there has been no utilisation during the current year of the term loans obtained by the Company during any previous years. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have, prima facie, been used for long-term purposes by the company.

e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, The Company does not have any subsidiaries, joint ventures or associate companies and therefore the clause 3(ix)(e) and 3(ix)(f) is not applicable.

x. a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans during the year. Accordingly, the provisions of clause 3(x) of the Order are not applicable to the Company and hence not commented upon.

b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the company and no material fraud on the Company has been noticed or reported during the year.

b) We report that no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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

xii. The Company is not a Nidhi company and therefore clause 3(xii) of the Order related to such companies is not applicable to the Company.

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xiii. All transactions entered during the year with the related party are in compliance with the provisions of sections 188 where applicable and the details with respect to all related party transactions have been disclosed in the Financial Statements as required by applicable accounting standards. Section 177 of the Companies Act, 2013 is not applicable on the Company.

xiv. a) According to the information and explanations given to us, the Company is not required to have an internal audit system under section 138 of the Act. However, the Company has an internal audit system which, in our opinion, is commensurate with the size and nature of its business.

b) We have considered the internal audit reports of the company issued till date, in determining the nature, timing and extent of our audit procedures.

xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) of the Order is not applicable to the Company.

xvii. The company has not incurred cash losses in the financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly clause 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.

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xx. The Company is not required to spend any amount on corporate social responsibility under section 135 of the Companies Act. Therefore, the provisions of clause 3(xx) of the Order are not applicable.

xxi. The reporting under clause 3(xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report

For APAS & CO LLP
CHARTERED ACCOUNTANTS
Firm Regn No. 000340C/C400308

Rajeev Ranjan

(RAJEEV RANJAN)
PARTNER
M No. 535395

PLACE : DELHI
DATED : May 26, 2025
UDIN : 25535395BMJNVN7393

APAS & CO. LLP * FRN. 000340C/C400308 * CHARTERED ACCOUNTANTS

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ANNEXURE- II TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **CANARY HOTELS PRIVATE LIMITED** ("the Company") as of 31st March 2025 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting with reference to these Standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial

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controls over financial reporting with reference to these Standalone Ind AS 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 judgment, 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 system over financial reporting with reference to these Standalone Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these financial statements

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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Opinion

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

For APAS & CO LLP
CHARTERED ACCOUNTANTS
Firm Regn No. 000340C/C400308

Rajeev Ranjan

(RAJEEV RANJAN)
PARTNER
M No. 535395

PLACE : DELHI
DATED : May 26, 2025
UDIN :25535395BMJNVN7393

APAS & CO. LLP
FRN 000340C/C400308
CHARTERED ACCOUNTANTS

[redacted]

Canary Hotels Private Limited
CIN: U55101DL2006PTC144532
Balance Sheet as at March 31, 2025

	Note	March 31, 2025 Rs in lakhs	March 31, 2024 Rs in lakhs
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	4,466.88	4,467.05
(b) Intangible assets	4	1.06	0.19
(c) Financial assets	5		
(i) Other non current financial assets		40.29	45.27
(d) Deferred tax assets (net)	6	-	-
(e) Non-current tax assets (net)		17.37	14.52
		4,525.60	4,527.03
Current assets			
(a) Inventories	7	107.29	82.04
(b) Financial assets	8		
(i) Trade receivables		94.40	28.13
(ii) Cash and Cash equivalents		66.86	29.41
(c) Other current assets	9	68.34	74.36
		336.89	263.94
Total Assets		4,862.49	4,790.97
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	10	5,009.45	5,009.45
(b) Other Equity	11	(1,916.64)	(1,947.49)
Total Equity		3,092.81	3,061.96
Liabilities			
Non-current liabilities			
(a) Financial liabilities	12		
(i) Borrowings		1,223.36	1,231.75
(b) Long term provisions	13	14.05	11.46
		1,237.41	1,243.21
Current liabilities			
(a) Financial liabilities	14		
(i) Borrowings		314.00	253.19
(ii) Trade payables			
- total outstanding dues of micro enterprises and small enterprises		41.47	32.48
- total outstanding dues of creditors other than micro enterprises and small enterprises		63.58	83.16
(iii) Other current financial liabilities		35.94	50.53
(b) Other current liabilities	15	65.69	56.50
(c) Provisions	13	11.59	9.94
		532.27	485.80
Total Liabilities		1,769.68	1,729.01
Total Equity and Liabilities		4,862.49	4,790.97
Summary of material accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For APAS & CO LLP
Firm Regn No. 000340C/C100308
Chartered Accountants

Rajeev Ranjan
Partner
Membership No. 535395

For and on behalf of the Board of Directors of
Canary Hotels Private Limited

Rajeev Janvejan
Director
DIN No. 02334000

Rajesh Kumar
Whole Time Director
DIN: 05251230

Nitin Sharma
Chief Financial Officer

Place : New Delhi
Date : May 26 2025

Place : New Delhi
Date : May 26 2025

Canary Hotels Private Limited
CIN: U55101DL2006PTC144532
Statement of Profit and Loss for the year ended March 31, 2025

	Note	March 31, 2025 . Rs in lakhs	March 31, 2024 Rs in lakhs
Revenue from operations	16	1,518.21	1,318.06
Total Income		1,518.21	1,318.06
Expenses			
Cost of food and beverages consumed	17	197.23	161.72
Employee benefits expense	18	435.64	383.04
Other expenses	19	671.67	645.67
Total expenses		1,304.54	1,190.43
Earnings before interest, tax, depreciation and amortisation (EBITDA)		213.67	127.63
Finance costs	20	127.80	123.04
Depreciation and amortization expense	21	54.51	41.64
Finance Income	22	(0.54)	(0.42)
Profit/(loss) before tax		31.90	(36.63)
Other comprehensive income			
Remeasurements of defined benefit plans		(1.05)	(0.47)
Total Comprehensive income/(loss) for the year		30.85	(37.10)
Earnings/(Loss) per equity share			
(1) Basic	23	0.01	(0.01)
(2) Diluted	23	0.01	(0.01)
Summary of material accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For APAS & CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

Rajeev Ranjan
Partner
Membership No. 535395

For and on behalf of the Board of Directors of
Canary Hotels Private Limited

Rajeev Janveja
Director
DIN No: 07334001

Rajesh Kumar
Whole Time Director
DIN: 05251730

Nitin Sharma
Chief Financial Officer

Place : New Delhi
Date : May 26 2025

Place : New Delhi
Date : May 26 2025

Canary Hotels Private Limited
CIN: U55101DL2006PTC144532
Statement of Changes in Equity

A. Equity Share Capital

Equity shares of INR 1 each issued, subscribed and fully paid	No. of shares	Amount (Rs in lakhs)
At April 1, 2023	500,945,400	5,009.45
Issue of share capital	-	-
At March 31, 2024	500,945,400	5,009.45
Issue of share capital	-	-
At March 31, 2025	500,945,400	5,009.45

B. Other Equity
For the year ended March 31, 2025

Rs in lakhs

	Reserves and Surplus			
	Capital reserve	Securities Premium	Retained Earnings	Other equity
Balance at April 1, 2023	**11.45**	584.54	(2,506.38)	(1,910.39)
Total Comprehensive Income for the year	-	-	(37.10)	(37.10)
Balance at March 31, 2024	**11.45**	584.54	(2,543.48)	(1,947.49)
Total Comprehensive loss for the year	-	-	30.85	**30.85**
Balance at March 31, 2025	**11.45**	584.54	(2,512.63)	(1,916.64)

Summary of material accounting policies 2.2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For APAS & CO LLP
Firm Regn No.: 000340C/C-300308
Chartered Accountants

Rajeev Ranjan
Partner
Membership No: 535395

Place : New Delhi
Date : May 26 2025

For and on behalf of the Board of Directors of
Canary Hotels Private Limited

Rajeev Jhawar
Director
DIN No: 07334081

Rajesh Kumar
Whole Time Director
DIN: 05251740

Vitin Sharma
Chief Financial Officer

Place : New Delhi
Date : May 26 2025

Canary Hotels Private Limited
CIN: U55101DL2006PTC144532
Cash flow statement for the year ended March 31, 2025

	For the year ended March 31, 2025 (Rs. in lakhs)	For the year ended March 31, 2024 (Rs. in lakhs)
A. Cash flow from operating activities		
(Profit)/Loss before tax	31.90	(36.63)
Non-cash adjustments to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortisation expenses	54.51	41.64
Finance costs (including fair value change in financial instruments)	120.39	117.54
Provision for gratuity	2.38	1.28
Provision for leave encashment	0.81	0.85
Provision for doubtful debts	-	0.21
Operating profit before working capital changes:	209.99	124.99
Movements in working capital:		
Change in trade receivables	(66.27)	(2.17)
Change in loans and advances and other current assets	11.00	(13.32)
Change in inventories	(25.25)	(29.06)
Change in liabilities and provisions	(15.99)	31.81
Cash Generated from Operations	113.48	112.25
Direct taxes paid (net of refunds)	(2.85)	(14.52)
Net cash flow from operating activities (A)	110.63	97.73
B. Cash flows used in investing activities		
Purchase of property, plant and equipment	(55.21)	(171.70)
Net Cash flow used in investing activities (B)	(55.21)	(171.70)
C Cash flows from financing activities		
Proceeds/(Repayment) of long term borrowings	(7.58)	35.93
Repayment of short term borrowings	60.00	197.00
Interest paid	(120.39)	(117.53)
Net Cash flow generated from/ (used in) financing activities (C)	(67.97)	115.40
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(12.55)	41.43
Cash and cash equivalents at the beginning of the year	79.41	37.98
Cash and cash equivalents at the end of the year	66.86	79.41
Components of cash and cash equivalents		
Cash on Hand	1.91	3.14
Balances with Scheduled Banks in		
- Current accounts	64.95	76.27
Total cash and cash equivalents	66.86	79.41

Summary of material accounting policies 2.2

As per our report of even date

For APAS & CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

Rajeev Ranjan
Partner
Membership No. 535395

Place : New Delhi
Date : May 26 2025

For and on behalf of the Board of Directors of
Canary Hotels Private Limited

Rajeev Janveja
Director
DIN No: 07334001

Rajesh Kumar
Whole Time Director
DIN: 05251730

Nitin Sharma
Chief Financial Officer

Place : New Delhi
Date : May 26 2025

1. Corporate Information

Canary Hotels Private Limited (the Company) is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at Asset no. 6, Aerocity hospitality district, new delhi-110037.

The principal activities of the Company to carry out business of developing, owning, acquiring, renovating and promoting hotels, motels, resorts, restaurants, etc. under the brand name of Lemon Tree Hotel.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 26, 2025.

2 Basis of preparation

2.1 Material accounting policies

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities which are measured at fair value/ amortised cost.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing account standard required a change to the accounting policy hitherto to in use.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, expect where otherwise indicated.

2.2 Summary of material accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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

(b) Foreign currencies

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

(c) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

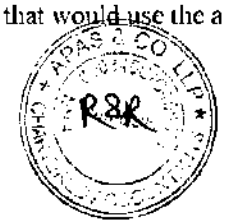
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes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

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

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

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

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



The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value. External valuers are involved for valuation of significant assets and liabilities. The management selects external valuer on various criteria such as market knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 24)
- Contingent consideration (note 27)
- Quantitative disclosures of fair value measurement hierarchy (note 28)
- Financial instruments (including those carried at amortised cost) (note 28)



(d) Revenue recognition

In arrangements for room revenue and related services, the Company has applied the guidance in Ind AS 115 for recognition of Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering room revenue and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognized.

Sales tax/ value added tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government.

Accordingly, it is excluded from revenue.

Rooms, Restaurant, Banquets and Other Services

Income from guest accommodation is recognized on a day to day basis after the guest checks into the Hotels and are stated net of allowances. Incomes from other services are recognized as and when services are rendered. Sales are stated exclusive of Service Tax, Value Added Taxes (VAT), Goods and Service tax(GST) and Luxury Tax. Shortfall of revenue over the billed as at the year-end is carried in financial statement as unbilled revenue separately.

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. sale of food and beverage are recognized at the points of serving these items to the guests. Sales are stated exclusive of Sales Tax / VAT/GST.

Interest income

For all financial instruments measured at amortized cost and interest bearing financial assets classified as available for sale, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the income statement.

Dividends

Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(e) **Taxes**

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(f) Property, plant and equipment

Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on fixed assets is provided as per Schedule II of Companies Act, 2013 on Straight Line Method over its economic useful life of fixed assets as follows:

Fixed Assets	Useful life considered (SLM)
Plant & Machinery	15 Years
Building	60 Years
Electrical fittings	10 Years
Electrical Equipment's	10 Years
Office Equipment's	5 Years
Furniture and Fixtures	10 Years
Commercial Vehicles	6 Years
Private Vehicles	8 Years
Computers	3 Years

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end, and adjusted prospectively if appropriate.



(g) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as 3 years and the same shall be amortised on Straight line basis over its useful life.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 income statement when the asset is derecognized.

(h) Borrowing costs

Borrowing cost includes interest expense as per Effective Interest Rate (EIR).

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset until such time that the assets are substantially ready for their intended use. Where funds are borrowed specifically to finance a project, the amount capitalized represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance a project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalized is calculated using a weighted average of rates applicable to relevant general borrowings of the Company during the year. Capitalisation of borrowing costs is suspended and charged to profit and loss during the extended periods when the active development on the qualifying assets is interrupted.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial liability or a shorter period, where appropriate, to the amortised cost of a financial liability after considering all the contractual terms of the financial instrument.

(i) Inventories

Stock of food & beverages, stores and operating supplies are valued at lower of cost and net realizable Value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a first in first out basis.Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make sale.

(j) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair valueless costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(k) Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(l) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to 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, for example, a reduction in future payment or a cash refund.

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.
Retirement benefit in the form of gratuity is a defined benefit scheme. Gratuity liability of employees is accounted for on the basis of actuarial valuation on projected unit credit method at the close of the year. Company's contribution made to Life Insurance Corporation is expenses off at the time of payment of premium.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.The Company recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Retirement benefits in the form of Superannuation Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

The company treats leaves expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

(m) 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.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- Equity instruments in subsidiaries carried at cost

Debt instruments at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instrument at FVTOCI

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:
a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

VTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

The Company has designated compulsory redeemable preference shares investments in its subsidiaries at FVTPL. The difference between the transaction amount and amortized cost is considered as 'deemed investment in compulsory redeemable preference shares'.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement: and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:



a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Financial assets that are debt instruments and are measured as at FVTOCI
c) Lease receivables under Ind AS 17
d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 (referred to as 'contractual revenue receivables' in these illustrative financial statements)
e) Loan commitments which are not measured as at FVTPL
f) Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.
Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability

Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:
Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

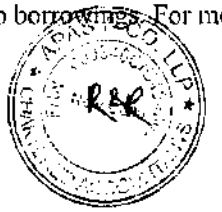
Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer Note 12.



Derecognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(n) Redeemable preference shares

Redeemable preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the redeemable preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

(o) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and 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.

(p) Segment reporting policies

Identification of segments

The management of the Company reviews the specific performance of its respective hotel properties. However, since all hotels have similarity in terms of products and services, customer classes, method of providing services and the regulatory environment, the individual hotels qualify for aggregation. Thus, the management has considered aggregating all the hotels as one reportable operating segment. Accordingly, the figures appearing in these financial statements relate to the Company's single operating segment.

(q) Measurement of EBITDA

The Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the company does not include depreciation and amortization expense, interest income, finance costs, and tax expense.



Century Hotels Private Limited
Notes to financial statements for the year ended March 31, 2025

A Property, plant and equipment

(₹ in lakhs)

Particulars	Freehold land	Building on freehold land	Plant and Machinery	Electrical fittings	Electrical equipments	Office equipments	Furniture and Fixtures	Computers	Vehicles	Total
Cost										
As at April 1, 2023	2,824.56	1,616.57	387.24	97.73	31.43	4.21	42.37	2.13	78.91	5,050.25
Additions	-	-	112.09	-	5.79	0.89	-	1.50	51.52	171.79
Disposals	-	-	-	-	-	-	-	-	13.90	13.90
As at March 31, 2024	2,824.56	1,616.57	499.32	97.73	37.22	5.10	42.37	3.63	76.58	5,208.08
Additions	-	5.74	16.36	-	11.22	-	16.68	3.98	-	53.78
Disposals	-	-	-	-	-	-	-	-	-	-
As at March 31, 2025	2,824.56	1,622.31	515.68	97.73	48.44	5.10	59.05	13.62	76.58	5,261.86
Depreciation										
As at April 1, 2023	-	238.38	294.59	96.03	22.36	7.07	30.21	5.05	24.22	712.91
Charge for the year	-	29.02	4.62	0.05	1.16	0.63	1.44	0.52	3.88	41.32
Disposals	-	-	-	-	-	-	-	-	13.20	13.20
As at March 31, 2024	-	267.39	299.22	96.08	23.52	7.70	31.65	5.56	14.90	741.03
Charge for the year	-	29.08	11.32	0.05	1.85	0.30	1.99	1.44	7.92	53.95
Disposals	-	-	-	-	-	-	-	-	-	-
As at March 31, 2025	-	296.46	310.55	96.13	25.38	8.00	33.64	6.99	22.82	794.98
Net Book value										
As at March 31, 2025	2,824.56	1,325.85	204.93	1.60	23.06	2.09	25.41	5.62	53.76	4,466.88
As at March 31, 2024	2,824.56	1,349.18	200.10	1.65	13.71	2.40	10.72	3.97	61.69	4,467.85

Net book value	As at March 31, 2025	As at March 31, 2024
Plant, property and equipment	4,466.88	4,467.85

a) The property, plant and equipment are valued at cost. The company has not used registered valuer for fair valuation/revaluations.



4 Intangible Assets

The intengible are assets are valued at cost. The company has not used registered valuer for faur valuation/revaulation.

Rs in lakhs

Particulars	Software	Total
Cost		
At April 1, 2023	5.37	5.37
Additions	-	-
Disposals	-	-
At March 31, 2024	**5.37**	**5.37**
Additions	1.44	1.44
Disposals	-	-
At March 31, 2025	**6.81**	**6.80**
Amortisation		
At April 1, 2023	4.87	4.87
Amortisation	0.31	0.31
Disposals	-	-
At March 31, 2024	**5.18**	**5.18**
Amortisation	0.56	0.56
Disposals	-	-
At March 31, 2025	**5.74**	**5.75**
Net Block		
At March 31, 2025	**1.07**	**1.06**
At March 31, 2024	0.19	0.19

5	**Financial assets**	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(i)	**Other non current financial assets**		
	Security Deposits	**40.16**	45.17
	Non current bank balances	**0.10**	0.10
	Interest accrued on deposits with banks and others	**0.03**	-
		40.29	45.27

6	**Deferred tax assets (net)**	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
	Fixed assets : Impact of difference between tax depreciation and depreciation/ amortization charged for financial year	**267.06**	259.36
	Deferred tax liability	**267.06**	259.36
	Impact of expenditure charged to the statement of profit and loss in the current/ earlier period but allowable for tax purposes on payment basis	**6.92**	6.50
	Interest on Borrowings u/s 43B	**25.22**	25.22
	Effect of unabsorbed depreciation and business loss	**228.25**	222.07
	Provision for gratuity	**5.00**	4.11
	Provision for leave compensation	**1.67**	1.46
	Deferred tax asset	**267.06**	259.36
	Deferred tax assets (net)	**-**	-

* Deferred tax asset on losses and credits has been recognized to the extent of Deferred tax liability.

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2025 and March 31, 2024:

	March 31, 2025	March 31, 2024
Profit/(loss) before tax	**31.90**	(36.63)
Tax rate	**26.00%**	26.00%
Tax at statutory income tax rate	**8.29**	(9.52)
Unrecognized tax assets (net)	**(8.29)**	9.52
Net	-	-



7 Inventories (valued at lower of cost and net realisable value, unless otherwise stated)	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Food and beverages (excluding liquor and wine)	34.43	33.74
Stores, cutlery, crockery, linen, provisions and others (valued at cost)	72.86	48.30
Total	107.29	82.04

8 Financial assets	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(i) Trade receivables		
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	95.01	28.74
Less: Allowances for doubtful receivables	0.61	0.61
	94.40	28.13
Break-up for security details:		
Trade receivables		
Unsecured, considered good	95.01	28.74
	95.01	28.74

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
The interest free credit period given to customers is upto 90 days.

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(ii) Cash and cash equivalents		
Balance with banks		
On current accounts	64.95	76.27
Cash on hand	1.91	3.14
	66.86	79.41

Break up of current financial assets carried at amortised cost	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Trade receivables	94.40	28.13
Cash and cash equivalents	66.86	79.41
161 Total current financial assets carried at amortised cost	161.26	107.54

9 Other current assets	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Advances recoverable in cash or kind		
- Employee Advance	0.10	0.10
- Others	22.34	15.83
Balance with statutory/ government authorities	28.88	46.87
Prepaid Expenses	17.02	11.56
Total	68.34	74.36



10 Share capital

Authorised Share Capital

	Equity shares	
	No. of shares	Rs in lakhs
At April 1, 2023	666,000,000	6,660.00
Increase/(decrease) during the year	-	-
At March 31, 2024	666,000,000	6,660.00
Increase/(decrease) during the year	-	-
At March 31, 2025	666,000,000	6,660.00

Terms/rights attached to equity shares

The company has only one class of equity shares having par value of Rs. 1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders 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.

Issued equity capital

Equity shares of INR 1 each issued, subscribed and fully paid	No. of shares	Rs in lakhs
At April 1, 2023	500,945,400	5,009.45
Increase/(decrease) during the year	-	-
At March 31, 2024	500,945,400	5,009.45
Increase/(decrease) during the year	-	-
At March 31, 2025	500,945,400	5,009.45

Shares held by holding company

	As at March 31, 2025		As At March 31, 2024	
	No. of shares	Rs in lakhs	No. of shares	Rs in lakhs
Equity shares of Rs. 1 each fully paid up				
Lemon Tree Hotels Limited	500,945,400	5,009.45	500,945,400	5,009.45

Details of shareholders holding more than 5% shares in the company

	As at March 31, 2025		As at March 31, 2024	
	No. of shares	% held	No. of shares	% held
Equity shares of Rs. 1 each fully paid up				
Lemon Tree Hotels Limited	500,945,400	100.00%	500,945,400	100.00%

The Company has not issued Bonus Share, Share for consideration other than Cash and has not bought back shares during the period of five years immediately preceding the reporting date.



11 Other equity

Securities Premium	Rs in lakhs
At April 1, 2023	584.54
Increase/(decrease) during the year	-
At March 31, 2024	584.54
Increase/(decrease) during the year	-
At March 31, 2025	584.54

Retained Earnings	Rs in lakhs
At April 1, 2023	(2,506.38)
Profit for the year	(37.10)
At March 31, 2024	(2,543.48)
Loss for the year	30.85
At March 31, 2025	(2,512.63)

Capital Reserve (Equity Component of Reedemable Preference share)	Rs in lakhs
At April 1, 2023	11.45
Increase/(decrease) during the year	-
At March 31, 2024	11.45
Increase/(decrease) during the year	-
At March 31, 2025	11.45

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Other reserves		
Securities Premium	584.54	584.54
Retained Earnings	(2,512.63)	(2,543.48)
Capital Reserve (Equity Component of Reedemable Preference share)	11.45	11.45
	(1,916.64)	(1,947.49)

12 Borrowings

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Non-current borrowings		
Term Loans		
Indian rupee loans from Banks (Secured)		
Vehicle loans (Refer note 1 below)	24.19	34.27
Rupee term loans from financial institutions		
Aditya Birla Finance Limited (Refer note 2 below)	1,199.17	1,197.48
Total non-current borrowings	1,223.36	1,231.75
Current borrowings		
Term Loans		
Current maturity of long term loans		
Vehicle loans (Refer note 1 below)	10.09	9.28
Rupee term loans from financial institutions		
Aditya Birla Finance Limited (Refer note 2 below)	-	-
Total current borrowings	10.09	9.28
Less: Amount clubbed under "short term borrowing"	(10.09)	(9.28)
Net current borrowings	-	-

Term loans

1) Vehicle loan is secured by hypothecation of underlying motor vehicle acquired out of such loans. Rate of interest of the loan is 7.25%. The loan is repaid on agreed monthly installments.

2) Term loan of Aditya Birla Finance Limited having sanctioned amount of Rs.2,350 lakhs is repayable in 44 Structured Quarterly Installments payable after moratorium period of 12 months from the date of first disbursement , presently having rate of interest of 9.65% (March 31, 2023 9.50%) secured by :
a) First exclusive charge on all the immovable fixed assets (both current and future) of the Lemon Tree Hotel EDM, Kaushambi Ghaziabad to provide minimum cover of 2.00x cover all the times during the tenure of loan.
b) First exclusive charge on all the movable fixed assets (both current and future) of the Lemon Tree Hotel EDM,
c) First exclusive charge on the escrow account of entire cash flow of Lemon Tree Hotel EDM,
d) Unconditional & irrevocable Guarantee by Lemon Tree Hotels Limited, DPN

3) The Company has not defaulted in the repayment of loans and interest at Balance Sheet date.
4) Bank loans availed by the Company are subject to certain covenants relating to interest coverage ratio, debt service coverage ratio, capital gearing ratio, fixed assets coverage ratio.
5) The Company has complied all covenants from bank as per the terms of the loan agreement
6) The company has used borrowings from banks/financial institutions for the specific purpose for which it was taken
7) Basis on several terms and conditions as specified in sanction letters, the company submits quarterly returns/statements of current assets with banks/ financial institution and these returns/statements are in agreement with the books of accounts.

13 Provisions

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Provision for gratuity	19.23	15.80
Current	5.18	4.34
Non-current	14.05	11.46

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Provision for leave benefits	6.41	5.60
Current	6.41	5.60
Non-current	-	-
Total current	11.59	9.94
Total non-current	14.05	11.46

14 Financial liabilities

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(i) Borrowings		
0% loan from Lemon Tree Hotels Limited repayable on demand	**303.91**	243.91
Current maturities of long-term borrowings	**10.09**	9.28
	314.00	253.19

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(ii) Trade payables		
-Micro and small enterprises	**41.47**	32.48
-Other than Micro and small enterprises	**63.58**	83.16
	105.05	115.64

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Trade payables	**72.68**	83.27
Trade payables to related parties	**32.37**	32.37
	105.05	115.64

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(iii) Other current financial liabilities		
Outstanding dues of other creditors	**13.56**	6.56
Outstanding dues of Employees	**22.38**	43.96
	35.94	50.53

15 Other current liabilities

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Advance from customers	**41.27**	43.80
Statutory Dues	**24.42**	12.70
	65.69	56.50

16 Revenue from operations

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Sale of products and services		
- Room rental	**862.50**	737.92
- Food and beverage (excluding liquor and wine)	**502.78**	440.91
- Banquet rentals	**115.55**	101.16
- Other Services	**37.38**	38.07
Revenue from operations	**1,518.21**	1,318.06

17 Cost of food and beverages consumed

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
(a) Consumption of food & beverages excluding liquor & wine		
Inventory at the beginning of the year	**33.74**	14.68
Add: Purchases	**197.93**	180.79
	231.67	195.47
Less: Inventory at the end of the year	**34.44**	33.74
Cost of food and beverage consumed	**197.23**	161.73
Cost of food and beverage consumed	**197.23**	161.73

18 Employee benefit expense

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Salaries, wages and bonus	**384.96**	336.68
Contribution to provident fund and other funds	**18.72**	18.06
Gratuity expense	**2.64**	2.33
Leave compensation expenses	**1.04**	1.04
Staff welfare expenses	**28.28**	24.93
	435.64	383.04



19 Other expenses	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Consumption of stores, cutlery, crockery, linen, provisions and others	26.93	25.45
Power and fuel	246.06	240.12
Linen & uniform washing and laundry expenses	8.82	6.81
Guest transportation	35.09	13.12
Subscription charges	2.76	3.43
Repair and maintenance		
- Buildings	54.20	54.87
- Plant and machinery	37.17	34.51
- Others	14.76	16.25
Automation Service	5.46	
Rates and taxes	37.09	71.27
Insurance	3.65	3.78
Communication costs	7.75	7.54
Printing and stationery	4.15	4.28
Traveling and conveyance	4.03	4.77
Advertisement and business promotion	1.72	2.47
Management fees	36.36	36.79
Commission -other than sole selling agent	48.10	50.51
Security and cleaning expenses	18.75	16.26
Legal and professional fees	27.38	9.11
Loss on sale of fixed assets	-	0.69
Provision for doubtful debts and advances	-	0.21
Payment to auditor	0.80	0.80
Miscellaneous expenses	50.64	42.63
	671.67	645.67

Payment to auditor

As auditor	0.80	0.80
	0.80	0.80

20 Finance Costs	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Interest		
- on term loans from banks	117.05	114.68
- on vehicle loans	3.34	2.85
Bank charges (including commission on credit card collection)	7.41	5.51
	127.80	123.04

21 Depreciation and amortization expense	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Depreciation of tangible assets	53.95	41.33
Amortization of intangible assets	0.56	0.31
	54.51	41.63

22 Finance income	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Interest income on :		
-Bank Deposits	0.02	0.00
- Interest on income tax refund	0.52	0.43
	0.54	0.43



23 Earnings Per Share (Basic And Diluted)

Basic EPS amounts are calculated by dividing the (loss)/profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) 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.

The following reflects the income and share data used in the basic and diluted EPS computations:

	March 31, 2025	March 31, 2024
Profit/(Loss) attributable to equity holders (for basic and diluted) (Rs in lakhs)	**31.90**	(36.63)
Weighted Average Number of Equity Shares (for basic and diluted)*	**500,945,400**	500,945,400
Basic & Diluted EPS	**0.01**	(0.01)

* The weighted average number of shares takes into account the weighted average effect of changes in share transactions during the year. There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.



24. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Impairment of property, plant and equipment

Each hotel property is an identifiable asset that generates cash inflows and is independent of the cash inflows of the other hotel properties, hence identified as cash generating units. The Company assesses the carrying amount of hotel properties (CGU) to determine whether there is any indication that those assets have suffered an impairment loss. Where the carrying amount of CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. An impairment loss (if any) is recognised in the statement of profit and loss.

While assessing the recoverable amount, the Company used the discounted cash flow approach including various significant estimates and assumptions such as forecast of future revenue, operating margins, growth rate and selection of the discount rates. The key assumptions used for the calculations are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Discount Rate *(pre tax rate of WACC)*	12.00%	12.00%
Long Term Growth Rate	5.50%	5.00%

As at March 31, 2025, the estimated recoverable amount of the CGU exceeded its carrying amount.

b) Loss Allowance on trade receivables

An impairment analysis of trade receivables is performed at each reporting period based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates. Basis this assessment, the allowance for doubtful trade receivables as at March 31, 2025 is considered adequate.

c) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

25. Gratuity and other post-employment benefit plans

Rs in lakhs

	March 31, 2025	March 31, 2024
Gratuity plan	**19.23**	15.80
Total	**19.23**	15.80

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The Company makes provision of such gratuity asset/ liability in the books of accounts on the basis of actuarial valuation as per the Projected unit credit method.

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2025:

Rs in lakhs

	Gratuity cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income							
	April 1, 2024	Service cost	Net interest expense	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	March 31, 2025
Defined benefit obligation	15.80	1.52	1.12	2.64	(0.24)	-	-	0.33	0.72	1.05	-	19.23
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**15.80**	**1.52**	**1.12**	**2.64**	**(0.24)**	**-**	**-**	**0.33**	**0.72**	**1.05**	**-**	**19.23**

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2024:

Rs in lakhs

	Gratuity cost charged to profit or loss					Remeasurement gains/(losses) in other comprehensive income						
	April 1, 2023	Service cost	Net interest expense	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	March 31, 2024
Defined benefit obligation	13.95	1.33	1.00	2.33	(0.95)	-	-	0.05	0.42	0.47	-	15.80
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**13.95**	**1.33**	**1.00**	**2.33**	**(0.95)**	**-**	**-**	**(0.05)**	**0.42**	**0.47**	**-**	**15.80**



The major categories of plan assets of the fair value of the total plan assets are as follows:

	March 31, 2025	March 31, 2024
Unquoted investments:		
Asset invested in insurance scheme with the LIC	-	-
Total	-	-

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

	March 31, 2025	March 31, 2024
Discount rate:	%	%
Pension plan	6.50%	7.10%
Future salary increases:		
Pension plan	5.00%	5.00%
Life expectation for pensioners	Years	Years
Pension plan		
Male	60	60
Female	60	60

A quantitative sensitivity analysis for significant assumption as at March 31, 2025 is as shown below:

India gratuity plan:

Rs in lakhs

	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.54)	0.57	0.57	(0.55)

A quantitative sensitivity analysis for significant assumption as at March 31, 2024 is as shown below:

Rs in lakhs

	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.44)	0.46	0.46	(0.44)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

Rs in lakhs

Duration (Years)	**For the year ended March 31, 2025**	For the year ended March 31, 2024
1	**5.35**	3.94
2	**4.14**	3.13
3	**3.24**	2.42
4	**2.55**	1.88
5	**1.99**	1.46
Above 5	**6.45**	4.79
Total expected payments	**23.72**	17.62

The average duration of the defined benefit plan obligation at the end of the reporting period is 4 years (March 31, 2024: 4years).

26. Commitments and contingencies

a. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:

At March 31, 2025, the Company had NIL commitments (March 31, 2024: Rs NIL)

b. Contingent liabilities

The Company does not have any pending litigation which would impact the financials position of the Company.

27. Related Party Transactions

a) Names of related parties

Holding company	- Lemon Tree Hotels Limited
Fellow subsidiary companies (with whom transactions has been occurred)	-Fleur Hotels Limited (Formerly Known as Fleur Hotels Private Limited) - Hyacinth Hotels Private Limited - Oriole Dr. Fresh Hotels Private Limited - Sukhsagar Complexes Private Limited - Totally Fox Solutions Private Limited
Enterprise in which holding company has significant influence	-Mind Leaders Learning India Private Limited
Key Management Personnel / Director	- Mr. Rajesh Kumar (Whole Time Director) - Mr. Rajeev Janveja (Director) - Ms. Freyan Jamshed Desai (Independent Director) (w.e.f. June 01, 2023)

b) Additional related parties as per Companies Act 2013 with whom transactions have taken place during the year:

Chief Financial Officer	: Mr. Nitin Sharma
Company Secretary	: Mrs. Jyoti Verma (w.e.f November 28, 2023 upto January 27,2025)

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year

Rs in lakhs

Transactions with Related Party	Year Ended	Holding company	Fellow Subsidiary	Enterprise in which holding company has significant influence	Key Management Personal(Managing Director,Whole Time Director,Manager& other Key Managerial Personal)
Reimbursement of Expenses paid on behalf of the party					
Lemon Tree Hotels Limited	31-Mar-25	**0.08**	-	-	-
	31-Mar-24	0.17	-	-	-
Management Fees (cross charge) (Gross)					
Lemon Tree Hotels Limited	31-Mar-25	**36.36**	-	-	-
	31-Mar-24	36.77	-	-	-
Automation Charges(Gross)					
Totally Fox Solutions Private Limited	31-Mar-25	-	**5.46**	-	-
	31-Mar-24	-	-	-	-
Remuneration Paid					
Mr. Rajesh Kumar	31-Mar-25	-	-	-	**78.12**
	31-Mar-24	-	-	-	70.50
Mr. Nitin Sharma	31-Mar-25	-	-	-	**47.63**
	31-Mar-24	-	-	-	38.92
Loan Received					
Lemon Tree Hotels Limited	31-Mar-25	**310.00**			
	31-Mar-24	228.00	-	-	-
Loan Repaid					
Lemon Tree Hotels Limited	31-Mar-25	**250.00**	-	-	
	31-Mar-24	31.00	-	-	-
Amount Received on behalf of the Party					
Fleur Hotels Limited	31-Mar-25		-	-	-

Rs in lakhs

Transactions with Related Party	Year Ended	Holding company	Fellow Subsidiary	Enterprise in which holding company has significant influence	Key Management Personal(Managing Director,Whole Time Director,Manager& other Key Managerial Personal)
	31-Mar-24	-	0.10	-	-
Oriole Dr. Fresh Hotels Private Limited	31-Mar-25	-	-	-	-
	31-Mar-24	-	0.11	-	-
Amount received by the party on behalf of Company					
Hyacinth Hotels Private Limited	31-Mar-25	-	**0.06**	-	-
	31-Mar-24	-	-	-	-
Staff Trainning Expenses					
Mind Leaders Learning India Private Limited	31-Mar-25	-	-	**2.05**	-
	31-Mar-24	-	-	-	-
Balances outstanding at the year end- Other current liabilities					
Lemon Tree Hotels Limited	31-Mar-25	**323.86**	-	-	-
	31-Mar-24	276.28	-	-	-
Mr. Nitin Sharma	31-Mar-25	-	-	-	**(0.00)**
	31-Mar-24	-	-	-	-
Mr. Rajesh Kumar	31-Mar-25	-	-	-	**1.99**
	31-Mar-24	-	-	-	2.18
Mind Leaders Learning India Private Limited	31-Mar-25	-	-	**0.16**	-
	31-Mar-24	-	-	0.53	-
Totally Fox Solutions Private Limited	31-Mar-25		**0.40**	-	-

Rs in lakhs

Transactions with Related Party	Year Ended	Holding company	Fellow Subsidiary	Enterprise in which holding company has significant influence	Key Management Personal(Managing Director,Whole Time Director,Manager& other Key Managerial Personal)
	31-Mar-24	-	-	-	-
Guarantee received for loan availed					
Lemon Tree Hotels Limited	31-Mar-25	2,350.00	-	-	-
	31-Mar-24	**2,350.00**	-	-	-

28. Fair value measurement

This section gives an overview of the significance of financial instruments for the company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument

a. Financial Assets

Rs in lakhs

	March 31, 2025		March 31, 2024	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets				
Trade Receivables	-	**94.40**	-	28.13
Security Deposits (non-current)	-	**40.16**	-	45.17
Other bank balances	-	**0.10**	-	0.10
Interest accrued on deposits with banks and others	-	**0.03**	-	-
Cash and Cash Equivalents	-	**66.86**	-	79.41
Total Financial Assets	-	**201.55**	-	152.81

b. Financial Liabilities

Rs in lakhs

	March 31, 2025		March 31, 2024	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Borrowings (Non-current)	-	**1,223.36**	-	1,231.75
Borrowings (Current)		**314.00**		253.19
Trade Payables	-	**105.05**	-	115.64
Other Current Financial Liabilities	-	**35.94**	-	50.53
Total Financial Liabilities		**1,678.35**		1,651.11

c. Fair value measurement hierarchy for assets and liabilities

Fair value measurement

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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

i) Level 1

Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

ii) Level 2

Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

iii) Level 3

Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

The management assessed that fair values of cash and cash equivalents, other current financial assets and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

29. Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported

by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk. Financial instruments affected by market risk include loans and borrowings, deposits and payables/receivables in foreign currencies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

Rs in lakhs

	March 31, 2025	March 31, 2024
Variable rate borrowings	**1,199.17**	1,197.48
Fixed rate borrowings	**338.19**	287.46

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/decrease in basis points	**Effect on profit before tax**
		Rs in lakhs
31-March-25		
Rs.	50	(6.04)
Rs.	-50	6.04
31-March-24		
Rs.	50	(6.06)
Rs.	-50	6.06

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has no exposure in foreign currency.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating

activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instrument.

Trade receivables

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.
An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 8. The Company does not hold collateral as security.

Rs in lakhs

Ageing	March 31, 2025	March 31, 2024
Not due	-	-
0-60 days past due	**84.01**	22.85
61-120 days past due	**6.57**	1.59
121-180 days past due	**2.02**	3.69
180-365 days past due	**1.80**	-
More than 365 days	-	-

Provision for doubtful debts

Rs. In Lakhs

Ageing	March 31, 2025	March 31, 2024
Not due	-	-
0-60 days past due		0.07
61-120 days past due		0.02
121-180 days past due		0.12
180-365 days past due		-
More than 365 days	**0.61**	0.40

Rs. In Lakhs

	March 31, 2025	March 31, 2024
Provision at beginning	**0.61**	0.40
Addition during the year		**0.21**
Reversal during the year	-	-
Utilised during the year	-	-
Provision at closing	**0.61**	0.61

Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.



Rs in lakhs

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2025						
Borrowings*	303.91	2.44	7.64	981.19	242.18	1,537.36
Trade and other payables	105.05	-	-	-	-	105.05
Other dues of other creditors	35.94	-	-	-	-	35.94
	444.90	**2.44**	**7.64**	**981.19**	**242.18**	**1,678.35**
Year ended March 31, 2024						
Borrowings*	243.91	2.25	7.03	683.27	558.99	1,495.45
Trade and other payables	115.64	-	-	-	-	115.64
Other dues of other creditors	50.53	-	-	-	-	50.53
	410.08	**2.25**	**7.03**	**683.27**	**558.99**	**1,661.62**

*on undiscounted basis

30. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade payables, less cash and cash equivalents.

Rs in lakhs

	March 31, 2025	March 31, 2024
Borrowings (Note 12 & 14)	1,537.36	1,484.94
Trade payables (Note 14)	105.05	115.64
Less: cash and cash equivalents (Note 8)	66.86	79.41
Net debt	**1,575.54**	**1,521.17**
Total capital	3,092.81	3,061.96
Capital and net debt	**4,668.39**	**4,583.13**
	33.74%	**33.19%**

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024.

31. Segment Reporting

The Company is into Hotel business. The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore there is no reportable segment for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about geographical areas

The Company has only domestic operations and hence no information required for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about major customers

No customer accounted more than 10% of revenue in year ended March 31, 2025 (March 31, 2024: Nil.)

32. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006.

	March 31, 2025	March 31, 2024
the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	**41.47**	32.48
the amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

33. The Company does not have any long term contracts including derivative contracts for which there are any material foreseeable losses.

34. Supplementary information as per requirement of Schedule III of the Companies Act.

a) Detail of shareholding of promoters of the company

As at March 31, 2025

S.No.	Promoter Name	Number of shares at the beginning of the year 2024	% of total Share Capital	Change during the year	Number of shares at the end of the year 2025	Percentage of Total shares	% change during the year
1	Lemon tree Hotels Limited	500,945,400	100%	-	500,945,400	100%	-

As at March 31, 2024

S.No.	Promoter Name	Number of shares at the beginning of the year 2023	% of total Share Capital	Change during the year	Number of shares at the end of the year 2024	Percentage of Total shares	% change during the year
1	Lemon Tree Hotels Limited	500,945,400	100%	-	500,945,400	100%	-

b) Ratio Analysis and its elements

S.No.	Ratio	Numerator	Denominator	March 2025	March 2024	% Variance	Reason for variance
1	Current Ratio	Current Asset	Current liabilities	0.63	0.54	16.50%	-
2	Debt Equity Ratio	Total Debt	Shareholder equity	0.50	0.48	2.50%	-
3	Debt service coverage Ratio	Earnings available for debt service	Debt service	1.72	1.04	64.79%	Change due to increase in profit in current year.
4	Return on Equity	Net profit after taxes	Average shareholders equity	1.04%	(1.19)	(187.23%)	Change due to decrease in losses in current year
5	Inventory Turnover Ratio	Cost of Good Sold	Average Inventory	2.08	2.40	(27.82%)	Increase in revenue as compared to previous year
6	Trade Receivable turnover	Net credit sales	Avg. accounts receivable	34.78	48.54	(48.95%)	Change due to increase in revenue

S.No.	Ratio	Numerator	Denominator	March 2025	March 2024	% Variance	Reason for variance
	Ratio						during the year
7	Trade Payables turnover Ratio	NA	NA	NA	NA	NA	-
8	Net capital Turnover Ratio	Net Sales	Working capital	(7.77)	(5.94)	30.82%	Change due to increase revenue from operation
9	Net Profit Ratio	Net Profit	Net sales	2.10	(2.78)	175.65%	Change due to increase in profit in current year
10	Return on capital employed	EBIT	Capital employed	3.44%	1.89%	81.81%	Change due to increase in profit in current year
11	Return on investment	Income generated from investments(Fixed Deposits	Average invested funds in treasury investments	-	-	-	

(i) Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and otheramortizations + Interest + otheradjustments like loss on sale of Fixed assets etc.

(ii) Debt Service = Interest & Lease Payments + Principal Repayments

(iii) Capital Employed= Networth+ Total Debt + DeferredTaxLiability - Net Intangible aseets

c) Trade Receivables ageing schedule based on requirement of Schedule III:

As at March 31, 2025

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	92.60	1.80	-	-	-	94.40
(ii) Undisputed Trade Receivables – which have significant increase	-	-		-	-	-

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
in credit risk						
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired						
Unbilled Revenue	-	-	-	-	-	-

As at March 31, 2024 (Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	28.13	-	-	-	-	28.13
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables –	-			-	-	-

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
credit impaired						
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired						
Unbilled Revenue	-	-	-	-	-	-

d) Trade payables Ageing Schedule based on the requirement of Schedule III

As at March 31, 2025 (Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	41.47	-	-	-	41.47
Total outstanding dues of creditors other than micro enterprises and small enterprises	61.73	0.90	0.43	0.52	63.58
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	-	-	-	-	-

As at March 31, 2024 (Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	32.48	-	-	-	32.48
Total outstanding dues of creditors other than micro enterprises and small enterprises	81.70	0.46	-	0.01	82.17
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled Dues	0.99	-	-	-	0.99

e) **Other Statutory Information**

(i). The Company have not traded or invested in Crypto currency or Virtual currency during the financial year.

(ii). The Company have not 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.

(iii). The Company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property

(iv).The company has not entered into any transaction with companies struck off.

(v). The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(vi). The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vii). During the year, the company has not entered into any scheme of arrangements in terms of section 230 to 237 of the Companies Act, 2013 and accordingly, the prescribed disclosures of Schedule III are not required to be given.

(viii). The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or.

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ix) The Company is not required to spend towards Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013, since there is no average profit in the last 3 years calculated as per the provisions of the Act.

(x). No bank has declared the company as "willful defaulter".

(ix).The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

35. As per the proviso to Rule 3(1) of Companies (Accounts) Rules, 2014, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses an accounting software for recording all the accounting transactions for the year ended March 31, 2025. The software has a feature of recording audit trail (edit log) facility which was enabled throughout the year except that on certain tables/ master records audit trail (edit log) facility was enabled on March 29, 2025 and the audit trail (edit log) facility is not enabled at database level. Subsequent to the year ended March 31, 2025, the Company has implemented audit trail (edit log) facility on this accounting software.

In respect of maintaining revenue records, the Company has used a revenue management software. The said software has a feature of recording audit trail (edit log) facility which was enabled throughout the year, except that the audit trail (edit log) facility at database level was enabled on March 19, 2025 and the software has limitation to track whether audit trail (edit logs) were tampered or not.

The audit trail that was enabled and operated for the year ended March 31, 2024, has been preserved by the Company as per the statutory requirements for record retention.

The Management has adequate internal controls over financial reporting which were operating effectively for the year ended March 31, 2025.



36. Previous period's figures have been regrouped/reclassified wherever necessary to correspond with the current period's classification/disclosure.

As per our report of even date

For APAS & CO LLP
Firm Regn No. 000340C/C400308
Chartered Accountants

Rajeev Ranjan
Partner
Membership No. 535395

Place: New Delhi
Date: May 26, 2025

For and on behalf of the Board of Directors of
Canary Hotels Private Limited

Rajeev Janveja
Director
DIN: 07334001

Rajesh Kumar
Whole Time Director
DIN: 05251730

Nitin Sharma
Chief Financial Officer

Place: New Delhi
Date: May 26, 2025

Deloitte
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Chartered Accountants
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INDEPENDENT AUDITOR'S REPORT

To The Members of Fleur Hotels Private Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Fleur Hotels Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other

information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate

to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone 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.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, no remuneration (except sitting fees) has been paid by the Company to its directors during the year.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 32(c) to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. Refer Note 42 to the standalone financial statements;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. Refer Note 45 to the standalone financial statements;

iv. (a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 48(viii) 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.

(b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the note 48(ix) 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 Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Deloitte Haskins & Sells LLP Chartered Accountants

Rajesh Kumar Agarwal
Partner
Membership No. 105546
UDIN : 23105546BGXMSE5320

Place: New Delhi
Date: May 29, 2023

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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT of FLEUR HOTELS PRIVATE LIMITED

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Fleur Hotels Private Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone 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. 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone 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 standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 standalone financial statements .

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to standalone

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financial statements 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.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Deloitte Haskins & Sells LLP Chartered Accountants

Rajesh Kumar Agarwal
Partner
Membership No. 105546
UDIN : 23105546BGXMSE5320

Place: New Delhi
Date: May 29, 2023

LEMON TREE HOTELS LTD. NEW DELHI

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Annexure "B" To The Independent Auditor's Report of Fleur Hotels Private Limited

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(B)The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of verification of property, plant and equipment so to cover all the items once every two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on the examination of the confirmation received by us from "Vistra ITCL (India) Limited" (custodian) on behalf of Yes Bank, "Catalyst Trusteeship Limited" (custodian) on behalf of Aditya Birla Finance Limited, Kotak Mahindra Bank, Axis Bank, HDFC Bank and IndusInd Bank in respect of immovable properties of land and buildings (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment whose title deeds have been pledged as security for loans and guarantees are held in the name of the Company as at the balance sheet date except freehold land and building located at Andheri Mumbai and Gachibowli Hyderabad admeasuring 5,552.9 sqmt, and 4,168.41 sqmt, respectively whose title deeds are in name of the Meringue Hotels Private Limited and Nightingale Hotels Private Limited respectively, erstwhile companies that was merged with the Company under Section 230-232 of the Companies Act, 2013 in terms of the approval of the National Company Law Tribunal.

(d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising lease deposit schedule, cash flow mismatch statement and unaudited quarterly financials filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.

(iii) The Company has not made investments or provided security and advances in nature of loans to any other entity during the year. The Company has granted unsecured loans and stood guarantees to wholly owned subsidiaries during the year, in respect of which:

(a) The Company has provided loans and stood guarantees during the year and details of which are given below:

Particulars	Guarantees (Rs. in lacs)	Loans (Rs in lacs)
A. Aggregate amount granted /provided during the year to Wholly owned subsidiaries:	2,709.00	17,124.88
B. Balance outstanding as at balance sheet date in respect of Wholly owned subsidiaries:	40,895.00	17,185.86*

*Includes equity component of loan given to subsidiary as per Ind AS 109 for Rs. 839.89 lakhs and excludes interest accreted on the loan component.

(b) According to the information and explanations given to us, the Company has, during the year, provided guarantees and granted interest free unsecured loans (refer reporting under clause (iii) (a) above and clause (iii)(f) below) to wholly owned subsidiaries covered in the register maintained under section 189 of the Companies Act, 2013, which, as explained to us, have been made for meeting working capital requirements and/or setting up new projects. In respect of these guarantees provided and loans granted, the terms and conditions are, in our opinion, prima facie, not prejudicial to the Company's interest after considering the purpose for which guarantees are provided and loans have been granted.

(c) The Company has granted loans to wholly owned subsidiaries amounting to Rs. 17,124.88 lakhs which are repayable on demand. During the year the Company has not demanded such loan. Having regard to the fact that the repayment of principal or payment of interest has not been demanded by the Company, in our opinion the repayments of principal amounts and receipts of interest are regular. (Refer reporting under clause (iii)(f) below)

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) The Company has granted loans which are repayable on demand amounting to Rs. 17,124.88 lakhs during the year, to its wholly owned subsidiaries. These loans constitutes 100% of total loans given by the Company.

(iv) The Company has complied with the provisions of sections 186 of the Companies Act, 2013 in respect of making investments. The Company has not granted any loans or provided guarantee or security under section 185 of Companies Act 2013. As per section 186 (11) read with schedule VI, provision for section 186 with respect to grant of loans and providing guarantees would not apply to the Company as the Company is providing infrastructural facilities.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Value Added Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities in all cases during the year. We are informed that the duty of Custom, service tax, sales tax and duty of Excise is not applicable to the company.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-

tax, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

Name of Statute	Nature of Dues	Amount Involved (Rs. In lacs)	Period (FY) to which the amount relates	Forum where dispute is pending
Service Tax Rule, 1994	Service Tax	79.34*	2007-2012	Central Excise and Service Tax Appellate Tribunal
Income tax Act, 1961	Income Tax	16.53**	FY 2016-17	CIT (A)

*Net of Rs. 23.10 lakhs paid under protest
** Net of Rs. 10.72 lakhs paid under protest/adjusted against refund

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) On the overall examination of financial statements of the Company, loans raised during the year have been utilised for payment of interest and meeting working capital requirements as permitted by respective banks. According to the information and explanations given to us by the management, the Company has utilised funds from internal accruals for investing and granting loans to its wholly owned subsidiaries. (refer reporting under clause (iii) above)

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes of the Company.

(e) On overall examination of financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates. According to the information and explanations given to us by the management, the Company has utilised funds from internal accruals for investing and granting loans to its wholly owned subsidiaries. (refer reporting under clause (iii) above)

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, and according to the explanation given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

LEMON TREE HOTELS LTD. NEW DELHI

Deloitte Haskins & Sells LLP Chartered Accountants

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred any cash losses in the financial year covered by our audit but had incurred cash losses amounting to Rs. 2,994 lakhs in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, 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.





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(xx) The Company has incurred losses during the three immediately preceding financial years and hence, it is not required to spend any money under sub-section (5) of section 135 of the Act. Accordingly, reporting under clause (xx) of the Order is not applicable to the Company for the year.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Deloitte Haskins & Sells LLP Chartered Accountants

Rajesh Kumar Agarwal
Partner
Membership No. 105546
UDIN : 23105546BGXMSE5320

Place: New Delhi
Date: May 29, 2023

LEMON TREE HOTELS LTD. NEW DELHI

Fleur Hotels Private Limited
CIN: U55101DL2003PTC207912
Standalone Balance Sheet as at March 31, 2023

Particulars	Note	As at March 31, 2023 Rs. in lakhs	As at March 31, 2022 Rs. in lakhs
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	1,36,395.54	1,39,903.45
(b) Goodwill	3	-	0.02
(c) Other intangible assets	3	62.17	102.69
(d) Intangible assets under development	4	277.53	227.91
(e) Right-of-use asset	6	10,733.36	11,377.30
(f) Financial assets	7		
(i) Investments		1,12,117.52	1,12,117.52
(ii) Loans		2,319.39	2,760.11
(iii) Other non-current financial assets		696.83	886.03
(g) Deferred tax assets (net)	18	-	-
(h) Non-current tax assets (net)	8	703.14	571.05
(i) Other non-current assets	9	12.69	119.60
		2,63,318.17	2,68,065.68
Current assets			
(a) Inventories	10	424.60	324.00
(b) Financial assets	11		
(i) Trade receivables		1,874.64	852.10
(ii) Cash and cash equivalents		266.70	1,728.33
(iii) Other bank balances		330.00	-
(iv) Loans		14,476.85	1,455.17
(v) Other current financial assets		27.77	15.34
(c) Other current assets	12	1,700.26	1,152.34
		19,100.82	5,527.28
Total Assets		2,82,418.99	2,73,592.96
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	13(a)	9,245.52	9,245.52
(b) Instruments entirely equity in nature	13(b)	537.63	537.63
(c) Other equity	14	1,50,236.08	1,46,659.04
Total Equity		1,60,019.23	1,56,442.20
Liabilities			
Non current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	97,156.03	94,253.99
(ii) Lease liability	16	14,255.60	14,145.90
(b) Provisions	17	29.79	36.52
		1,11,441.42	1,08,436.41
Current liabilities			
(a) Financial liabilities	19		
(i) Borrowings		4,866.98	2,437.10
(ii) Lease liability		87.75	93.43
(iii) Trade payables			
- total outstanding dues of micro enterprises and small enterprises		863.58	266.97
- total outstanding dues of creditors other than micro enterprises and small enterprises		4,392.62	3,560.88
(iv) Other financial liabilities		223.92	223.01
(b) Other current liabilities	20	680.59	549.60
(c) Provisions	17	542.90	1,513.36
		10,958.34	8,714.35
Total Liabilities		1,22,399.76	1,17,150.76
Total Equity and Liabilities		2,82,418.99	2,73,592.96
Summary of significant accounting policies	2.2		
The accompanying notes are an integral part of the financial statements.	1 to 49		

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants

Rajesh Kumar Agarwal
Partner

Place : New Delhi
Date : May 29, 2023

For and on behalf of the Board of Directors of
Fleur Hotels Private Limited

Patanjali O. Keswani
Managing Director
DIN-00002974

Aditya Madhav Keswani
Director
DIN-07208901

Inder Pal Batra
Chief Financial Officer

Sonali Manchanda
Company Secretary
Mem no.: F7283

Place : New Delhi
Date : May 29, 2023

Fleur Hotels Private Limited
CIN: U55101DL2003PTC207912
Standalone Statement of Profit and Loss for the year ended March 31, 2023

Particulars	Note	For the year ended March 31, 2023 Rs. in lakhs	For the year ended March 31, 2022 Rs. in lakhs
Revenue from operations	21	37,424.72	18,257.09
Other income	22	126.27	861.70
Total income		37,550.99	19,118.79
Expenses			
Cost of food & beverages consumed	23	2,261.42	1,299.31
Employee benefits expense	24	4,990.11	3,105.33
Power and fuel	25(a)	2,557.89	1,627.05
Stamp duty expenses	25(b)	478.42	1,525.03
Other expenses	25(c)	9,619.50	5,465.80
Total expenses		19,907.34	13,022.52
Profit before finance cost, finance income depreciation and amortization, and tax (EBITDA) (Refer note 2.2 (p))		17,643.65	6,096.27
Finance costs	26	9,972.17	9,218.34
Finance income	27	(331.27)	(128.42)
Depreciation and amortization expense	28	4,427.70	5,200.85
Profit/(loss) before tax		3,575.05	(8,194.70)
Tax expense			
(1) Current tax	18	-	-
(2) Deferred tax	18	-	-
		-	-
Profit/(loss) for the year		3,575.05	(8,194.70)
Other comprehensive income/(loss)			
(i) Items that will not be reclassified to profit or loss			
Re-measurement losses on defined benefit plans		1.98	11.00
Income tax effect		-	-
		1.98	11.00
Total comprehensive income/(loss) for the year		3,577.03	(8,183.70)
Earning/(loss) per equity share:			
(1) Basic	29	3.65	(8.38)
(2) Diluted	29	3.65	(8.38)

1 to 49

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants

Rajesh Kumar Agarwal
Partner

Place : New Delhi
Date : May 29, 2023

For and on behalf of the Board of Directors of
Fleur Hotels Private Limited

Patanjali G. Keswani
Managing Director
DIN-00002974

Aditya Madhav Keswani
Director
DIN-07208901

Inder Pal Batra
Chief Financial Officer

Sonali Manchanda
Company Secretary
Mem no.: F7283

Place : New Delhi
Date : May 29, 2023

Fleur Hotels Private Limited
CIN: U55101DL2003PTC207912
Standalone Statement of Cash flow for the year ended March 31, 2023

	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
A. Cash flow from operating activities		
Profit/(loss) before tax	3,575.05	(8,194.70)
Non-cash adjustments to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortisation expenses	4,427.70	5,200.85
Unwinding of discount on security deposits	-	(1,236.51)
Finance income (including fair value change in financial instruments)	(331.27)	(138.42)
Finance costs (including fair value change in financial instruments)	9,714.91	9,197.02
Gain on Termination of Lease	-	(325.67)
Provision for gratuity	11.78	11.21
Provision for leave encashment	7.00	(11.98)
Government incentive scheme	(86.61)	-
Excess provision/ credit balances written back	(19.84)	(79.15)
Net gain on sale of property plant and equipment	(6.26)	-
Lease rental waiver	-	(393.17)
Operating profit before working capital changes:	17,291.38	3,951.08
Movements in working capital:		
(Increase)/Decrease in trade receivables	(1,022.54)	393.79
(Increase)/decrease in loans and advances and other current assets	(387.36)	2,160.46
Increase in inventories	(100.60)	(40.37)
Increase/(decrease) in liabilities and provisions	(215.84)	433.54
Cash Generated from Operations	15,566.04	6,898.50
Direct taxes paid (net of refunds)	(231.17)	21.94
Net cash flow from operating activities (A)	15,334.87	6,920.84
B. Cash flows used in investing activities		
Purchase of property, plant and equipment (adjustment of intangible under development, capital advances and capital creditors)	(206.19)	(4,043.20)
Proceeds from sale of property, plant & equipment	7.44	-
Purchase of investment in subsidiary companies	-	(6,999.99)
Short term loans (given)/repaid (to)/by subsidiaries	(12,580.96)	(1,457.72)
(Investment in)/redemption of fixed deposits	(315.00)	1,368.50
Net gain/ (loss) on sale of current investments	-	0.01
Interest received	545.18	128.41
Net Cash flow used in investing activities (B)	(12,549.53)	(11,003.99)
C Cash flows used in financing activities		
Payment towards reduction of outstanding lease liabilities	(1,271.10)	(1,553.42)
Proceeds from long term borrowings	5,490.00	13,972.53
Repayment of long term borrowings	(414.40)	(5,210.78)
Proceeds/(repayment) from short term borrowings	175.75	35.76
Interest paid	(8,227.22)	(7,159.07)
Net Cash flow (used in)/ from financing activities (C)	(4,246.97)	86.02

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FLEUR HOTELS PVT. LTD. NEW DELHI

LEMON TREE HOTELS NEW DELHI

Fleur Hotels Private Limited
CIN: U55101DL2003PTC207912
Standalone Statement of Cash flow for the year ended March 31, 2023

Particulars	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Net decrease in cash and cash equivalents (A + B + C)	(1,461.63)	(3,997.13)
Cash and cash equivalents at the beginning of the year	1,728.33	5,725.46
Cash and cash equivalents at the end of the year	266.70	1,728.33
Components of cash and cash equivalents (refer note 11)		
Cash on Hand	20.36	18.51
Balances with scheduled banks in		
- Current accounts	246.34	1,379.82
- Deposits with original maturity of less than three months	-	330.00
Total cash and cash equivalents	266.70	1,728.33

The accompanying notes are an integral part of the financial statements. 1 to 49

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants

Deloitte Haskins & Sells LLP Chartered Accountants

Rajesh Kumar Agarwal
Partner

Place : New Delhi
Date : May 29, 2023

For and on behalf of the Board of Directors of
Fleur Hotels Private Limited

Pananjali G. Keswani
Managing Director
DIN-00002974

Aditya Madhav Keswani
Director
DIN-07208901

Inder Pal Batra
Chief Financial Officer

Sonali Manchanda
Company Secretary
Mem no.: F7283

Place : New Delhi
Date : May 29, 2023

FLEUR HOTELS PVT. LTD. NEW DELHI

Fleur Hotels Private Limited
CIN: U55101DL2003PTC297912
Standalone Statement of Changes in Equity for the year ended March 31, 2023

A. Equity Share Capital

Equity shares of Rs. 10 each issued, subscribed and fully paid	No. of shares	Amount (Rs in lakhs)
As at April 1, 2021	8,28,97,692	8,289.77
Issue of share capital (refer note 12)	95,57,461	955.75
As at March 31, 2022	9,24,55,153	9,245.52
Issue of share capital	-	-
As at March 31, 2023	9,24,55,153	9,245.52

B. Compulsorily Convertible Preference Shares (Instruments entirely equity in nature)

Preference shares of Rs. 10 each issued, subscribed and fully paid	No. of shares	Amount (Rs in lakhs)
As at April 1, 2021	53,76,540	537.63
Issue of share capital	-	-
As at March 31, 2022	53,76,540	537.63
Issue of share capital	-	-
As at March 31, 2023	53,76,540	537.63

C. Other Equity
For the year ended March 31, 2023

Rs in lakhs

	Reserves and Surplus		Items of OCI	Other component of Equity	Equity Component Preference Share	Reserves and Surplus	Other Equity
	Securities Premium	Surplus/(Deficit) in the Statement of Profit and Loss	Remeasurement gains/(losses) on defined benefit plans			Capital Reserve Account*	
Balance as at April 1, 2021	1,65,589.11	(10,061.39)	(7.50)	955.75	53.58	(710.65)	1,55,798.50
On account of Merger (Refer Note No.46)	-	-	-	(955.75)	-	-	(955.75)
Loss for the year	-	(8,194.70)	-	-	-	-	(8,194.70)
Other comprehensive income for the year	-	-	11.00	-	-	-	11.00
Balance as at March 31, 2022	1,65,589.11	(18,256.09)	3.50	-	53.58	(710.65)	1,46,659.04
Profit for the year	-	3,575.05	-	-	-	-	3,575.05
Other comprehensive income for the year	-	-	1.58	-	-	-	1.58
Balance as at March 31, 2023	1,65,589.11	(14,681.04)	5.08	-	53.58	(710.65)	1,50,236.08

* Refer Note No.14

The accompanying notes are an integral part of the financial statements. 1 to 49

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants

Rajesh Kumar Agarwal
Partner

For and on behalf of the Board of Directors of
Fleur Hotels Private Limited

Patrafall G. Keswani
Managing Director
DIN-00002974

Inder Pal Bedi
Chief Financial Officer

Aditya Madhav Keswani
Director
DIN-07208901

Sonia Manchanda
Company Secretary
Mem no.: F7283

Place : New Delhi
Date : May 29, 2023

1. Corporate Information

Fleur Hotels Private Limited (the Company) is a private Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at Asset No. 6, Aerocity Hospitality District, New Delhi-110037.

The principal activities of the Company is to carry out business of developing, owning, acquiring, renovating and promoting hotels, motels, resorts, restaurants, etc. under the brand name of Lemon Tree Hotel, Lemon Tree Premier, Red Fox Hotel and Aurika.

The financial statements are approved for issue in accordance with a resolution of the directors on May 29, 2023.

2 Basis of preparation

2.1 Significant accounting policies

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), and the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) The Ind AS are prescribed under Section 133 of the Act read with Rule3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities which are measured at fair value/ amortised cost (refer note 34 below)

Accounting policies have been consistently applied.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, expect where otherwise indicated.

2.2 Summary of significant accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(b) **Foreign currencies**

Functional and presentation currency

The Company's financial statements are presented in INR, which is also the Company's functional currency. Presentation currency is the currency in which the Company's financial statements are presented. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash. All the financial information presented in Indian Rupees (INR) has been rounded to the nearest of lakhs rupees, except where otherwise stated.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in Other comprehensive income ("OCI") or profit or loss are also recognised in OCI or profit or loss, respectively).

(c) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date except to certain instruments which are measured at Amortized cost/ historic cost.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value. External valuers are involved for valuation of significant assets and liabilities. The management selects external valuer on various criteria such as market knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

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FLEUR HOTELS PVT. LTD. NEW DELHI

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 31)
- Quantitative disclosures of fair value measurement hierarchy (note 34)
- Financial instruments (including those carried at amortised cost) (note 34)

(d) Revenue recognition

The Company earns revenue primarily from the business of carrying developing, owning, acquiring, renovating and promoting hotels, motels, resorts, restaurants, etc. under the brand of Lemon Tree Premier, Lemon Tree Hotel, Red Fox Hotel and Aurika.

The Company apply Ind AS 115 "Revenue from Contracts with Customers" which establishes a comprehensive framework to depict timing and amount of revenue to be recognised.

In arrangements for room revenue and related services, the Company has applied the guidance in Ind AS 115 for recognition of Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering room revenue and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognized.

Value added tax (VAT)/Goods and Service Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Rooms, Restaurant, Banquets and Other Services

Income from guest accommodation is recognized on a day to day basis after the guest checks into the Hotels and are stated net of allowances. Incomes from other services are recognized as and when services are rendered. Sales are stated exclusive of Value Added Taxes (VAT) /Goods and Service Tax(GST) and Luxury Tax. Difference of revenue over the billed as at the year-end is carried in financial statement as unbilled revenue separately.

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, sale of food and beverage are recognized at the points of serving these items to the guests. Sales are stated exclusive of VAT/Goods and Service Tax(GST).

Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the income statement.

Dividends

Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Management Fee

Revenue from the management services comprises fixed and variable income. An entity recognizes revenue relating to the fixed income over time by measuring the progress towards complete satisfaction of the performance obligation. In respect of variable income, revenue is recognized is on an accrual basis in accordance with the terms of the relevant agreement.

Government grant

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. They exclude those forms of government assistance which cannot reasonably have a value placed upon them and transactions with government which cannot be distinguished from the normal trading transactions of the entity. Government grants are recognized where there is reasonable assurance that the Company will comply with the conditions attached to it and that the grants will be received.

Grants are presented as part of income in the statement of profit and loss; alternatively they are deducted in reporting the related expense.

(e) **Taxes**

Taxes comprises current tax and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the balance sheet approach method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits (including MAT credit) and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets (including MAT credit available) is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date.

If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

Value added taxes/goods and service tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of value added taxes/goods and service tax paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

(f) Property, plant and equipment(including capital work in progress)

Property plant and equipment (PPE) is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. Freehold land is not depreciated. Capital work in progress is stated at cost.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on fixed assets is provided as per schedule II of Companies Act, 2013 on Straight Line Method over its economic useful life of PPE as follows:

Property plant and equipment	Useful life considered (SLM)
Building	60 Years
Plant & Machinery	15 Years
Electrical installations and fittings	10 Years
Office Equipments	5 Years
Furniture and Fixtures	8 Years
Commercial Vehicles	6 Years
Private Vehicles	8 Years
Computers	3 Years
Crockery, cutlery and soft furnishings	3 Years

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end, and adjusted prospectively if appropriate.

(g) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as 3 years and the same shall be amortised on straight line basis over its useful life.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually at year end either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 income statement when the asset is derecognized.

(h) Borrowing costs

Borrowing cost includes interest expense as per Effective Interest Rate (EIR).

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset until such time that the assets are substantially ready for their intended use. Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance a project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Company during the year. Capitalisation of borrowing costs is suspended and charged to profit and loss during the extended periods when the active development on the qualifying assets is interrupted.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial liability or a shorter period, where appropriate, to the amortised cost of a financial liability after considering all the contractual terms of the financial instrument.

(i) Leases

The Company assesses that the contract is, or contains, a lease if the contract 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:

(1) The contract involves the use of an identified asset,
(2) The Company has substantially all of the economic benefits from use of the identified asset, and
(3) The Company has the right to direct the use of the identified asset.

Company as a lessee

The Company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated from the commencement date over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments over the lease term. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company adopts the incremental borrowing rate for the entire portfolio of leases as a whole. The lease payments shall include fixed payments, variable lease payments, exercise price of a purchase option and payments of penalties for terminating the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 to leases for which the underlying asset is of low value. The lease payments associated with these low value leases are recognized as an expense on a straight-line basis over the lease term.

Company as a lessor

Leases where the Company does not transfer substantially all the risks and rewards incidental to ownership of the asset are classified as operating leases. Lease rentals under operating leases are recognized as income on a straight-line basis over the lease term.

(j) Inventories

Stock of food & beverages, stores and operating supplies are valued at lower of cost and net realisable Value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a first in first out basis.Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make sale.

(k) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair valueless costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

Impairment losses including impairment on inventories, are recognised in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(l) Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent Assets/ Liabilities

Contingent assets are not recognised. However, when realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

Contingent liabilities are disclosed in notes to accounts when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(m) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to 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, for example, a reduction in future payment or a cash refund.

Retirement benefit in the form of gratuity is a defined benefit scheme.Gratuity liability of employees is accounted for on the basis of actuarial valuation on projected unit credit method at the close of the year. Company's contribution made to Life Insurance Corporation is expensed off at the time of payment of premium.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Retirement benefits in the form of Superannuation Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts

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Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

The Company treats leave expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

(n) 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.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at amortised cost
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- Equity instruments in subsidiaries carried at cost

Debt instruments at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:

The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. The difference between the transaction amount and amortized cost in case of interest free loan to subsidiaries based on the expected repayment period is considered as 'deemed investment on account of interest free loan to subsidiaries' (Refer Note 11(iv)). After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. If there is any change in estimate for payment of loan (provided that there was no error in original estimate) , difference in carrying amount and repayment has been adjusted as return on capital by the parent, based on condition/ situation prevailing on that date. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments

All equity investments (other than equity investments in subsidiaries) in scope of Ind AS 109 are measured at fair value. Equity instruments in subsidiaries are carried at cost in separate financial statements less impairments if any. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

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a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Financial assets that are debt instruments and are measured as at FVTOCI
c) Trade receivables or any contractual right to receive cash or another financial asset

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables:

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Debt instruments measured at FVTOCI: There are no instruments measured at FVTOCI.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:
Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Financial liabilities at amortised cost

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer Note 15.

Financial guarantee

Financial guarantees issued by the Company on behalf of group companies are designated as 'Insurance Contracts'. The Company assess at the end of each reporting period whether its recognised insurance liabilities (if any) are adequate, using current estimates of future cash flows under its insurance contracts. If that assessment shows that the carrying amount of its insurance liabilities is inadequate in the light of the estimated future cash flows, the entire deficiency is recognised in profit or loss.

If a financial guarantee is an integral element of debts held by the entity, it is not accounted for separately.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(o) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and 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.

(p) Measurement of EBITDA

The Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/ (loss) from core business operations. In its measurement, the Company does not include finance costs, finance income, depreciation and amortization, exceptional items, if any and tax expense.

(q) Cash Flow Statement

Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(r) Earnings Per Share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity shareholders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity shareholders of the Company 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.

(s) Common Control business combinations

The Company accounts for business combinations involving entities or businesses under common control using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. The identity of the reserves are preserved and appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor. The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to Capital Reserve Account and is presented separately as Capital Reserve Account.

In terms of the scheme the amalgamation has been accounted for in accordance with the pooling of Interest Method. As per said scheme, the financial information in the financial statements in respect of prior period has been restated w.e.f the appointed date as if business combination occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

Fleur Hotels Private Limited
Notes to standaloae financial statements for the year ended March 31, 2023

3. Property, plant and equipment

Rs. In lakhs

Particulars	Freehold land	Building on freehold land	Plant and Machinery	Office equipments	Furniture and Fixtures	Crockery, cutlery and soft furnishings	Computers	Vehicles	Total
Gross Carrying Amount (I)									
As at April 1, 2021	28,555.52	1,01,803.54	16,209.11	149.77	5,392.79	3,246.51	400.40	429.93	1,56,188.57
Additions	-	1,156.24	181.54	0.24	21.27	4.08	6.71	10.56	1,380.64
As at March 31, 2022	28,556.52	1,02,959.78	16,390.65	150.01	5,414.06	3,250.59	407.11	440.49	1,57,569.21
Additions	-	41.65	103.68	1.75	38.14	-	17.78	31.38	234.38
Disposals	-	-	10.04	-	-	-	-	-	10.04
As at March 31, 2023	28,556.52	1,03,001.43	16,484.29	151.76	5,452.20	3,250.59	424.89	471.87	1,57,793.55
Accumulated Depreciation (II)									
As at April 1, 2021	-	4,482.56	4,327.24	89.80	1,959.83	2,114.11	257.24	145.67	13,376.45
Charge for the year	-	1,664.47	1,238.50	19.55	508.50	723.27	75.40	59.62	4,289.31
As at March 31, 2022	-	6,147.03	5,565.74	109.35	2,468.33	2,837.38	332.64	205.29	17,665.76
Charge for the year	-	1,704.10	1,211.75	15.01	453.43	259.75	34.13	62.93	3,741.10
Disposals	-	-	8.85	-	-	-	-	-	8.85
As at March 31, 2023	-	7,851.13	6,768.64	124.36	2,921.76	3,097.13	366.77	268.22	21,398.01
III. Net Carrying amount(I-II)									
As at March 31, 2023	28,556.52	95,150.30	9,715.65	27.40	2,530.44	153.46	58.12	203.65	1,36,395.54
As at March 31, 2022	28,556.52	96,812.75	10,824.91	40.66	2,945.73	413.21	74.47	235.20	1,39,903.45

Net book value

	As at March 31, 2023	As at March 31, 2022
Property, plant and equipment	1,36,395.54	1,39,903.45

Notes
a) Certain property, plant and equipment are pledged as collateral against borrowings, the details related to which have been described in note 15 on 'borrowings'.
b) The Property, Plant & Equipment are valued at cost.The Company has not revalued these assets during the year.
c) The lease agreement for leasehold properties on which building is constructed is registerd in the name of the Company.
d) Title deeds for following immovable properties are submitted to lenders/custodian (on behalf of lenders):
-Kotak Mahindra Bank Limited- Red Fox Hotel, Sector 60, Gurgaon.
-Axis Bank Limited- Aurika Udaipur
- HDFC Bank- Lemon Tree Hotel, Gachibowli
- Indusind Bank- Lemon Tree Amarante Beach Resort
-Vistra ITCL (India) Limited (custodian) on behalf of Yes Bank Limited- Lemon Tree Hotel, Sector 60, Gurgaon, Lemon Tree Premier, Pune, Lemon Tree Premier, Kolkata
-Vistra ITCL (India) Limited (custodian) on behalf of Yes Bank Limited and Axis Bank Limited- Lemon Tree Premier, Mumbai
-Catalyst Trusteeship Limited (custodian) on behalf of Aditya Birla Finance Limited- Lemon Tree Premier, Hyderabad.

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4. Intangible assets under development

Particulars	Amount (Rs in lakhs)
Balance as at April 01, 2021	-
Additions during the year	227.91
Balance as at March 31, 2022	227.91
Additions during the year	49.62
Balance as at March 31, 2023	277.53

Note: Intangible assets under development consists of cost incurred on development of enabling assets- 330KA substation which has been subsequently capitalised as on April 18, 2023

Ageing schedule
As at March 31, 2023

Rs in lakhs

Intangible assets under development	Amount in intangible under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	49.62	227.91	-	-	277.53
Total	49.62	227.91	-	-	277.53

Ageing schedule
As at March 31, 2022

Rs in lakhs

Intangible assets under development	Amount in intangible under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	227.91	-	-	-	227.91
Total	227.91	-	-	-	227.91

5. Other Intangible Assets

Rs in lakhs

Particulars	Software	Goodwill	Total
Gross Carrying Amount (I)			
As at April 1, 2021	342.50	0.08	342.58
Additions	5.67	-	5.67
As at March 31, 2022	348.17	0.08	348.25
Additions	2.10	-	2.10
As at March 31, 2023	350.27	0.08	350.35
Accumulated Depreciation (II)			
As at April 1, 2021	173.25	0.05	173.30
Amortisation/impairment	72.23	0.01	72.24
As at March 31, 2022	245.48	0.06	245.54
Amortisation/impairment	42.62	0.02	42.64
As at March 31, 2023	288.10	0.08	288.18
III. Net Carrying amount(I-II)			
As at March 31, 2023	62.17	-	62.17
As at March 31, 2022	102.69	0.02	102.71

Notes
a) The Intangible assets are valued at cost. The Company has not revalued these assets during the year.

6. Right-of-use asset*

Rs. In lakhs

Particulars	Amount
Gross Carrying Amount (I)	
As at April 1, 2021	19,810.19
Disposal	5,395.04
As at March 31, 2022	14,415.15
Additions	-
As at March 31, 2023	14,415.15
Accumulated Depreciation (II)	
As at April 1, 2021	2,796.69
Amortisation	839.30
Disposal	598.14
As at March 31, 2022	3,037.85
Amortisation	643.95
As at March 31, 2023	3,681.79
III. Net Carrying amount(I-II)	
As at March 31, 2023	10,733.36
As at March 31, 2022	11,377.30

*refer note 33

Notes:
a) The lease agreement for leasehold properties is registerd in the name of the Company.
b) Right-of-use assets are valued at cost. The Company has not revalued these assets during the year.

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7. Financial assets

		As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(I) Investments			
(A) Investment in Companies with hotel properties			
Investments at cost			
Unquoted equity shares of subsidiary companies at cost			
3,52,677 (Previous Year: 3,52,677) equity shares of Celsia Hotels Private Limited of Rs. 1 each fully paid.		6,973.93	6,973.93
3,82,80,000 (Previous Year: 3,82,80,000) equity shares of Inovea Hotels & Resorts Limited of Rs. 10 each fully paid.		3,843.54	3,843.54
82,10,000 (Previous Year: 82,10,000) equity shares of Hyacinth Hotels Private Limited of Rs. 1 each fully paid.*		13,245.53	13,245.53
17,68,94,900 (Previous Year: 17,68,94,900) equity shares of Iora Hotels Private Limited of Rs. 1 each fully paid.		34,923.10	34,923.10
5,45,51,616 (Previous Year: 5,45,51,616) equity shares of Berggruen Hotels Private Limited of Rs. 10 each fully paid.*		49,611.32	49,611.32
1,31,110 (Previous Year: 1,31,110) equity shares of Bandhav Resorts Private Limited of Rs. 100 each fully paid.		2,603.27	2,603.27
Deemed investment (equity portion) on account of interest free loan to subsidiaries			
Berggruen Hotels Private Limited		839.89	839.89
Celsia Hotels Private Limited		7.47	7.47
Inovea Hotels & Resorts Limited		47.42	47.42
Hyacinth Hotels Private Limited		52.90	52.90
Iora Hotels Private Limited		63.47	63.47
Bandhav Resorts Private Limited		1.77	1.77
	(A)	1,12,113.61	1,12,113.61
(B) Other investments			
Investments at cost			
Unquoted equity shares of subsidiary companies at cost			
2,50,000 (Previous Year: 2,50,000) equity shares of Oplays Hotels Private Limited of Rs. 1 each fully paid.		2.50	2.50
Investment in Limited Liability Partnership (at cost)			
Investment in Mesereon Hotels LLP		1.00	1.00
Unquoted equity shares of companies other than subsidiary and associate companies at fair value through profit and loss			
4,109 (Previous Year: 4,109) equity shares of SEP Energy Private Limited of Rs.10 each fully paid.		0.41	0.41
	(B)	3.91	3.91
	(A+B)	1,12,117.52	1,12,117.52
Current		-	-
Non-Current		1,12,117.52	1,12,117.52
		1,12,117.52	1,12,117.52

*The above investment in subsidiaries are pledged as security against borrowings.

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(ii) Loans		
Unsecured, considered good		
Loans to subsidiaries at amortized cost (refer note 11(iv) and note 33)	2,319.39	2,760.11
	2,319.39	2,760.11

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(iii) Other non-current financial assets		
Unsecured, considered good		
Security Deposits	950.17	898.03
Interest accrued on deposits with banks and others*	69.56	295.90
Fixed Deposits under lien*	139.36	154.36
	1,159.09	1,348.29
Less Provision for doubtful assets	(462.26)	(462.26)
	696.83	886.03

* Fixed deposits under lien and interest accrued on deposits includes deposits lien marked with banks against guarantees issued in favour of various Government departments.

8. Non-current tax assets (net)

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Advance Income Tax (net of provision for taxation)	703.14	571.05
Total	**703.14**	**571.05**

9. Other non-current assets

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Unsecured considered good		
Capital Advances	-	79.90
Balance with statutory/ government authorities	10.73	34.53
Prepaid expenses	1.96	5.17
Total	**12.69**	**119.60**

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FLEUR HOTELS PVT. LTD. NEW DELHI

LEMON TREE HOTELS LTD. NEW DELHI

10. Inventories
(valued at lower of cost or net realisable value, unless otherwise stated)

	As At March 31, 2023 Rs in lakhs	As At March 31, 2022 Rs in lakhs
Food and beverages (excluding liquor and wine)	62.29	52.10
Liquor and wine	78.00	64.08
Stores, cutlery, crockery, linen, provisions and others (valued at cost)	284.31	207.82
Total	424.60	324.00

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11. Financial assets

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(i) Trade receivables		
Trade receivables		
Unsecured, considered good	1,874.64	852.10
Trade Receivables which have significant increase in credit risk	150.58	150.58
Less: Provision for expected credit loss	(150.58)	(150.58)
Total	1,874.64	852.10
Trade receivables	1,874.64	852.10
	1,874.64	852.10

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Trade receivables are non interest bearing and are generally on terms of 30 to 90 days from the date of invoice.

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FLEUR HOTELS PVT. LTD. NEW DELHI

LEMON TREE HOTELS LTD. NEW DELHI

#Trade receivable ageing schedule based on the requirement of Schedule III

As at March 31, 2023

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables –considered good	13.96	1,777.47	52.54	30.67	-	-	1,874.64
(ii) Undisputed Trade Receivables–which have significant increase in credit risk	-	11.78	5.97	28.49	4.52	99.82	150.58
(iii) Undisputed Trade Receivables –credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed TradeReceivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed TradeReceivables – credit impaired	-	-	-	-	-	-	-
Total	13.96	1,789.25	58.51	59.16	4.52	99.82	2,025.22
Less: Provision for expected credit loss	-	(11.78)	(5.97)	(28.49)	(4.52)	(99.82)	(150.58)
Net total	13.96	1,777.47	52.54	30.67	-	-	1,874.64

As at March 31, 2022

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables –considered good	-	742.16	100.52	9.12	0.30	-	852.10
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	3.04	8.34	9.12	130.08	-	150.58
(iii) Undisputed Trade Receivables –credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed TradeReceivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed TradeReceivables – credit impaired	-	-	-	-	-	-	-
Total	-	745.20	108.86	18.24	130.38	-	1,002.68
Less: Provision for expected credit loss	-	(3.04)	(8.34)	(9.12)	(130.08)	-	(150.58)
Net total	-	742.16	100.52	9.12	0.30	-	852.10

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(ii) Cash and cash equivalents		
Balance with banks		
On current accounts	246.34	1,379.82
Deposits with original maturity of 3 months or less		330.00
Cash on hand	20.36	18.51
	266.70	1,728.33

Reconciliation of Movements of liabilities to cash flows arising from financing activities

Particulars	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Balance as at beginning of the year-Borrowings and lease liabilities	1,10,930.42	1,06,714.45
Movement due to payments (received)/made	(4,246.97)	(307.75)
Movement due to non cash transactions in lease liabilities and borrowings		
-Accrual of finance cost	9,601.33	8,962.03
-Adjustment of pretermination of leases	-	4,355.31
-Amortization of processing fee	81.50	116.80
Balance as at end of the year- Borrowings and lease liabilities	1,16,366.30	1,10,930.42

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(iii) Other bank balances		
Deposits with original maturity of more than 3 months and less than 12 months	330.00	-
	330.00	-

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(iv) Loans*#		
Unsecured, considered good		
Loans and advance to related parties	14,476.85	1,455.17
	14,476.85	1,455.17

*read with note 33

 # Disclosure of loans or advances given by the Company in the nature of loans granted to related parties.

Rs in lakhs

Type of Borrower	March 31, 2023 Amount of loan or advance in the nature of loan outstanding	% of total Loans and Advances in the nature of loans	March 31, 2022 Amount of loan or advance in the nature of loan outstanding	% of total Loans and Advances in the nature of loans
Loan to Related parties (Subsidiaries)				
-Non current(refer note (7(ii))	2,319.39		2,760.11	
-Current	14,476.85		1,455.17	
Total	16,796.24	100%	4,215.28	100%

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(v) Other current financial assets		
Interest accrued on deposits with banks and others	27.17	15.34
	27.17	15.34

12. Other current assets

	As At March 31, 2023 Rs in lakhs	As At March 31, 2022 Rs in lakhs
Advances recoverable	267.60	277.24
Balance with statutory/ government authorities	1,002.64	592.44
Government incentive receivable	86.61	-
Prepaid expenses	343.51	282.66
Total	1,700.36	1,152.34

Fleur Hotels Private Limited
Notes to standalone financial statements for the year ended March 31, 2023

13(a). Equity Share capital

Authorised Equity Share Capital
(Equity shares of Rs 10 each)

	Equity shares	
	No. of shares	Rs in lakhs
As at April 1, 2021	13,58,50,000	13,585.00
Increase during the year	-	-
As at March 31, 2022	13,58,50,000	13,585.00
Increase/(decrease) during the year	-	-
As at March 31, 2023	13,58,50,000	13,585.00

Authorised Preference Share Capital

	Preference Shares (Face Value of Rs. 100 each)		Preference Shares (Face Value of Rs. 10 each)	
	No. of shares	Rs in lakhs	No. of shares	Rs in lakhs
As at April 1, 2021	10,00,000	1,000.00	1,14,00,000	1,140.00
Increase/(decrease) during the year	-	-	-	-
As at March 31, 2022	10,00,000	1,000.00	1,14,00,000	1,140.00
Increase/(decrease) during the year	-	-	-	-
As at March 31, 2023	10,00,000	1,000.00	1,14,00,000	1,140.00

Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders 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.

Issued equity capital*

Equity shares of Rs. 10 each issued, subscribed and fully paid	No. of shares	Rs in lakhs
As at April 1, 2021	8,28,97,692	8,289.77
Increase/(decrease) during the year*	95,57,461	955.75
As at March 31, 2022	9,24,55,153	9,245.52
Increase during the year	-	-
As at March 31, 2023	9,24,55,153	9,245.52

*During the previous year, Company had issued 95,57,461 shares on non cash consideration to the shareholders of Begonia Hotels Private Limited and Nightingale Hotels Private Limited pursuant to merger.

(a) Shares held by Holding company

	As at March 31, 2023		As At March 31, 2022	
	No. of shares	Rs in lakhs	No. of shares	Rs in lakhs
Equity shares of Rs. 10 each fully paid				
Lemon Tree Hotels Limited	4,94,94,240	4,949.42	4,94,94,240	4,949.42

(b) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2023		As At March 31, 2022	
Name of the shareholder	No. of shares	% held	No. of shares	% held
Equity shares of Rs. 10 each fully paid				
Lemon Tree Hotels Limited	4,94,94,240	53.53%	4,94,94,240	53.53%
APG Strategic Real Estate Pool N.V	3,79,91,385	41.09%	3,79,91,385	41.09%
Dandelion Hotels Private Limited	49,69,528	5.38%	49,69,528	5.38%

(c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

	March 31, 2023 No. of shares	March 31, 2022 No. of shares
(i) Equity shares allotted as fully paid, pursuant to amalgamations	2,18,22,900	2,18,22,900

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LEMON TREE HOTELS NEW DELHI

FLEUR HOTELS PVT. LTD. NEW DELHI

(d) Detail of shares held by promoters

As at March 31, 2023

S.No.	Promoter Name	Number of shares at the beginning of the year 2022	% of total Share Capital	Change during the year	Number of shares at the end of the year 2023	Percentage of Total shares	Percentage change during the year
Equity Share Capital							
1	Lemon Tree Hotels Limited	4,94,94,240	53.53%	-	4,94,94,240	53.53%	0.00%
2	Dandelion Hotels Private Limited	49,69,528	5.38%	-	49,69,528	5.38%	0.00%
Compulsorily Convertible Preference Shares							
1	Lemon Tree Hotels Limited	-	0.00%	22,00,000	22,00,000	40.92%	40.92%
	Total	**5,44,63,768**		**22,00,000**	**5,66,63,768**		

As at March 31, 2022

S.No.	Promoter Name	Number of shares at the beginning of the year 2021	% of total Share Capital	Change during the year	Number of shares at the end of the year 2022	Percentage of Total shares	Percentage change during the year
Equity Share Capital							
1	Lemon Tree Hotels Limited	4,33,11,609	52.25%	61,82,631.00	4,94,94,240	53.53%	1.29%
2	Dandelion Hotels Private Limited	49,69,528	5.99%	-	49,69,528	5.38%	-0.62%
	Total	4,82,81,137		61,82,631.00	5,44,63,768		

13(b). Instruments entirely equity in nature

Compulsorily Convertible Preference Shares of Rs 10 each fully paid*	Rs in lakhs
As at April 1, 2021	537.63
Increase/(decrease) during the year	-
As at March 31, 2022	537.63
Increase/(decrease) during the year	-
As at March 31, 2023	537.63

(a) Shares held by Holding company

	As at March 31, 2023		As At March 31, 2022	
	No. of shares	Rs in lakhs	No. of shares	Rs in lakhs
Compulsorily Convertible Preference Shares of Rs. 10 each fully paid				
Lemon Tree Hotels Limited	22,00,000	220.00	-	-

(b) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2023		As At March 31, 2022	
Name of the shareholder	No. of shares	% held	No. of shares	% held
Lemon Tree Hotels Limited	22,00,000	40.92%	-	-
APG Strategic Real Estate Pool N.V	31,76,340	59.08%	53,76,340	100.00%

*On June 22, 2020, Fleur Hotels Private Limited had made allotment of 53,76,340 Compulsorily Convertible Preference Shares (CCPS) of Rs. 10 each at a premium of Rs. 315.50 per share to APG Strategic Real Estate Pool N.V (first tranche) which were to be converted into equity shares on or before December 21, 2022. During the year the Holding Company (Lemon Tree Hotels Limited) has purchased 22,00,000 CCPS from APG Strategic Real Estate Pool N.V.
The Company has extended the conversion period of CCPS to June 30, 2023 as approved in the Extraordinary General Meeting (EGM) held on December 21, 2022.

14. Other equity

Securities Premium	Rs in lakhs
As at April 1, 2021	1,65,539.10
Increase/(decrease) during the year	-
As at March 31, 2022	1,65,539.11
Increase/(decrease) during the year	-
As at March 31, 2023	1,65,539.11

Preference Share Capital (equity component of redeemable, non convertible preference shares)	Rs in lakhs
As at April 1, 2021	83.58
Increase/(decrease) during the year	-
As at March 31, 2022	83.58
Increase/(decrease) during the year	-
As at March 31, 2023	83.58

Surplus/(deficit) in the Statement of Profit and Loss	Rs in lakhs
As at April 1, 2021	(10,061.39)
Loss for the year	(8,194.70)
As at March 31, 2022	(18,256.09)
Profit for the year	3,575.05
As at March 31, 2023	(14,681.04)

Other comprehensive income	Rs in lakhs
As at April 1, 2021	(7.90)
Increase during the year	11.00
As at March 31, 2022	3.10
Increase during the year	1.98
As at March 31, 2023	5.08

Capital Reserve Account	Rs in lakhs
As at April 1, 2021	(710.65)
Increase/(decrease) during the year	-
As at March 31, 2022	(710.65)
Increase/(decrease) during the year	-
As at March 31, 2023	(710.65)

Other component of Equity	Rs in lakhs
As at April 1, 2021	955.75
Increase/(decrease) during the year (refer note 40)	(955.75)
As at March 31, 2022	-
Increase/(decrease) during the year	-
As at March 31, 2023	-

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Other reserves		
Securities Premium	1,65,539.11	1,65,539.11
Preference Share Capital (equity component of redeemable, non convertible preference shares)	33.58	33.58
Surplus/(deficit) in the Statement of Profit and Loss	(14,681.04)	(18,256.09)
Other comprehensive income	5.08	3.10
Capital Reserve Account	(710.65)	(710.65)
Total	1,50,236.08	1,46,659.04

Securities premium: Securities premium comprises premium received on issue of shares.

Preference Share Capital (equity component of redeemable, non convertible preference shares): represents component of equity of 5% redeemable non cumulative Preference share Capital (transferred on merger of Mesingm Hotels Private Limited).

Surplus in the Statement of Profit and Loss: Surplus in the Statement of Profit and Loss represents balances of profit and loss at each period/year end.

Other comprehensive income: Other comprehensive income represents accumulated balances of Remeasurement (losses)/gains on defined benefit plans.

Capital Reserve Account: Capital reserve account is recorded as difference between share capital issued and the amount of share capital of the transferor.

15. Financial Liabilities

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(i) Borrowings		
Non-current borrowings		
Term Loans		
Loans from Banks (secured)		
Yes Bank Limited (Refer note 4, 5,6 and 7 below)	34,098.11	34,921.70
Kotak Mahindra Bank Limited (Refer note 1 and 3 below)	7,430.04	8,032.74
Indusind Bank Limited (Refer Note 8 and 9 below)	6,791.57	4,949.93
Axis Bank Limited(Refer Note 10, 11 and 12 below)	23,576.95	23,909.97
HDFC Bank Limited (Refer 2, 15, 16, 17 and 18 below)	13,619.96	10,769.96
Vehicle loans (Refer note 19 below)	38.90	81.52
Loans from financial institutions		
Aditya Birla Finance Limited (Refer Note 13 and 14 below)	11,600.50	11,588.17
Total non-current borrowings	97,156.03	94,253.99
Current maturity of loans from Banks (secured)		
Yes Bank Limited (Refer note 4, 5,6 and 7 below)	870.69	-
Indusind Bank Limited (Refer Note 8 and 9 below)	180.00	112.50
Kotak Mahindra Bank Limited (Refer note 1 and 3 below)	607.88	-
HDFC Bank Limited (Refer 2, 15, 16, 17 and 18 below)	680.00	-
Vehicle loans (Refer note 19 below)	49.97	49.80
Axis Bank Limited(Refer Note 10, 11 and 12 below)	330.96	242.17
Current maturity of loans	2,658.60	404.47
Less: Amount clubbed under "Short term borrowings"(refer note 19(i))	(2,658.60)	(404.47)
Net current borrowings	-	-







Fleur Hotels Private Limited
Notes to Standalone financial statements for the year ended March 31, 2023

Note	Lender	Amount Sanctioned Rs in lakhs	Carrying rate of Interest as at March 31, 2023	Carrying rate of Interest as at March 31, 2022	Repayment/ Modification of terms	Security/ Principal terms and conditions
1	Kotak Mahindra Bank Limited	6,206.00	9.25%	7.70%	The loan is repayable in 48 quarterly instalments starting from 39th month following the month of first disbursement.	**The loan is secured by:** - First and exclusive charge on all existing and future current assets, movable and immovable fixed assets of the hotel - Red Fox Sector - 60, Gurgaon. - Subservient charge on all existing and future current assets of the Borrower except current assets of the hotel - Red Fox Sector - 60, Gurgaon on which bank has to the exclusive charge - Equitable Mortgage by way of exclusive charge on the land and building of Red Fox Hotel Sector-60, Gurgaon. -Minimum asset cover 1.2x to be maintained throughout the tenor of bank loan as per valuation accepted by bank.
2	HDFC Bank Limited	3,500.00	8.15%	-	The loan is repayable in 48 monthly instalments starting from after 24 month of moratorium.	It is secured by second charge over existing primary and collateral securities including mortgages created in favour of the bank at Lemon Tree Hotel Gachibowli, Hyderabad.
3	Kotak Mahindra Bank Limited	2,400.00	8.45%	7.35%	The loan is repayable in 48 monthly instalments starting from after 24 month of moratorium.	**The loan is secured by second charge on:-** on all existing and future current assets, movable and immovable fixed assets of the hotel - Red Fox Sector - 60, Gurgaon.- Subservient charge on all existing and future current assets of the Borrower except current assets of the hotel - Red Fox Sector - 60, Gurgaon.
4	Yes Bank Limited	4,500.00	9.48%	8.15%	The loan is repayable 44 structured quarterly installment after a moratorium period of 36 months from the date of first disbursement.	**It is secured by:** a) Exclusive charge on all immoveable fixed assets, moveable fixed assets and current assets of Lemon tree Sector 60 Gurgaon, and covention centre within Hotel premises of 20,000 sq.ft (appox.) b) Escrow of all receivables of the project including security deposits. c) Corporate guarantee of Lemon Tree Hotels Limited. d) DSRA equivalent to three months interest and one quarter principal to be created in case of any over dues beyond 30 days in the form of fixed deposits duly lien marked in favour of YBL. * Minimum security cover of 1.5x on immoveable and moveable fixed assets of the project.
5	Yes Bank Limited	20,500.00	9.48%	8.10%	The loan is repayable in 52 structured quarterly installments post moratorium period of 36	**It is secured by:** a) First charge on all present and future movable & immoveable fixed assets of the project. Lemon Tree Premier Hotel, Kolkata, Lemon Tree Premier Hotel, Pune,

Note	Lender	Amount Sanctioned Rs in lakhs	Carrying rate of Interest as at March 31, 2023	Carrying rate of Interest as at March 31, 2022	Repayment/ Modification of terms	Security/ Principal terms and conditions
					months from the date of first disbursement.	Lemon Tree Hotel in sector 60 Gurgaon and approximately 20,000 sqft convention centre within the hotel premises. b) Escrow of all receivables of the hotels including security deposits (if any). c) Corporate guarantee of Lemon Tree Hotels Limited. d) DSRA equivalent to 3 months interest and 1 quarter principle to be created in case of any over dues beyond 30 days in the form of fixed deposits duly lien marked in favour of YBL.
6	Yes Bank Limited	20,500.00	9.48%	8.10%	The loan is repayable in 52 structured quarterly installments post moratorium period of 36 months from the date of first disbursement.	**It is secured by:** a) First charge on all present and future movable & immoveable fixed assets of the project. Lemon Tree Premier Hotel, Kolkata, Lemon Tree Premier Hotel in Pune, Lemon Tree Hotel in sector 60 Gurgaon and approximately 20,000 sqft convention centre within the hotel premises. b) Escrow of all receivables of the hotels including security deposits (if any). c) Corporate guarantee of Lemon Tree Hotels Limited. d) DSRA equivalent to 3 months interest and 1 quarter principle to be created in case of any over dues beyond 30 days in the form of fixed deposits duly lien marked in favour of YBL.
7	Yes Bank Limited	12,500.00	9.48%	8.15%	The loan is repayable 60 structured quarterly installment after a moratorium period of 60 months from the date of first disbursement.	**It is secured by:** a) Equitable mortgage over 80% share of Land and building (except 2nd basement, ground floor and first floor) on pari passu basis with other lenders for the project, Lemon Tree Premier Hotel, Andheri Mumbai. b) First charge (on pari passu basis) on ther movable fixed assets and all current assets, both present and future of the project, Lemon Tree Premier Hotel, Andheri Mumbai. c) Corporate guarantee of Lemon Tree Hotels Limited.
8	Indusind Bank Limited	5,000.00	8.25%	8.23%	Tenor of 16 years with door door tenor facility shall not exceed 193 months from the date of first disbursement, including moratorium period of nil months.	**It is secured by:** a) First charge on all present and future immoveable assets of the hotel " Lemon Tree Amarante Beach Resort (At Candolim, Goa)". b) First charge on all moveable fixed assets (both present and future) (including Escrow account opened with IBL) of the hotel " Lemon Tree Amarante Beach Resort (At Candolim, Goa)", c) Exclusive charge on book debts, operating cash flows, credit card receivables, commissions, revenues of whatsoever nature and wherever arising, present and future through Escrow mechanisim of the Hotel "Lemon Tree Amarante Beach Resort (At Candolim, Goa).

Note	Lender	Amount Sanctioned Rs in lakhs	Carrying rate of Interest as at March 31, 2023	Carrying rate of Interest as at March 31, 2022	Repayment/ Modification of terms	Security/ Principal terms and conditions
						d) Escrow of all cash flows of Lemon Tree Amarante Beach Resort, Goa including security deposits.
9	Indusind Bank Limited	1,990.00	9.25%	-	It is repayable in 48 equal monthly instalments on the last day of the month after the 24 month of first availment.	**It is Secured By:** a) Second Charge on all present and future immoveable assets of the hotel " Lemon Tree Amarante Beach Resort (At Candolim, Goa)". b) Second charge on all moveable fixed assets (both present and future) (including Escrow account opened with IBL) of the Lotel " Lemon Tree Amarante Beach Resort (At Candolim Goa), c) Second charge on book debts, operating cash flows, credit card receivables, commissions, revenues of whatsoever nature and wherever arising, present and future through Escrow mechanism of the Hotel "Lemon Tree Amarante Beach Resort (At Candolim, Goa)
10	Axis Bank Limited	10,000.00	8.80%	7.85%	Tenor of 18 years and 9 months including construction period of 1.5 years and moratorium period of 2.5 years with repayments in with 60 quarterly unequal installments.	**It is secured by:** a) Exclusive charge by way of Equitable Mortgage over the land & building at Plot No.1, Khasra No. 979 to 981, Kalarohi, Udaipur,(admeasuring 26390.3 sq. yards or 237513 sq. ft.), b) Exclusive charge over the moveable fixed assets of the Udaipur Hotel, both present and future, c) Exclusive charge by way of hypothecation of all the current assets of Udaipur Hotel, d) Exclusive charge by way of hypothecation of all the cashflows of Udaipur Hotel. e) Corporate Guarantee of Lemon Tree Hotels. f) FACR of 1.50x shall be maintained at all times.

Note	Lender	Amount Sanctioned Rs in lakhs	Carrying rate of Interest as at March 31, 2023	Carrying rate of Interest as at March 31, 2022	Repayment/ Modification of terms	Security/ Principal terms and conditions
11	Axis Bank Limited	4,770.00	8.95%	7.35%	The loan is repayable in 48 monthly installments after a period of 2 years of Moratorium.	**It is secured by second charge:-** (a) EM over land & building situated at Plot no.1, Khasra 979 to 981, Kalarohi, Sisrana, Udaipur (measuring 26,390.3sq). (b) Other moveable fixed assets of the Udaipur Hotels both present and future. (c) Hypothecation of all the current assets of Udaipur Hotel. (d) Hypothecation of all the cashflows of Udaipur Hotel. (e) Equitable mortgage over 80% share of land & building except for 2nd basement, ground floor and 1st floor (total land area admeasuring 5552.90 sq.mtr.) located at Andheri Kurla Road, Mumbai, Maharashtra. (f) Other moveable fixed assets of the Kurla project, both present and future. (g) Hypothecation of all the current assets of the Kurla Project. (h) 100% credit guarantee by NCGTC.
12	Axis Bank Limited	9,500.00	8.80%	8.10%	The Loan is repayable in 60 quarterly instalments after a moratorium period of 5 years.	**It is secured by:** a) Equitable mortgage over 80% share of Land and building (except 2nd basement, ground floor and first floor) on pari passu basis with other lenders for the project, Lemon Tree Premier Hotel, Andheri Mumbai. b) First charge (on pari passu basis) on ther movable fixed assets and all current assets, both present and future of the project, Lemon Tree Premier Hotel, Andheri Mumbai.c) Corporate guarantee of Lemon Tree Hotels Limited.
13	Aditya Birla Finance Limited	11,500.00	9.90%	8.50%	Tenor of 12 years with repayment in 48 structured quarterly installment. Repayment of term loan 1 in line with existing lender repayment schedule. The facility have lock-in tenor of 1 year from the date of first disbursement.	**It is secured by:** a) First exclusive charge by way of Mortgage/ Hypothecation on the immovable and movable fixed assets (both present and future) of Lemon Tree Premier Hotel Hitec City, Hyderabad, to provide minimum cover of 1.25x at all times during the tenor of the loan, b) First exclusive charge on the current assets of the Lemon Tree Premier Hotel, Hitec City Hyderabad, c) First exclusive charge on project's bank account including but not limited to Escrow account where entire cash flow of Lemon Tree Premier Hotel, Hitec City, Hyderabad shall be deposited, d) Unconditional and Irrevocable Corporate Guarantee of Lemon Tree Hotels Limited, e) Demand Promissory Note (DPN),
14	Aditya Birla Finance Limited	4,000.00				
15	HDFC Bank Limited	1,000.00	8.90%	7.50%	Repayable in 48 equal monthly instalments after 1 year of moratorium.	It is secured by second charge over existing primary and collateral securities including mortgages created in favour of the bank at Lemon Tree Hotel Gachibowli, Hyderabad.

Note	Lender	Amount Sanctioned Rs in lakhs	Carrying rate of Interest as at March 31, 2023	Carrying rate of Interest as at March 31, 2022	Repayment/ Modification of terms	Security/ Principal terms and conditions
16	HDFC Bank Limited	1,000.00	8.90%	7.30%	The principal shall be repaid in 48 monthly instalments after completion of moratorium of 2 year.	It is secured by second charge over existing primary and collateral securities including mortgages created in favour of the bank at Lemon Tree Hotel Gachibowli, Hyderabad.
17	HDFC Bank Limited	5,302.00	8.20%	7.90%	The Loan is repayable in 48 Structured Quarterly Instalments	**It is secured by:** a) First and exclusive charge on movable and immovable fixed assets at the Lemon Tree Hotel Gachibowli, Hyderabad. b) First and exclusive charge on escrow account of entire cash flows of the Lemon Tree Hotel Gachibowli, Hyderabad. c) Corporate guarantee of Lemon Tree Hotels Limited.
18	HDFC Bank Limited	5,200.00	8.60%	7.25%	The principal shall be repaid in 48 monthly instalments after completion of moratorium of 24 months.	**It is secured by:** (a) 100% Credit Guarantee by National Credit Guarantee Trust Company Limited. (b) Extension of second ranking charge over existing primary and collateral securities including mortgages created in favor of the bank and security created over the assets of the borrower purchased out of this facility at Lemon Tree Premier, Hitech City, Hyderabad
19	Vehicle loan (different banks)	-			These loans are repaid on agreed monthly installments.	Vehicle loan is secured by hypothecation of underlying motor vehicle acquired out of such loans from HDFC Bank Limited and Axis Bank Limited.

(i) The Company has not defaulted in the repayment of loans and interest as at Balance Sheet date
(ii) Bank loans availed by the Company are subject to certain covenants relating to interest coverage ratio, debt service coverage ratio, capital gearing ratio, fixed assets coverage ratio.
(iii) The Company has complied all significant covenants from bank and financial institutions as per the terms of the loan agreement.
(iv) The Company has used borrowings from banks/financial institutions for the specific purpose of working capital requirement and/or setting new projects. The Company has utilized funds from its internal accrual for making investment in subsidiaries/loan to subsidiaries.

16.Lease liabilities

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Balance at beginning of the year	14,239.33	18,958.67
Less: Deletion during the year		4,555.31
Interest accrued during the year (refer note 26)	1,375.12	1,803.16
Less: Payment of lease liabilities	1,271.10	1,947.19
Balance at end of the year	14,343.35	14,239.33
Current	97.75	93.43
Non-Current	14,255.60	14,145.90

17. Provisions

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Provision for gratuity (refer note 31)	36.92	45.43
Current	7.13	8.91
Non-current	29.79	36.52

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Provision for leave benefits	49.40	49.42
Current	49.40	49.42
Non-current	-	-

	As at March 31, 2023 Rs in lakhs	As at March 31, 2021 Rs in lakhs
Provision for stamp duty (refer note 46)	86.36	1,525.03
Current	86.36	1,525.03
Non-current	-	

Total current	142.90	1,583.36
Total non-current	29.79	36.52

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18. Deferred tax liabilities (net)

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Property, plant and equipment and intangible assets	8,435.32	7,897.75
Revaluation of land	405.04	393.99
Deferred tax liabilities	8,840.36	8,291.74
Impact of expenditure charged to the statement of profit and loss in the current/ earlier period but allowable for tax purposes on payment basis	29.92	40.00
Right to use asset/lease liability	1,210.22	1,146.99
Provision for doubtful debts and advances	37.99	41.98
MAT credit entitlement	0.00	948.97
Effect of unabsorbed depreciation and business losses carried forward	6,577.61	5,023.73
Interest on loan u/s 43B	920.53	1,019.26
Gratuity	9.29	12.64
Non moving inventory	0.87	0.96
Leave compensation	12.43	13.75
Security deposits-impact on discounting	41.50	43.46
Deferred tax assets (refer note 30(e))	8,840.36	8,291.74
Deferred tax Assets/Liabilities (net)	-	-

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2023 and March 31, 2022:

	For the year ended March 31, 2023 Rs in lakhs	For the year ended March 31, 2022 Rs in lakhs
Profit/(loss) before tax	3,577.03	(8,183.70)
Tax rate	25.17%	27.82%
Tax at statutory income tax rate	900.27	(2,276.71)
Effect of non-deductible expenses	0.20	-
Unrecognized tax assets (recognised and utilized) (net)	(900.10)	2,276.71
Net tax expense as statement of profit and loss	-	-

19. Financial liabilities

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
(i) Short term borrowings		
Loan from related party (unsecured, repayable on demand)	357.80	417.70
Cash credit from banks (Secured) *	1,850.58	1,614.93
Current maturities of long-term borrowings (refer note 15)	2,658.60	404.47
Total	4,866.98	2,437.10

*The Cash credit facility from Yes Bank is repayable on daeand and carries interest rate of 9.48% p.a (March 31, 2022: 8.15% to 9.15% p.a.) and is secured by way of:

a)Exclusive charge on all movable assets and current assets of Lemon Tree Hotel Kolkata and Lemon Tree Premier Pune and
b) First charge on all present & future immovable fixed assets(80% portion of undivided part of land) of the Lemon Tree Premier Andheri kurla Road, Mumbai
c)First charge on all present & future movable fixed assets and current assets of the Lemon Tree Premier Andheri kurla Road, Mumbai
d) Corporate Guarantee of Lemon Tree Hotels Limited (Holding Company)

Basis on several terms and conditions as specified in sanction letters, the company submits quarterly returns/statements comprising of lease deposit schedules , cash flow mismatch statements and unaudited quarterly statements with banks/ financial institution and these returns/statements are materially in agreement with the books of accounts.

(ii) Trade Payables*#	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
-total outstanding dues of micro enterprises and small enterprises	563.58	266.97
- total outstanding dues of creditors other than micro enterprises and small enterprises	4,392.62	3,560.88
*read with note 33		
Total	4,956.20	3,827.85

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Trade payables	2,404.83	2,059.98
Trade payables to related parties (Holding company)	2,551.37	1,767.87
	4,956.20	3,827.85

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#Trade payables ageing schedule based on the requirement of Schedule III

As at March 31, 2023

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	563.58	-	-	-	563.58
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,070.84	3,202.12	21.02	49.01	49.63	4,392.62
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-

As at March 31, 2022

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	266.97	-	-	-	266.97
Total outstanding dues of creditors other than micro enterprises and small enterprises	619.71	2,801.64	82.99	40.38	16.16	3,560.88
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-

(iv) Other financial liabilities

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Security Deposits	46.44	46.44
Interest accrued but not due on borrowings	164.76	132.75
Book overdraft	12.72	43.82
Total	223.92	223.01

20. Other current liabilities

	As at March 31, 2023 Rs in lakhs	As at March 31, 2022 Rs in lakhs
Advance from customers	400.32	284.00
Statutory dues (Provident fund, GST, TDS and other statory dues)	280.27	265.60
Total	680.59	549.60

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21. Revenue From operations

	For the year ended March 31, 2023 Rs. in lakhs	For the year ended March 31, 2022 Rs. in lakhs
Sale of products and services		
- Room rental	29,393.83	14,219.11
- Food and beverage (excluding liquor and wine)	5,019.53	2,522.89
- Liquor and wine	598.18	284.20
- Banquet rentals	257.85	115.98
- Telephone and telex	0.21	0.37
- Other Services (including service charge income)	2,155.12	1,154.54
Total	37,424.72	18,297.09

22. Other Income

	For the year ended March 31, 2023 Rs. in lakhs	For the year ended March 31, 2022 Rs. in lakhs
Profit on sale of property, plant & equipment	6.26	-
Rent received	11.66	11.58
Provision no longer required written back	19.84	79.15
Waiver of rent*	-	393.77
Gain on Termination of Lease	-	323.67
Government incentive scheme-RIPS 2014 (refer note 41)	86.61	-
Miscellaneous income	1.90	53.53
Total	126.27	861.70

* During the previous year, consequential to COVID 19 pandemic, the Group has requested and received rent waiver/concessions from certain landlords and accordingly recognized an amount of Rs. Nil (March 31, 2022: 393.77 lakhs), in Statement of Profit and Loss as "Other Income", by applying practical expedient given in Para 46A and Para 46B of Ind AS 116 (as amended).

23. Cost of food & beverages consumed

	For the year ended March 31, 2023 Rs. in lakhs	For the year ended March 31, 2022 Rs. in lakhs
(a) Consumption of food & beverages excluding liquor & wine		
Inventory at the beginning of the year	52.10	52.04
Add: Purchases	2,104.68	1,231.83
	2,156.78	1,283.87
Less: Inventory at the end of the year	62.29	52.10
Cost of food and beverage consumed	2,094.49	1,231.77
(b) Consumption of liquor & wine		
Inventory at the beginning of the year	64.08	66.69
Add: Purchases	180.85	64.92
	244.93	131.00
Less: Inventory at the end of the year	78.00	64.08
Cost of liquor and wine consumed	166.93	67.53
Total (a+b)	2,261.42	1,299.31

24. Employee benefit expense

	For the year ended March 31, 2023 Rs. in lakhs	For the year ended March 31, 2022 Rs. in lakhs
Salaries, wages and bonus	4,242.98	2,692.70
Contribution to provident fund and other funds	267.28	184.07
Gratuity expense (refer note 31)	11.70	11.90
Staff welfare expenses	468.15	216.66
Total	4,990.11	3,105.33

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25(a). Power and fuel

	For the year ended March 31, 2023 Rs. in lakhs	For the year ended March 31, 2022 Rs. in lakhs
Power and fuel	2,557.89	1,627.05
Total	2,557.89	1,627.05

25(b). Stamp duty expense

	For the year ended March 31, 2023 Rs. in lakhs	For the year ended March 31, 2022 Rs. in lakhs
Stamp duty expense	478.42	1,535.03
Total	478.42	1,535.03

25(c). Other expenses

	For the year ended March 31, 2023 Rs. in lakhs	For the year ended March 31, 2022 Rs. in lakhs
Consumption of stores, cutlery, crockery, linen, provisions and others	426.30	259.19
Linen & uniform washing and laundry expenses	423.08	281.53
Guest transportation	203.11	42.59
Spa expenses	143.95	47.69
Subscription charges	67.04	53.42
Repair and maintenance		
- Buildings	286.43	109.67
- Plant and machinery	374.28	295.66
- Others	296.58	225.02
Rent (refer note 32)	84.79	95.71
Rates and taxes	849.43	840.89
Insurance	127.45	103.88
Communication costs	101.56	85.53
Printing and stationery	91.80	54.34
Traveling and conveyance	33.93	10.61
Vehicle running and maintenance	49.31	33.05
Advertisement and business promotion	1,165.84	577.67
Management fee paid	2,614.99	1,016.00
Commission -other than sole selling agent	1,550.72	848.44
Security and cleaning expenses	291.68	172.96
Membership and subscriptions	6.71	5.04
Legal and professional fees	201.84	187.13
Sundry Balances written off	-	3.35
Donation	0.78	-
Payments to auditor*	50.99	35.00
Miscellaneous expenses	176.91	81.43
Total	9,619.50	5,495.80

*Payments to auditor (excluding Goods and service tax)

For statutory audit	33.00	26.00
For tax audit	1.00	1.00
For attestation service	15.00	8.00
Out of pocket expense	1.99	
	50.99	35.00

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26. Finance costs

	For the year ended March 31, 2023 Rs. in lakhs	For the year ended March 31, 2022 Rs. in lakhs
Interest		
- on term loans from banks	7,233.08	6,151.30
- on loans from others	1,066.64	1,138.08
- on vehicle loans	9.79	14.48
- on other credit facilities from banks	30.28	-
- on lease liability (refer note 16)	1,375.12	1,803.16
Bank charges (including commission on credit card collection)	257.26	111.52
Total	9,972.17	9,218.54

27. Finance income

	For the year ended March 31, 2023 Rs. in lakhs	For the year ended March 31, 2022 Rs. in lakhs
Interest income on :		
-Bank Deposits	26.16	96.26
-Others	305.11	32.15
Profit on sale of current investment	-	0.01
Total	331.27	128.42

28. Depreciation and amortization expense

	For the year ended March 31, 2023 Rs. in lakhs	For the year ended March 31, 2022 Rs. in lakhs
Depreciation on tangible assets (refer note no. 3)	3,741.10	4,289.31
Depreciation on right-of-use asset (refer note 6 & 32)	643.96	839.30
Amortization on intangible assets (refer note no. 5)	42.64	72.24
Total	4,427.70	5,200.85

29. Earnings Per Share (Basic EPS And Diluted EPS)

Basic EPS amounts are calculated by dividing the earning/(loss) for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year. Equity shares that will be issued upon the conversion of mandatory convertible preference shares are included in evaluation of basic EPS

Diluted EPS amounts are calculated by dividing the earning/(loss) attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) 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.

The following reflects the income and share data used in the basic and diluted EPS computations:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Earning/(loss) attributable to equity holders (for basic and diluted)	3,575.05	(8,194.70)
Weighted average number of equity Shares (for basic and diluted earnings per share)*	9,78,31,493	9,78,31,493
Basic and Diluted earnings per share	3.65	(8.38)

* The weighted average number of shares takes into account the weighted average effect of changes in share transactions during the year. There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.

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30. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities and other commitments. Uncertainty about these judgements, estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The estimates and underlying assumptions are reviewed on an ongoing basis and the revisions to accounting estimates are recognized in the period in which the estimate is revised.

Critical judgements, estimates and assumptions

a. Impairment of property, plant and equipment

Each hotel property is an identifiable asset that generates cash inflows and is independent of the cash inflows of the other hotel properties, hence identified as cash generating units. The Company assesses the carrying amount of hotel properties (CGU) to determine whether there is any indication that those assets have suffered an impairment loss. Where the carrying amount of CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. An impairment loss (if any) is recognised in the statement of profit and loss.

While assessing the recoverable amount, the Company used the discounted cash flow approach including various significant estimates and assumptions such as forecast of future revenue, operating margins, growth rate and selection of the discount rates. The key assumptions used for the calculations are as follows::

Particulars	As at March 2023	As at March 31, 2022
Discount Rate *(pre tax rate of WACC)*	12.5%	11.70% - 13%
Long Term Growth Rate	5.50%	5.00%

As at March 31, 2023, the estimated recoverable amount of the CGU exceeded its carrying amount.

b. Impairment of Investment in subsidiaries and associates

The Company assesses the carrying amounts of investment in subsidiaries having hotel properties to determine whether there is any indication that those investments have suffered an impairment loss. Where the carrying amount of investments exceed its recoverable amount, the investment is considered impaired and is written down to its recoverable amount. An impairment loss (if any) is recognised in the statement of profit and loss.

While assessing the recoverable amount, the Company used the discounted cash flow approach including various significant assumptions such as such as forecast of future revenue, operating margins, growth rate and selection of the discount rates. The key assumptions used for the calculations are as follows:

Particulars	As at March 2023	As at March 31, 2022
Discount Rate *(pre tax rate of WACC)*	12.5%	11.70% - 13.5%
Long Term Growth Rate	5.50%	5.00%

As at March 31, 2023, the estimated recoverable amount of the investments exceeded its carrying amount.

c. Leases

The Company has taken certain land and building on long term lease basis. The lease agreements generally have an escalation clause and are generally non-cancellable. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IND AS 116. Identification of a lease requires judgment. The Company uses judgement in assessing the lease term and the applicable discount rate. The discount rate is generally based on the incremental borrowing rate.

d. Loss Allowance on trade receivables (Expected credit loss)

An impairment analysis of trade receivables is performed at each reporting period based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates. Basis this assessment, the allowance for doubtful trade receivables as at March 31, 2023 is considered adequate.

e. Taxes

Considering that nature of the Company's operations and history of past tax losses, deferred tax assets (including MAT credit) are recognized to the extent that it is probable that taxable profit will be generated in future against which the deductible temporary differences, carry forward of unabsorbed depreciation and tax losses can be utilised. Accordingly, it is considered prudent to recognize the deferred tax assets only to the extent of deferred tax liabilities and the Company has not recognised deferred tax assets of Rs 4,076.50 lakhs (March 31, 2022: Rs 5,262.95 lakhs).

31. Gratuity

The Company has a defined benefit gratuity plan (funded). The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The fund has the form of a trust and it is governed by the Board of Trustees, which consists of an equal number of employer and employee representatives. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy.The Trust Fund has taken a Scheme of Insurance, whereby these contributions are transferred to the insurer. The Company makes provision of such gratuity liability in the books of accounts on the basis of actuarial valuation as per the Projected unit credit method.

Rs. In lakhs

	As at March 31, 2023	As at March 31, 2022
Gratuity plan	36.92	45.43
Total	**36.92**	**45.43**

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2023:

Rs.in lakhs

	Opening Balance	Statement of cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income						
	April 1, 2022	Service cost	Net interest expense/ income	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Remeasurement changes arising from changes in demographic assumptions	Remeasurement changes arising from changes in financial assumptions	Experience adjustment	Sub-total included in OCI	Contributions by employer	March 31, 2023
Defined benefit obligation	60.43	8.94	3.69	12.63	(12.29)	-	-	(2.14)	1.17	(0.97)	-	59.80
Fair value of plan assets	15.00	-	0.93	0.93	(1.62)	1.01	-	-	-	(1.01)	7.57	22.88
Benefit liability	**45.43**	**8.94**	**2.76**	**11.70**	**(13.91)**	**1.01**	-	**(2.14)**	**1.17**	**1.98**	**7.57**	**36.92**

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2022:

Rs.in lakhs

	Opening Balance	Statement of cost charged to profit or loss			Remeasurement gains/(losses) in other comprehensive income							
	April 1, 2021	Service cost	Net interest expense/ income	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Remeasurement changes arising from changes in demographic assumptions	Remeasurementchanges arising from changes in financial assumptions	Experience adjustment	Sub-total included in OCI	Contributions by employer	March 31, 2022
Defined benefit obligation	60.85	9.37	3.41	12.78	(1.94)	-	-	(1.02)	(10.24)	(11.26)	-	60.43
Fair value of plan assets	15.63	-	0.88	0.88	(1.25)	(0.26)	-	-	-	0.26	-	15.00
Benefit liability	**45.22**	**9.37**	**2.53**	**11.90**	**(3.19)**	**(0.26)**	**-**	**(1.02)**	**(10.24)**	**(11.00)**	**-**	**45.43**

The major categories of plan assets of the fair value of the total plan assets are as follows:

	March 31, 2023	March 31, 2022
Unquoted investments:		
Asset invested in insurance scheme with the LIC	100%	100%
Total	**100%**	**100%**

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

	March 31, 2023	March 31, 2022
Discount rate:		
Pension plan	**7.20%**	**6.10%**
Future salary increases:		
Pension plan	**5.00%**	**5.00%**
Life expectation for pensioners at the age of 65:	**Years**	**Years**
Pension plan		
Male	**60**	**60**
Female	**60**	**60**

A quantitative sensitivity analysis for significant assumption as at March 31, 2023 is as shown below:

India gratuity plan:

Rs in lakhs

	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(1.81)	1.93	1.96	(1.86)

A quantitative sensitivity analysis for significant assumption as at March 31, 2022 is as shown below:

Rs. in lakhs

	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(1.94)	2.08	2.08	(1.98)

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

Rs. in lakhs

Duration (Years)	For the year ended March 31, 2023	For the year ended March 31, 2022
1	14.94	13.93
2	12.90	11.66
3	10.69	10.95
4	8.45	8.91
5	7.34	7.04
Above 5	23.16	23.45
Total expected payments	77.48	75.94

The average duration of the defined benefit plan obligation at the end of the reporting period is 5 years (March 31, 2022: 5 years).

32. Commitments and contingencies

a. Leases

Operating lease commitments — Company as lessee

The Company has entered into operating leases on hotel buildings, with lease terms between twenty three, twenty five, twenty eight and twenty nine years. Refer Note no.6 for carrying value of right to use asset recognised and Refer Note no.16 for carrying value of lease liability and the movement during the year.

The weighted average of incremental borrowing rate applied to lease liabilities is 9.72% (March 31, 2022: 9.72%)

b. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:

At March 31, 2023, the Company had commitments of Rs.45.90 Lakhs (March 31, 2022: 82.47 Lakhs)

c. Contingent liabilities

(i) Legal claim contingency

Rs. in lakhs

		March 31, 2023	March 31, 2022
a.	Service Tax*	102.45	92.38
b.	Income tax**	27.25	-

*amount paid under protest– 23.10 lakhs

**amount paid under protest/adjusted against refund – 10.72 lakhs

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

(ii) For financials guarantee given to banks on behalf of and in respect of term loan facilities availed by its group companies refer note 32(d).

(iii) Pledge of shares

(a) Pledge of 30% and lien of 21% in favour of Trustee on the basis of Non-disposable undertaking of the shareholding held in Hyacinth Hotels Private Limited by the Company for term loan facility availed by Hyacinth Hotels Private Limited. Amount of Loan outstanding as on March 31, 2023 of Rs. 13,726.45 lakhs (March 31, 2022: Rs 14,342.45 lakhs).

(b) Pledge of 30% of shareholding held in Berggruen Hotels Private Limited by the Company for term loan availed by Berggruen Hotels Private Limited from Yes Bank Limited. Amount of Loan outstanding as on March 31, 2023 is Rs. 6,458.28 lakhs. (March 31, 2022: Rs. 7,351.44 lakhs)

(d) Financial guarantees

The Company has issued financial guarantees to banks on behalf of and in respect of term loan facilities availed by its group companies for construction of new hotel project. In accordance with the policy of the Company (refer note 2.2(n) the Company has designated such guarantees as 'Insurance Contracts'. The Company has classified financial guarantees as contingent liabilities. These financial guarantees are an integral element of debts held by entities, hence has not been accounted for separately. Accordingly, there are no assets and liabilities recognized in the balance sheet under these contracts. Refer below for details of the financial guarantees issued:

Rs. in lakhs

		Loan Outstanding as on March 31, 2023	Guarantees as on March 31, 2023	Loan Outstanding as on March 31, 2022	Guarantees as on March 31, 2022
a.	Counter guarantees issued in respect of guarantees issued by Company's bankers	-	674.11	-	792.06
b.	Guarantee given on behalf of Hyacinth Hotels Private Limited	9,465.79	16,105.00	14,342.45	16,105.00
c.	Guarantee given on behalf of Celsia Hotels Private Limited	2,550.78	2,709.00	4,760.77	5,972.00
d.	Guarantee given on behalf of Inovoa Hotels & Resorts Limited	3,025.27	3,481.00	3,783.19	3,481.00
e.	Guarantee given on behalf of Berggruen Hotels Private Limited	6,458.28	18,600.00	7,351.44	18,600.00

(e) Note on Provident Fund:

Based upon the legal opinion obtained by the management, Company is not required to create provisions in books of accounts in view of the judgement of the Hon'ble Supreme court in the case of Vivekananda Vidyamandir vs Regional Provident Fund Commissioner (II), West Bengal and subsequent dismissal of review petition by Hon'ble Supreme court in the case of review petition No. 001972-001973/2019 in civil appeal 3965-3966 in the matter of Surya Roshni Ltd Vs Employees Provident Fund and Another.

Considering the equitable cause, the High Courts may give prospective effect to the judgement which can be done in exercise of inherent powers of High Court under Article 226 of the constitution of India.

In case of Company retrospective effect is remote and at present uniformity is maintained across all brands/grades.

33. Related Party Transactions

Names of related parties	
Holding Company	- Lemon Tree Hotels Limited
Subsidiary Company	- Celsia Hotels Private Limited - Inovoa Hotels & Resorts Limited - Iora Hotels Private Limited - Opluys Hotels Private Limited - Hyacinth Hotels Private Limited - Bandhav Resorts Private Limited -Berggruen Hotels Private Limited
Fellow subsidiary companies	- Manakin Resorts Private Limited -Hamstede Living Private Limited -Canary Hotels Private Limited - Sukhsagar Complexes Private Limited - Oriole Dr. Fresh Hotels Private Limited
Limited Liability Partnership	- Mezereon Hotels LLP
Key Management Personnel	- Mr. Patanjali Govind Keswani (Managing Director) - Mr Aditya Madhav Keswani (Director) (w.e.f May 27, 2022) -Mr Nitin Malhan (Director) - Mr. Dominic James Doran (Director) -Mr. Paramartha Saikia(Independent Director) -Mr. Ashish Kumar Guha (Independent Director) -Mr. Arindam Kumar Bhattacharya (Independent Director) - Mr. Pradeep Mathur (Independent Director)
Enterprises owned or significantly influenced by key management personnel or their relatives	- Toucan Real Estates Private Limited
Enterprise in which Holding Company has Significant Influence	-Mind Leaders Learning India Private Limited

Additional related parties as per Companies Act 2013 with whom transactions have taken place during the year:

Chief Financial Officer	-Mr. Inder Pal Batra
Company Secretary	-Mrs. Sonali Manchanda

Fleur Hotels Private Limited
Notes to Standalone financial statements for the year ended March 31, 2023

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year

Rs in lakhs

Transactions with Related Party	Year ended	Holding Company	Subsidiaries	Fellow subsidiaries	Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Enterprise in which Holding Company has significant influence
Reimbursement of expenses paid on behalf of party							
Lemon Tree Hotels Limited	31-Mar-23	7.27	-	-	-	-	-
	31-Mar-22	5.76	-	-	-	-	-
Loans (given)							
Celsia Hotels Private Limited	31-Mar-23	-	2.46	-	-	-	-
	31-Mar-22	-	10.00	-	-	-	-
Hyacinth Hotels Private Limited	31-Mar-23	-	83.60	-	-	-	-
	31-Mar-22	-	8.85	-	-	-	-
Iora Hotels Private Limited	31-Mar-23	-	13,188.35	-	-	-	-
	31-Mar-22	-	5,187.14	-	-	-	-
Bandhav Resorts Private Limited	31-Mar-23	-	-	-	-	-	-
	31-Mar-22	-	4.03	-	-	-	-
Berggruen Hotels Private Limited	31-Mar-23	-	3,818.34	-	-	-	-
	31-Mar-22	-	4,554.23	-	-	-	-

Fleur Hotels Private Limited
Notes to Standalone financial statements for the year ended March 31, 2023

Transactions with Related Party	Year ended	Holding Company	Subsidiaries	Fellow subsidiaries	Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Enterprise in which Holding Company has significant influence
Inovoa Hotels & Resorts Limited	31-Mar-23	-	32.14	-	-	-	-
	31-Mar-22	-	77.83	-	-	-	-
Repayment of Loan Given							
Celsia Hotels Private Limited	31-Mar-23	-	2.46	-	-	-	-
	31-Mar-22	-	50.00	-	-	-	-
Hyacinth Hotels Private Limited	31-Mar-23	-	83.60	-	-	-	-
	31-Mar-22	-	8.85	-	-	-	-
Iora Hotels Private Limited	31-Mar-23	-	1,371.96	-	-	-	-
	31-Mar-22	-	7,002.14	-	-	-	-
Bandhav Resorts Private Limited	31-Mar-23	-	21.34	-	-	-	-
	31-Mar-22	-	0.03	-	-	-	-
Berggruen Hotels Private Limited	31-Mar-23	-	3,244.41	-	-	-	-
	31-Mar-22	-	1,254.43	-	-	-	-
Inovoa Hotels & Resorts Limited	31-Mar-23	-	40.96	-	-	-	-
	31-Mar-22	-	68.91	-	-	-	-

Fleur Hotels Private Limited
Notes to Standalone financial statements for the year ended March 31, 2023

Transactions with Related Party	Year ended	Holding Company	Subsidiaries	Fellow subsidiaries	Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Enterprise in which Holding Company has significant influence
Loans (taken)							
Manakin Resorts Private Limited	31-Mar-23	-	-	5.00	-	-	-
	31-Mar-22	-	-	58.80	-	-	-
Repayment of Loan taken							
Manakin Resorts Private Limited	31-Mar-23	-	-	64.90	-	-	-
	31-Mar-22	-	-	10.00	-	-	-
Management fees and advertisement and sales promotion							
Lemon Tree Hotels Limited	31-Mar-23	3,736.88	-	-	-	-	-
	31-Mar-22	1,563.09	-	-	-	-	-
Training expenses paid (Gross)							
Mind Leaders Learning India Private Limited	31-Mar-23	-	-	-	-	-	11.30
	31-Mar-22	-	-	-	-	-	73.08
Remuneration Paid							
Mr. Inder Pal Batra	31-Mar-23	-	-	-	55.01	-	-
	31-Mar-22	-	-	-	38.74	-	-
Mrs. Sonali Manchanda	31-Mar-23	-	-	-	22.53	-	-
	31-Mar-22	-	-	-	15.35	-	-

Fleur Hotels Private Limited
Notes to Standalone financial statements for the year ended March 31, 2023

Transactions with Related Party	Year ended	Holding Company	Subsidiaries	Fellow subsidiaries	Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Enterprise in which Holding Company has significant influence
Subscription to Share Capital							
Iora Hotels Private Limited	31-Mar-23	-	-	-	-	-	-
	31-Mar-22	-	6,999.99	-	-	-	-
Director Sitting Fees							
Mr. Ashish Kumar Guha	31-Mar-23	-	-	-	1.05	-	-
	31-Mar-22	-	-	-	1.15	-	-
Mr. Paramartha Saikia	31-Mar-23	-	-	-	1.20	-	-
	31-Mar-22	-	-	-	1.00	-	-
Mr. Pradeep Mathur	31-Mar-23	-	-	-	1.05	-	-
	31-Mar-22	-	-	-	0.75	-	-
Mr. Niten Malhan	31-Mar-23	-	-	-	0.70	-	-
	31-Mar-22	-	-	-	1.15	-	-
Amount given to the party							
Toucan Real Estates Private Limited	31-Mar-23	-	-	-	-	34.30	-
	31-Mar-22	-	-	-	-	148.52	-

Fleur Hotels Private Limited
Notes to Standalone financial statements for the year ended March 31, 2023

Transactions with Related Party	Year ended	Holding Company	Subsidiaries	Fellow subsidiaries	Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Enterprise in which Holding Company has significant influence
Guarantees Given for loan taken by							
Celsia Hotels Private Limited	31-Mar-23	-	3,263.00	-	-	-	-
	31-Mar-22	-	-	-	-	-	-
Iora Hotels Private Limited	31-Mar-23	-	2,000.00	-	-	-	-
	31-Mar-22	-	-	-	-	-	-
Amount Received on behalf of the Company							
Lemon Tree Hotels Limited	31-Mar-23	33.93	-	-	-	-	-
	31-Mar-22	63.38	-	-	-	-	-
Canary Hotels Private Limited	31-Mar-23	-	-	0.25	-	-	-
	31-Mar-22	-	-	0.28	-	-	-
Hyacinth Hotels Private Limited	31-Mar-23	-	0.25	-	-	-	-
	31-Mar-22	-	3.16	-	-	-	-
Inovoa Hotels & Resorts Limited	31-Mar-23	-	0.23	-	-	-	-
	31-Mar-22	-	-	-	-	-	-
Berggruen Hotels Private Limited	31-Mar-23	-	1.23	-	-	-	-
	31-Mar-22	-	-	-	-	-	-

Fleur Hotels Private Limited

Notes to Standalone financial statements for the year ended March 31, 2023

Transactions with Related Party	Year ended	Holding Company	Subsidiaries	Fellow subsidiaries	Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Enterprise in which Holding Company has significant influence
Bandhav Resorts Private Limited	31-Mar-23	-	0.25	-	-	-	-
	31-Mar-22	-	-	-	-	-	-
Oriole Dr Fresh Hotels Private Limited	31-Mar-23	-	-	0.25	-	-	-
	31-Mar-22	-	-	-	-	-	-
Sukhsagar Complexes Private Limited	31-Mar-23	-	-	0.25	-	-	-
	31-Mar-22	-	-	-	-	-	-
Manakin Resorts Private Limtied	31-Mar-23	-	-	0.25	-	-	-
	31-Mar-22	-	-	-	-	-	-
Interest Paid(Gross)							
Manakin Resorts Private Limited	31-Mar-23	-	-	33.81	-	-	-
	31-Mar-22	-	-	40.60	-	-	-
Amount paid on behalf of the party							
Lemon Tree Hotels Limited	31-Mar-23	3.09	-	-	-	-	-
	31-Mar-22	11.15	-	-	-	-	-
Hyacinth Hotels Private Limited	31-Mar-23	-	0.11	-	-	-	-
	31-Mar-22	-	1.55	-	-	-	-
Inovoa Hotels & Resorts Limited	31-Mar-23	-	0.13	-	-	-	-
	31-Mar-22	-	-	-	-	-	-

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Notes to Standalone financial statements for the year ended March 31, 2023

Transactions with Related Party	Year ended	Holding Company	Subsidiaries	Fellow subsidiaries	Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Enterprise in which Holding Company has significant influence
Berggruen Hotels Private Limited	31-Mar-23	-	-	-	-	-	-
	31-Mar-22	-	1.34	-	-	-	-
Oriole Dr. Fresh Hotels Private Limited	31-Mar-23	-	-	-	-	-	-
	31-Mar-22	-	-	0.51	-	-	-
Sukhsagar Complexes Private Limited	31-Mar-23	-	-	-	-	-	-
	31-Mar-22	-	-	0.06	-	-	-
Payment of Interest accrued but not due							
Iora Hotels Private Limited	31-Mar-23	-	228.06	-	-	-	-
	31-Mar-22	-	-	-	-	-	-
Interest accrued but not due (Gross)							
Iora Hotels Private Limited	31-Mar-23	-	-	-	-	-	-
	31-Mar-22	-	228.06	-	-	-	-
Balances outstanding at the year end- Loans given							
Inovoa Hotels & Resorts Limited	31-Mar-23	-	0.10	-	-	-	-
	31-Mar-22	-	8.92	-	-	-	-

Deloitte Haskins & Sells LLP Chartered Accountants

NEW DELHI

FLEUR HOTELS PVT. LTD. NEW DELHI

Fleur Hotels Private Limited
Notes to Standalone financial statements for the year ended March 31, 2023

Transactions with Related Party	Year ended	Holding Company	Subsidiaries	Fellow subsidiaries	Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Enterprise in which Holding Company has significant influence
Iora Hotels Private Limited	31-Mar-23	-	13,199.49	-	-	-	-
	31-Mar-22	-	1,383.11	-	-	-	-
Bandhav Resorts Private Limited	31-Mar-23	-	-	-	-	-	-
	31-Mar-22	-	21.34	-	-	-	-
Berggruen Hotels Private Limited	31-Mar-23	-	4,213.73	-	-	-	-
	31-Mar-22	-	3,639.80	-	-	-	-
Others	31-Mar-23	-	2.00	-	-	-	-
	31-Mar-22	-	2.00	-	-	-	-
Balances outstanding at the year end- Loans taken							
Manakin Resorts Private Limited	31-Mar-23	-	-	357.80	-	-	-
	31-Mar-22	-	-	417.70	-	-	-
Balances outstanding at the year end- Trade Payable							
Trade Payable							
Lemon Tree Hotels Limited	31-Mar-23	2,551.37	-	-	-	-	-
	31-Mar-22	1,767.87	-	-	-	-	-

Fleur Hotels Private Limited
Notes to Standalone financial statements for the year ended March 31, 2023

Transactions with Related Party	Year ended	Holding Company	Subsidiaries	Fellow subsidiaries	Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Enterprise in which Holding Company has significant influence
Mind Leaders Learning India Private Limited	31-Mar-23	-	-	-	-	-	2.95
	31-Mar-22	-	-	-	-	-	5.39
Advance recoverable							
Toucan Real Estate Private Limited	31-Mar-23	-	-	-	-	95.23	-
	31-Mar-22	-	-	-	-	-	-
Capital Advance							
Toucan Real Estate Private Limited	31-Mar-23	-	-	-	-	-	-
	31-Mar-22	-	-	-	-	79.90	-
Security Deposit							
Toucan Real Estate Private Limited	31-Mar-23	-	-	-	-	192.00	-
Guarantees Given for loan taken by	31-Mar-22	-	-	-	-	192.00	-
Hyacinth Hotels Private Limited	31-Mar-23	-	16,105.00	-	-	-	-
	31-Mar-22	-	16,105.00	-	-	-	-
Celsia Hotels Private Limited	31-Mar-23	-	2,709.00	-	-	-	-
	31-Mar-22	-	5,972.00	-	-	-	-

Fleur Hotels Private Limited

Notes to Standalone financial statements for the year ended March 31, 2023

Transactions with Related Party	Year ended	Holding Company	Subsidiaries	Fellow subsidiaries	Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Enterprise in which Holding Company has significant influence
Inovoa Hotels & Resorts Limited	31-Mar-23	-	3,481.00	-	-	-	-
	31-Mar-22	-	3,481.00	-	-	-	-
Berggruen Hotels Private Limited	31-Mar-23	-	18,600.00	-	-	-	-
	31-Mar-22	-	18,600.00	-	-	-	-
Iora Hotels Private Limited	31-Mar-23	-	2,000.00	-	-	-	-
	31-Mar-22	-	-	-	-	-	-
Guarantee Taken for Loan received							
Lemon Tree Hotels Limited	31-Mar-23	85,302.00	-	-	-	-	-
	31-Mar-22	85,302.00	-	-	-	-	-

Deloitte Haskins & Sells LLP Chartered Accountants

LEMON TREE HOTELS LTD. NEW DELHI

FLEUR HOTELS PVT. LTD. NEW DELHI

Terms and conditions of transactions with related parties

Outstanding balances with related parties at the year-end are unsecured and interest free and settlement occurs in cash. For the year ended March 31, 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2022: INR Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Commitments with related parties

The Company has not entered into any commitments with related parties during the year.

34. Fair value measurement

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument

a. Financial Assets (other than equity investment/ deemed investment in subsidiaries carried at cost)

Rs. in lakhs

	March 31, 2023		March 31, 2022	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets				
Trade Receivables	-	1,874.64	-	852.10
Security Deposits (non-current)	-	487.92	-	898.03
Other bank balances(including Fixed deposits under Lien)	-	469.36	-	154.36
Cash and Cash Equivalents	-	266.70		1,728.33
Interest accrued on deposit with banks and others	-	97.33	-	308.66
Loans		16,796.24		4,215.28
Total Financial Assets (other than equity investment/ deemed investment in subsidiaries carried at cost)	-	19,992.19	-	8,156.76

Note: The financial assets above do not include investments in subsidiaries which are measured at cost in accordance with Ind AS 27.

b. **Financial Liabilities**

Rs. in lakhs

	March 31, 2023		March 31, 2022	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Liabilities				
Borrowings	-	**102,023.01**	-	96,691.09
Trade Payables	-	**4,956.20**	-	3,827.85
Lease Liabilities	-	**14,343.35**	-	14,239.33
Other Current Financial Liabilities	-	**223.92**	-	223.01
Total Financial Liabilities	-	**121,546.48**	-	114,981.28

c. **Fair value measurement hierarchy for assets and liabilities**

Fair value measurement

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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

i) Level 1

Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

ii) Level 2

Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

iii) Level 3

Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

35 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include loans, trade and other receivables, and cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline in long term, accordingly the Company is currently carrying its loans at variable interest rates.

Rs. In lakhs

	March 31, 2023	March 31, 2022
Variable rate borrowings	1,01,576.34	96,559.77
Fixed rate borrowings	446.67	131.32

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Rs. In lakhs

Particulars	Increase/decrease in basis points	Effect on profit before tax
March 31, 2023		
Floating rate borrowing	50	467.33
Floating rate borrowing	-50	(467.33)
March 31, 2022		
Floating rate borrowing	50	447.35
Floating rate borrowing	-50	(447.35)

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has no exposure in foreign currency.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and deposits to landlords) and from its financing activities, including deposits with banks and other financial instruments.

(a) Trade receivables

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 11. The Company does not hold collateral as security.

Reconciliation of provision for doubtful debts - Trade receivables (including provision for expected credit loss)

	March 31, 2023	March 31, 2022
Provision at beginning	150.58	216.58
Addition during the year	-	-
Reversal during the year	-	66.00
Utilised during the year	-	-
Provision at closing	150.58	150.58

(b) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investment of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2023 and March 31, 2022 is the carrying amount as given in Note 11.

Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders. As at March 31, 2023, the Company had no sanctioned balance (March 31, 2022: 2,490 lakhs) of undrawn committed borrowing facilities.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Rs. In lakhs

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2023						
Borrowings*	2,208.38	204.10	2,454.50	39,015.51	58,958.76	1,02,841.25
Trade and other payables	4,956.19	-	-	-	-	4,956.19
Other Financial Liabilities	223.92	-	-	-	-	223.92
	7,388.49	**204.10**	**2,454.50**	**39,015.51**	**58,958.76**	**1,08,021.36**
Year ended March 31, 2022						
Borrowings*	2,032.63	8.30	396.17	26,851.13	68,287.21	97,575.44
Trade and other payables	3,827.85	-	-	-	-	3,827.85
Other Financial Liabilities	223.01	-	-	-	-	223.01
	6,083.49	**8.30**	**396.17**	**26,851.13**	**68,287.21**	**101,626.30**

*represents un-discounted cashflows

The table provides details regarding the contractual maturities of lease liabilities as of March 31, 2023 as on undiscounted basis

Particulars	As at March 31, 2023	As at March 31, 2022
Minimum Lease Payments :		
Not later than one year	**1,276.54**	1,265.42
Later than one year but not later than five years	**5,887.00**	5,657.68
Later than five years	**26,661.08**	28,166.94
Total	**33,824.62**	35,090.04

36 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makesadjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Companymayadjust the dividendpayment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade payables, less cash and cash equivalents.

Rs. In lakhs

	March 31, 2023	March 31, 2022
Borrowings (Note 15 and Note 19) (Net of Processing Fee)	1,02,023.01	96,691.09
Trade payables (Note 19)	4,956.20	3,827.85
Less: cash and cash equivalents (Note 11)	266.70	1,728.33
Net debt	**1,06,712.51**	**98,790.61**
Total capital	1,60,019.23	156,442.20
Capital and net debt	**266,731.23**	**255,232.81**
Gearing ratio	**40%**	**39%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no significant breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

37. Amendements/Standards notified but not yet effective

a) The Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, the MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, which are applicable for annual reporting periods beginning from April 01, 2023, as below:

Ind AS 1 – Presentation of Financial Statements- This amendment requires companies to disclose their material accounting policies information rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect to have any significant impact in its financial statements due to this amendment

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors- This amendment will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The Company does not expect to have any significant impact in its financial statements due to this amendment.

Ind AS 12 – Income Taxes- The amendment has narrowed the scope of the recognition exemption so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect to have any significant impact in its financial statements due to this amendment.

Other amendments- Other amendments include amendments in Ind AS 102, Share-based Payments, Ind AS 103, Business Combination, Ind AS 109, Financial Instruments, Ind AS 115, Revenue from Contract with Customers, are mainly editorial in nature in order to provide better clarification of respective Ind AS. The Company does not expect to have any significant impact in its financial statements due to these amendments

b) Note on Social Security:

The Code on Wages, 2019 and Code on social security, 2020 ("the codes") relating to employee compensation and post-employment benefits that received Presidential assent have not been notified. Further, the related rules for quantifying the financial impact have not been notified. The Company will assess the impact of the codes when the rules are notified and will record any related impact in the period in which the Codes become effective.

There are no new amendements/standards (other than above) that are notified, but not yet effective up to the date of issuance of the Company's financial statements.

38. Ratio Analysis and its elements

S.No.	Ratio	Numerator	Denominator	March 2023	March 2022	% Variance	Reason for variance
1	Current Ratio	Current Asset	Current liabilities	1.74	0.63	174.81%	Increase is mainly due to increase in current assets, trade receivable and loan
2	Debt Equity Ratio	Total Debt	Shareholder equity	0.64	0.62	3.17%	-
3	Debt service coverage Ratio	Earnings available for debt service	Debt service	1.77	0.42	317.36%	Increase is on account of increase in revenue as compared to previous year
4	Return on Equity	Net profit after taxes	Average shareholders equity	2.26%	(5.10%)	(144.26%)	Increase in profit as compared to previous year

Fleur Hotels Private Limited
Notes to financial statements for the year ended March 31, 2023

S.No.	Ratio	Numerator	Denominator	March 2023	March 2022	% Variance	Reason for variance
5	Inventory Turnover Ratio	Cost of goods sold	Average Inventory(excluding Stores, cutlery, crockery, linen)	17.63	11.06	51.77%	Increase in revenue has lead to Decrease inventory levels
6	Trade Receivable turnover Ratio	Net total sales	Avg. accounts receivable	27.45	18.09	51.77%	Increase in revenue has lead to increase average debtors
7	Trade Payables turnover Ratio	Net credit purchase	Average Trade Payable	NA	NA	NA	Not applicable to the Company considering nature of services of the Company
8	Net capital Turnover Ratio	Net Sales	Working capital	4.60	(5.73)	(180.23 %)	Increase in revenue and working capital levels as compared to previous year
9	Net Profit Ratio	Net Profit	Net sales	9.55%	(44.89%)	(121.08%)	Increase in revenue as compared to previous year
10	Return on capital employed	EBIT	Capital employed	5.05%	0.35%	1327.06%	Increase in revenue to as compared to previous year
11	Return on investment	Interest(Finance income)	Investment	NA	NA	NA	Not applicable to the Company considering the investments are made to subsidiaries with long term growth outlook

(i) Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and otheramortizations + Interest + other adjustments like loss on sale of Fixed assets etc which are non cash in nature.

(ii) DebtService = Interest & Lease Payments + Principal Repayments (excluding prepayments).

(iii) Capital Employed= Net worth+ Total Debt + Deferred Tax Liability-Net Intangible assets-Intangible assets under development

(iv) Working Capital= Currrnt Assets- Currentliabilities

(v) EBIT= Earning before interest and taxes

Deloitte Haskins & Sells LLP Chartered Accountants

LEMON TREE HOTELS LTD. NEW DELHI

FLEUR HOTELS PVT. LTD. NEW DELHI

39. Segment Reporting

The Company is into Hotelliering business. The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore there is no reportable segment for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about geographical areas

The Company has only domestic operations and hence no information required for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about major customers

No customer individually accounted for more than 10% of the revenue for the year ended March 31, 2023 and March 31, 2022.

40. Amalgamation of Begonia Hotels Private Limited & Nightingale Hotels Private Limited

During the previous year ended March 31, 2021, the National Company Law Tribunal approved the order of scheme of amalgamation dated March 22, 2021 in respect of amalgamation of Begonia Hotels Private Limited & Nightingale Hotels Private Limited (the Transferor Company) with Fleur Hotels Private Limited (the Company) and the scheme was effective from March 31, 2021. The Appointed date is April 01, 2019.The Company has made allotment of 95,57,461 equity shares to the shareholders of the Transferor Company on April 20, 2021 as per the swap ratio mentioned in the Scheme. The assets, liabilities and reserves of the Transferor Company as at April 01, 2019 has been taken over at their carrying values. This transaction has been accounted as per Ind AS 103 using the pooling of interest method and maintaining the identity of the reserves as those appeared in the standalone financial statements of the Transferor Company.

Name of the Company	Principal Activity	Date of Acquisition	Proportion of voting equity interest acquired	Consideration transferred
Begonia Hotels Private Limited	Hotel Business	April 1, 2019	100%	1,46,45,682 shares of the Begonia Hotels Private Limited before amalgamation stands cancelled and 41,25,544 number of shares has been issued on April 20, 2021 to the shareholders of Begonia Hotels Private Limited for consideration other than cash.
Nightingale Hotels Private Limited	Hotel Business	April 1, 2019	100%	13,03,66,000 shares of the Nightingale Hotels Private Limited before amalgamation stands cancelled and 54,31,917 number of shares had been issued as on April 20, 2021 to the shareholders of Nightingale Hotels Private Limited for consideration other than cash.

The detail of asset acquired and liabilities recognized as at April 1, 2019 are as follows:

Rs. in lakhs

Particulars	Begonia Hotels Private Limited Value of asset as on April 1, 2019	Nightingale Hotels Private Limited Value of asset as on April 1, 2019
Assets		
Property, plant and equipment(including intangible assets)	1,567.95	9,014.07
Financial assets-Non Current	2,301.10	1,154.56
Other Non-Current Assets	46.02	90.33
Inventories	13.67	21.42
Financial assets-Current	793.92	1,202.95
Other Current Assets	75.28	56.03
Total Assets	**4,797.95**	**11,539.36**
Liabilities		
Borrowings	25.64	4,947.42
Other financial liabilities	373.67	570.97
Provisions	5.77	11.56
Other current liabilities	65.87	55.95
Deferred Tax Liabilities (Net)	37.60	-
Total Liabilities	**508.54**	**5,585.89**
Other equity	4,142.92	4,649.85
Equity share capital of Fleur Hotels Private Limited issued as per the swap ratio to shareholders of the Transferor Company.	412.55	543.19
Capital Reserve A/c recognized as on April 1, 2019	**(266.07)**	**760.43**

41. During the year Company has received Entitlement certificate for subsidy under Rajasthan Investment Promotion Scheme ('RIPS') 2014 dated December 6 2022, based on which the Company shall be eligible for 50% of the SGST paid on Aurika Hotels, Udaipur till October 29, 2026.

42. The Company does not have any long term contracts including derivative contracts for which there are any material foreseeable losses.

43. There is no such immovable property whose title deed is not in the favor of the Company.

44. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006.

Rs. in Lakhs

	March31, 2023	March31, 2022
the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	563.58	266.97
the amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

45. There has been no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

46. During the previous year March 31, 2022, the Company had made provision of estimated stamp duty expense of Rs. 1525.03 lakhs on amalgamation of Meringue Hotels Private Limited, Begonia Hotels Private Limited and Nightingale Hotels Private Limited. This provision of stamp duty expense was a one- time expense of non-recurring nature. As on March 31, 2023, Company is carrying provision of Rs 86.36 lakhs (refer note 17).

47. During the year ended March 31, 2022, the Company had reached an arrangement with the Lessor for termination of lease in Chandigarh which was subsequently approved by the High Court of Punjab and Haryana on April 18, 2022. Basis this arrangement, lease accounting for the said property has been terminated by derecognizing Right of Use of Assets, Lease liability and Security deposits. Accordingly gain on termination of lease for Rs 323.67 Lakhs has been recognized in Other Income (Refer Note 22)

48. Other Statutory Information

(i) The Company have not traded or invested in Crypto currency or Virtual currency during the financial year.

(ii) The Company have not 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.

(iii) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under Benami Transactions (Prohibition) Act, 1988.

(iv) The Company do not have any transaction with companies struck off.

(v) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(vi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vii) During the year, the Company has not entered into any scheme of arrangements in terms of section 230 to 237 of the Companies Act, 2013 and accordingly, the prescribed disclosures of Schedule III are not required to be given.

(viii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or,

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(ix) The Company have not receivedany funds from any person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or,

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

49. Previous year figures have been regrouped/ reclassified wherever necessary to correspond with the current year classification.

For and on behalf of the Board of Directors of
Fleur Hotels Private Limited

Patanjali G. Keswani
Managing Director
DIN-00002974

Aditya Madhav Keswani
Director
DIN-07208901

Sonali Manchanda
Company Secretary

Mem. no.- F7283

Inder Pal Batra
Chief Financial Officer

Place : New Delhi
Date :May 29, 2023

Deloitte Haskins & Sells LLP Chartered Accountants

FLEUR HOTELS PVT. LTD. NEW DELHI

LEMON TREE HOTELS LTD. NEW DELHI

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Haryana, India

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INDEPENDENT AUDITOR'S REPORT

To The Members of Fleur Hotels Private Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Fleur Hotels Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the standalone financial statements, including a summary of 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 standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our

knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including 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 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement

resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone 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.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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 financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 not complying with the requirement of audit trail as stated in (i)(vi) below.





c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f) The modification relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.

g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, no remuneration (except sitting fees) has been paid by the Company to its directors during the year.

I) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 32(c) to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. Refer Note 41 to the standalone financial statements;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. Refer Note 44 to the standalone financial statements;

iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 47 (viii) to the standalone 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.

(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 47(ix) to the standalone 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 Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the year ended March 31, 2024 wherein:

(a) an accounting software did not have audit trail feature enabled throughout the year,

(b) in respect of a revenue management software used for maintaining its revenue records, has a feature of recording audit trail (edit log) facility and the same has operated from July 1, 2023 for all relevant transactions recorded in the software except the software does not have feature of audit trail at database level to log direct data changes.

Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with wherever enabled, in respect of accounting software for the period for which the audit trail feature was operating.
(Refer note 46 of the standalone financial statements).

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

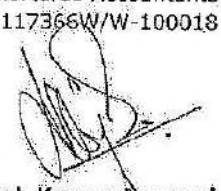




2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018





Rajesh Kumar Agarwal
Partner
Membership No. 105546
UDIN: 24105546BKEPDA4140

Place: Gurugram
Date: May 28, 2024



Deloitte
Haskins & Sells LLP

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT of FLEUR HOTELS PRIVATE LIMITED
(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Fleur Hotels Private Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone 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 standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to standalone financial statements 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.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Deloitte Haskins & Sells LLP Chartered Accountants

Rajesh Kumar Agarwal
Partner
Membership No. 105546
UDIN: 24105546BKEPDA4140

Place: Gurugram
Date: May 28, 2024

NEW DELHI

Deloitte
Haskins & Sells LLP

Annexure "B" To The Independent Auditor's Report of Fleur Hotels Private Limited

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of verification of property, plant and equipment so to cover all the items once every two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on the examination of the confirmation received by us from "Vistra ITCL (India) Limited" (custodian) on behalf of Yes Bank, "Catalyst Trusteeship Limited" (custodian) on behalf of Aditya Birla Finance Limited, Kotak Mahindra Bank, Axis Bank, HDFC Bank and IndusInd Bank in respect of immovable properties of land and buildings (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment whose title deeds have been pledged as security for loans and guarantees are held in the name of the Company as at the balance sheet date except for the following:

Description of Property	Gross carrying value (Rs. in lakhs)	Held in name of	Whether Promoter, director or their relative or employee	Period held	Reason for not being held in name of company
Freehold land of Lemon Tree Hotel located at Andheri Mumbai admeasuring 5,552.9 sqmt	784.69	Meringue Hotels Private Limited	N/A	January 31, 2020	Meringue Hotels Private Limited was amalgamated with Fleur Hotels Private Limited under section 230-232 of the Companies Act, 2013 in terms of the approval of the National company Law tribunal.

(d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising operating performance (MIS) filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.

(iii) The Company has not made investments or provided security and advances in nature of loans to any other entity during the year. The Company has granted unsecured loans and stood guarantees to wholly owned subsidiaries during the year, in respect of which:

(a) The Company has provided loans and stood guarantees during the year and details of which are given below:

Particulars	Guarantees (Rs. in lakhs)	Loans (Rs in lakhs)
A. Aggregate amount granted /provided during the year to Wholly owned subsidiaries:	46,000.00	17,228.51
B. Balance outstanding as at balance sheet date in respect of Wholly owned subsidiaries:	69,577.00	18,766.71*

* Includes equity component of loan given to subsidiary as per Ind AS 109 for Rs.2,566.05 lakhs and excludes interest accreted on the loan component for Rs. 459.28 Lakhs.

(b) According to the information and explanations given to us, the Company has, during the year, provided guarantees and granted interest free unsecured loans (refer reporting under clause (iii) (a) above and clause (iii)(f) below) to wholly owned subsidiaries covered in the register





maintained under section 189 of the Companies Act, 2013, which, as explained to us, have been made for meeting working capital requirements and/or setting up new projects. In respect of these guarantees provided and loans granted, the terms and conditions are, in our opinion, prima facie, not prejudicial to the Company's interest after considering the purpose for which guarantees are provided and loans have been granted.

(c) The Company has granted loans to wholly owned subsidiaries amounting to Rs. 10,765.56 lakhs which are repayable on demand. During the year the Company has not demanded such loan. Having regard to the fact that the repayment of principal or payment of interest has not been demanded by the Company, in our opinion the repayments of principal amounts and receipts of interest are regular. (Refer reporting under clause (iii)(f) below)

In respect of loans amounting to Rs. 8,001.15 Lakhs (including demand loan converted to Long term loan amounting Rs.5,000.00 Lakhs during the year) which was granted to one of its wholly owned subsidiary, the schedule of repayment of principal has been stipulated and the repayments of principal amounts are regular as per stipulation.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties. During the year the Company has converted loan repayable on demand given to wholly owned subsidiary amounting Rs. 5,000.00 Lakhs to long term loans repayable as per stipulated schedule. (refer clause(iii)(c) above)

(f) The Company has granted loans which are repayable on demand amounting Rs. 10,765.56 lakhs, to its wholly owned subsidiaries. These loans constitutes 57% of total loans given by the Company.

(iv) The Company has complied with the provisions of sections 186 of the Companies Act, 2013 in respect of making investments. The Company has not granted any loans or provided guarantee or security under section 185 of Companies Act 2013. As per section 186 (11) read with schedule VI, provision for section 186 with respect to grant of loans and providing guarantees would not apply to the Company as the Company is providing infrastructural facilities.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.

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LEMON TREE HOTELS LTD. NEW DELHI

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Service tax, Income-tax, Value Added Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities in all cases during the year. We are informed that the duty of Custom, sales tax and duty of Excise is not applicable to the company.

There were no undisputed amounts payable in respect of Goods and Service tax, Service tax, Provident Fund, Employees' State Insurance, Income-tax, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

Name of Statute	Nature of Dues	Amount Involved (Rs. In lacs)	Period (FY) to which the amount relates	Forum where dispute is pending
Service Tax Rule, 1994	Service Tax	79.34*	2007-2012	Central Excise and Service Tax Appellate Tribunal
Service Tax Rule, 1994	Service Tax	49.88	2012-2017	Central Excise and Service Tax Appellate Tribunal
Income tax Act, 1961	Income Tax	16.53**	FY 2016-17	CIT (A)

* Net of Rs. 23.10 lakhs paid under protest
** Net of Rs. 10.72 lakhs paid under protest/adjusted against refund

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no unutilized term loans at the beginning of the year and hence, reporting under clause(ix)(c) of the order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes of the Company.

(e) On overall examination of financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates. According to the information and explanations given to us by the management, the Company has utilised funds from internal accruals for investing and granting loans to its wholly owned subsidiaries. (refer reporting under clause (iii) above)

(f) The Company has not raised any loans during the year and hence reporting on clause(ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company. During the year, the Company has converted Compulsory convertible preference shares into equity shares amounting to Rs. 537.63 Lakhs (excluding security premium of Rs. 16,962.35 Lakhs) (Refer Note 13 of the financial statements)

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, and according to the explanation given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year.

Deloitte Haskins & Sells LLP Chartered Accountants

NEW DELHI

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

As informed by the management of the Company, the Group has one CIC as part of the group.

(xvii) The Company has not incurred any cash losses in the financial year covered by our audit and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, 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 Company did not have average net profits during the three immediately preceding financial years and hence is not required to spend any money under sub section (5) of Section 135(5) of the Act. There are no unspent CSR amounts for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Deloitte Haskins & Sells LLP Chartered Accountants

Rajesh Kumar Agarwal
Partner
Membership No. 105546
UDIN: 24105546BKEPDA4140

Place: Gurugram
Date: May 28, 2024

Fleur Hotels Private Limited
CIN: U55101DL2003PTC207912
Standalone Balance Sheet as at March 31, 2024

Particulars	Note	As at March 31, 2024 Rs. In lakhs	As at March 31, 2023 Rs. in lakhs
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	1,33,845.07	1,36,395.54
(c) Other intangible assets	5	37.17	62.17
(d) Intangible assets under development	4	-	277.53
(e) Right-of-use asset	6	10,582.31	10,733.39
(f) Financial assets	7		
(i) Investments		1,13,843.68	1,12,117.52
(ii) Loans		4,878.78	2,319.39
(iii) Other non-current financial assets		514.77	696.83
(g) Deferred tax assets (net)	18	-	-
(h) Non-current tax assets (net)	8	771.28	703.14
(i) Other non-current assets	9	10.73	12.69
		2,34,483.79	2,63,318.17
Current assets			
(a) Inventories	10	532.61	424.60
(b) Financial assets	11		
(i) Trade receivables		2,233.57	1,874.64
(ii) Cash and cash equivalents		832.26	266.70
(iii) Other bank balances		250.00	330.00
(iv) Loans		11,781.16	14,476.85
(v) Other current financial assets		259.53	27.77
(c) Other current assets	12	2,198.67	1,700.26
		18,587.80	19,100.82
Total Assets		2,53,071.59	2,82,418.99
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	13(a)	9,783.15	9,245.52
(b) Instruments entirely equity in nature	13(b)	-	537.63
(c) Other equity	14	1,55,839.04	1,50,236.08
Total Equity		1,65,622.19	1,60,019.23
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	88,836.74	97,156.03
(ii) Lease liabilities	16	14,831.36	14,255.60
(b) Provisions	17	29.24	29.79
		1,03,697.34	1,11,441.42
Current liabilities			
(a) Financial liabilities	19		
(i) Borrowings		8,697.09	4,866.98
(ii) Lease liabilities		89.85	87.75
(iii) Trade payables			
- total outstanding dues of micro enterprises and small enterprises		600.28	563.58
- total outstanding dues of creditors other than micro enterprises and small enterprises		2,756.74	4,392.62
(iv) Other financial liabilities		239.99	223.92
(b) Other current liabilities	20	1,127.03	680.59
(c) Provisions	17	141.08	142.90
		13,752.06	10,958.34
Total Liabilities		1,17,449.40	1,22,399.76
Total Equity and Liabilities		2,83,071.59	2,82,418.99
Summary of material accounting policies	2.2		
The accompanying notes are an integral part of the financial statements.	1 to 48		

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants

Rajesh Kumar Agarwal
Partner

Place : Gurugram
Date : May 28, 2024

For and on behalf of the Board of Directors of
Fleur Hotels Private Limited

Pratanjali Govind Keswani
Managing Director
DIN-00002974
Place : Mumbai

Mayank Sharma
Chief Financial Officer

Place : New Delhi
Date : May 28, 2024

Aditya Madhav Keswani
Director
DIN-07208901
Place : Mumbai

Ishita Jain
Company Secretary
Membership No. A25828

Place : New Delhi

Fleur Hotels Private Limited
CIN: U55101DL2003PTC207912
Standalone Statement of Profit and Loss for the year ended March 31, 2024

Particulars	Note	For the year ended March 31, 2024 Rs. in lakhs	For the year ended March 31, 2023 Rs. in lakhs
Revenue from operations	21	43,291.59	37,424.72
Other income	22	47.04	126.27
Total income		43,338.63	37,550.99
Expenses			
Cost of food & beverages consumed	23	2,648.41	2,261.42
Employee benefits expense	24	5,650.42	4,990.11
Power and fuel	25(a)	2,672.53	2,557.89
Stamp duty expenses	25(b)	-	478.42
Other expenses	25(c)	12,247.94	9,619.50
Total expenses		23,216.30	19,907.34
Profit before finance cost, finance income depreciation and amortization, and tax (EBITDA) (Refer note 2.2 (p))		20,122.33	17,643.65
Finance costs	26	10,730.87	9,972.17
Finance income	27	(331.89)	(331.27)
Depreciation and amortization expense	28	4,098.35	4,427.70
Profit before tax		5,604.60	3,575.05
Tax expense			
(1) Current tax	18	-	-
(2) Deferred tax	18	-	-
		-	-
Profit for the year		5,604.60	3,575.05
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
Re-measurement losses on defined benefit plans		(1.64)	1.98
Income tax effect		-	-
		(1.64)	1.98
Total comprehensive income for the year		5,602.96	3,577.03
Earning per equity share:			
(1) Basic	29	5.73	3.65
(2) Diluted	29	5.73	3.65

1 to 48

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants

Rajesh Kumar Agarwal
Partner

Place : Gurugram
Date : May 28, 2024

For and on behalf of the Board of Directors of
Fleur Hotels Private Limited

Patanjali Govind Keswani
Managing Director
DIN-00002974
Place : Mumbai

Aditya Madhav Keswani
Director
DIN-07208901
Place : Mumbai

Vinayak Sharma
Chief Financial Officer

Place : New Delhi
Date : May 28, 2024

Isha Jain
Company Secretary
Mem no. : A25838

Place : New Delhi

Fleur Hotels Private Limited
CIN: U55101DL2003PTC207912
Standalone Statement of Changes in Equity for the year ended March 31, 2024

A. Equity Share Capital

Equity shares of Rs. 10 each issued, subscribed and fully paid	No. of shares	Amount (Rs in lakhs)
As at April 1, 2022	9,24,95,153	9,249.52
Issue of share capital	-	-
As at March 31, 2023	9,24,95,153	9,249.52
Conversion of CCPS into equity shares during the year	53,76,340	537.63
As at March 31, 2024	9,78,71,493	9,787.15

B. Compulsorily Convertible Preference Shares (instruments entirely equity in nature)

Preference shares of Rs. 10 each issued, subscribed and fully paid	No. of shares	Amount (Rs in lakhs)
As at April 1, 2022	53,76,340	537.63
Issue of share capital	-	-
As at March 31, 2023	53,76,340	537.63
Conversion of CCPS into equity shares during the year	(53,76,340)	(537.63)
As at March 31, 2024	-	-

C. Other Equity

Rs. in lakhs

	Reserves and Surplus		Items of OCI	Equity Component- Preference Share	Reserves and Surplus	Other Equity
	Securities Premium	Surplus/(Deficit) in the Statement of Profit and Loss	Remeasurement gains/(losses) on defined benefit plans		Capital Reserve Account*	
Balance as at April 1, 2022	1,65,539.11	(18,156.89)	3.10	33.58	(310.65)	1,46,659.04
Profit for the year	-	3,575.05	-	-	-	3,575.05
Other comprehensive income for the year	-	-	1.98	-	-	1.98
Total comprehensive income for the year	-	3,575.05	1.98	-	-	3,577.03
Balance as at March 31, 2023	1,65,539.11	(14,581.84)	5.08	33.58	(310.65)	1,50,236.08
Profit for the year	-	5,604.60	-	-	-	5,604.60
Other comprehensive income for the year	-	-	(1.64)	-	-	(1.64)
Total comprehensive income for the year	-	5,604.60	(1.64)	-	-	5,602.96
Balance as at March 31, 2024	1,65,539.11	(9,076.44)	3.44	33.58	(310.65)	1,55,839.04

* Refer Note. No.14

The accompanying notes are an integral part of the financial statements.

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As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants

Rajesh Kumar Agarwal
Partner

Place : Gurugram
Date : May 28, 2024

For and on behalf of the Board of Directors of
Fleur Hotels Private Limited

Jitendra Govind Keswani
Managing Director
DIN-00002974
Place : Mumbai

Mayank Sharma
Chief Financial Officer

Place : New Delhi
Date : May 23, 2024

Aditya Madhav Keswani
Director
DIN-02208801
Place : Mumbai

Isha Jain
Company Secretary
Membership No. A29335

Place : New Delhi

Fleur Hotels Private Limited
CIN: U55101DL2003PTC207912
Standalone Statement of Cash flow for the year ended March 31, 2024

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
A. Cash flow from operating activities		
Profit before tax	5,604.60	3,575.05
Non-cash adjustments to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortisation expenses	4,098.75	4,427.70
Finance income (including fair value change in financial instruments)	(311.89)	(331.27)
Finance costs (including fair value change in financial instruments)	10,474.99	9,714.91
Provision for doubtful debts and advances	49.74	-
Provision for gratuity	12.34	11.70
Provision for leave encashment	5.92	7.00
Excess provision/ credit balances written back	(6.74)	(19.84)
Net loss/(gain) on write off/sale of property plant and equipment	27.87	(6.26)
Operating profit before working capital changes:	19,955.58	17,378.99
Movements in working capital:		
Increase in trade receivables	(408.66)	(1,022.54)
Increase in loans and advances and other current assets	(533.58)	(473.97)
Increase in inventories	(108.01)	(100.60)
Decrease in liabilities and provisions	(1,081.00)	(215.84)
Cash Generated from Operations	17,824.33	15,566.04
Direct taxes paid (net of refunds)	(68.15)	(231.17)
Net cash flow from operating activities (A)	17,756.18	15,334.87
B. Cash flows used in investing activities		
Purchase of property, plant and equipment (adjustment of intangible under development, capital advances and capital creditors)	(679.05)	(206.19)
Proceeds from sale of property, plant & equipment	(0.01)	7.44
Short term loans (given)/repaid (to)/by subsidiaries	(1,589.86)	(12,580.96)
Investment in fixed deposits	(452.25)	(315.00)
Interest received	331.54	545.18
Net Cash flow used in investing activities (B)	(2,389.63)	(12,549.53)
C Cash flows used in financing activities		
Payment towards reduction of outstanding lease liabilities	(1,274.44)	(1,271.10)
Proceeds from long term borrowings	16.46	5,490.00
Repayment of long term borrowings	(2,669.49)	(414.40)
(Repayment)/proceeds from short term borrowings	(1,923.08)	175.75
Interest paid	(8,950.44)	(8,227.22)
Net Cash flow used in financing activities (C)	(14,800.99)	(4,246.97)

Deloitte Haskins & Sells LLP Chartered Accountants

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LEMON TREE HOTELS NEW DELHI

Fleur Hotels Private Limited
CIN: U55101DL2003PTC207912
Standalone Statement of Cash flow for the year ended March 31, 2024

Particulars	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Net decrease in cash and cash equivalents (A + B + C)	565.56	(1,461.63)
Cash and cash equivalents at the beginning of the year	266.70	1,728.33
Cash and cash equivalents at the end of the year	832.26	266.70
Components of cash and cash equivalents (refer note 11)		
Cash on Hand	18.99	20.36
Balances with scheduled banks in		
- Current accounts	813.27	246.34
Total cash and cash equivalents	832.26	266.70

The accompanying notes are an integral part of the financial statements. 1 to 48

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants

Rajesh Kumar Agarwal
Partner

Place : Gurugram
Date : May 28, 2024

For and on behalf of the Board of Directors of
Fleur Hotels Private Limited

Patanjali Govind Keswani
Managing Director
DIN-00002974
Place : Mumbai

Aditya Madhav Keswani
Director
DIN-07208901
Place : Mumbai

Mayank Sharma
Chief Financial Officer

Isha Jain
Company Secretary
Mem no- A25833

Place : New Delhi
Date : May 28, 2024

Place : New Delhi

1. Corporate Information

Fleur Hotels Private Limited (the Company) is a private Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at Asset No. 6, Aerocity Hospitality District, New Delhi-110037.

The principal activities of the Companyis to carry out business of developing, owning, acquiring, renovating and promoting hotels, motels, resorts, restaurants, etc. under the brand name of Lemon Tree Hotel, Lemon Tree Premier, Red Fox Hotel and Aurika.

The financial statements are approved for issue in accordance with a resolution of the directors on May28, 2024.

2 Basis of preparation of financial statements and material accounting policies

2.1 Basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), and the provisions of the Companies Act,2013 ('the Act') (to the extent notified) The Ind AS are prescribed under Section 133 of the Act read with Rule3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities which are measured at fair value/ amortised cost (refer note 34 below)

Accounting policies have been consistently applied.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, expect where otherwise indicated.

2.2 Summary of material accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(b) Foreign currencies

Functional and presentation currency

The Company's financial statements are presented in INR, which is also the Company's functional currency. Presentation currency is the currency in which the Company's financial statements are presented. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash. All the financial information presented in Indian Rupees (INR) has been rounded to the nearest of lakhs rupees, except where otherwise stated.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in Other comprehensive income ("OCI") or profit or loss are also recognised in OCI or profit or loss, respectively).

(c) **Fair value measurement**

The Company measures financial instruments at fair value at each balance sheet date except to certain instruments which are measured at Amortized cost/ historic cost.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value. External valuers are involved for valuation of significant assets and liabilities. The management selects external valuer on various criteria such as market knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 30)
- Quantitative disclosures of fair value measurement hierarchy (note 34)
- Financial instruments (including those carried at amortised cost) (note 34)

(d) Revenue recognition

The Company earns revenue primarily from the business of carrying developing, owning, acquiring, renovating and promoting hotels, motels, resorts, restaurants, etc. under the brand of Lemon Tree Premier, Lemon Tree Hotel, Red Fox Hotel and Aurika.

The Company apply Ind AS 115 "Revenue from Contracts with Customers" which establishes a comprehensive framework to depict timing and amount of revenue to be recognised.

In arrangements for room revenue and related services, the Company has applied the guidance in Ind AS 115 for recognition of Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering room revenue and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognized.

Value added tax (VAT)/Goods and Service Tax(GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Rooms, Restaurant, Banquets and Other Services

Income from guest accommodation is recognized on a day to day basis after the guest checks into the Hotels and are stated net of allowances. Incomes from other services are recognized as and when services are rendered. Sales are stated exclusive of Value Added Taxes (VAT) /Goods and Service Tax(GST) and Luxury Tax. Difference of revenue over the billed as at the year-end is carried in financial statement as unbilled revenue separately.

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, sale of food and beverage are recognized at the points of serving these items to the guests. Sales are stated exclusive of VAT/Goods and Service Tax(GST).

Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the income statement.

Dividends

Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Government grant

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. They exclude those forms of government assistance which cannot reasonably have a value placed upon them and transactions with government which cannot be distinguished from the normal trading transactions of the entity. Government grants are recognized where there is reasonable assurance that the Company will comply with the conditions attached to it and that the grants will be received.

Grants are presented as part of income in the statement of profit and loss; alternatively they are deducted in reporting the related expense.

(e) Taxes

Taxes comprises current tax and deferred tax.
Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the balance sheet approach method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets (including MAT credit available) is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date.

If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

Value added taxes/goods and service tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of value added taxes/goods and service tax paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

(f) Property, plant and equipment(including capital work in progress)

Property plant and equipment (PPE) is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. Freehold land is not depreciated. Capital work in progress is stated at cost.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on fixed assets is provided as per schedule II of Companies Act, 2013 on Straight Line Method over its economic useful life of PPE as follows:

Property plant and equipment	Useful life considered (SLM)
Building	60 Years/Lease remaining life
Plant & Machinery	15 Years
Electrical installations and fittings	10 Years
Office Equipments	5 Years
Furniture and Fixtures	8 Years
Commercial Vehicles	6 Years
Private Vehicles	8 Years
Computers	3 Years
Crockery, cutlery and soft furnishings	3 Years
Networks and Servers	6 Years

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end, and adjusted prospectively if appropriate.

(g) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as 3 years and the same shall be amortised on straight line basis over its useful life.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually at year end either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 income statement when the asset is derecognized.

(h) Borrowing costs

Borrowing cost includes interest expense as per Effective Interest Rate (EIR).

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset until such time that the assets are substantially ready for their intended use. Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance a project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Company during the year. Capitalisation of borrowing costs is suspended and charged to profit and loss during the extended periods when the active development on the qualifying assets is interrupted.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial liability or a shorter period, where appropriate, to the amortised cost of a financial liability after considering all the contractual terms of the financial instrument.

(i) Leases

The Company assesses that the contract is, or contains, a lease if the contract 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:

(1) The contract involves the use of an identified asset,
(2) The Company has substantially all of the economic benefits from use of the identified asset, and
(3) The Company has the right to direct the use of the identified asset.

Company as a lessee

The Company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated from the commencement date over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments over the lease term. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company adopts the incremental borrowing rate for the entire portfolio of leases as a whole. The lease payments shall include fixed payments, variable lease payments, exercise price of a purchase option and payments of penalties for terminating the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 to leases for which the underlying asset is of low value. The lease payments associated with these low value leases are recognized as an expense on a straight-line basis over the lease term.

Company as a lessor

Leases where the Company does not transfer substantially all the risks and rewards incidental to ownership of the asset are classified as operating leases. Lease rentals under operating leases are recognized as income on a straight-line basis over the lease term.

(j) Inventories

Stock of food & beverages, stores and operating supplies are valued at lower of cost and net realisable Value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a first in first out basis.Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make sale.

(k) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair valueless costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.







The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

Impairment lossesincluding impairment on inventories, are recognised in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(l) Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent Assets/ Liabilities

Contingent assets are not recognised. However, when realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

Contingent liabilities are disclosed in notes to accounts when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(m) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to 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, for example, a reduction in future payment or a cash refund.

Retirement benefit in the form of gratuity is a defined benefit scheme.Gratuity liability of employees is accounted for on the basis of actuarial valuation on projected unit credit method at the close of the year. Company's contribution made to Life Insurance Corporation is expensed off at the time of payment of premium.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.TheCompany recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Retirement benefits in the form of Superannuation Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

The Company treats leave expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurementgains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

(n) 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.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at amortised cost
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- Equity instruments in subsidiaries carried at cost

Debt instruments at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:

(i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. The difference between the transaction amount and amortized cost in case of interest free loan to subsidiaries based on the expected repayment period is considered as 'deemed investment on account of interest free loan to subsidiaries' (Refer Note 7(ii)). After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. If there is any change in estimate for payment of loan (provided that there was no error in original estimate) , difference in carrying amount and repayment has been adjusted as return on capital by the parent, based on condition/ situation prevailing on that date. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments

All equity investments (other than equity investments in subsidiaries) in scope of Ind AS 109 are measured at fair value. Equity instruments in subsidiaries are carried at cost in separate financial statements less impairments if any. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Financial assets that are debt instruments and are measured as at FVTOCI
c) Trade receivables or any contractual right to receive cash or another financial asset

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables:

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Debt instruments measured at FVTOCI: There are no instruments measured at FVTOCI.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:
Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Financial liabilities at amortised cost

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer Note 15.

Financial guarantee

Financial guarantees issued by the Company on behalf of group companies are designated as 'Insurance Contracts'. The Company assess at the end of each reporting period whether its recognised insurance liabilities (if any) are adequate, using current estimates of future cash flows under its insurance contracts. If that assessment shows that the carrying amount of its insurance liabilities is inadequate in the light of the estimated future cash flows, the entire deficiency is recognised in profit or loss.

If a financial guarantee is an integral element of debts held by the entity, it is not accounted for separately.

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Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(o) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and 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.

(p) Measurement of EBITDA

The Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/ (loss) from core business operations. In its measurement, the Company does not include finance costs, finance income, depreciation and amortization, exceptional items, if any and tax expense.

(q) Cash Flow Statement

Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(r)Earnings Per Share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity shareholders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity shareholders of the Company 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.

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LEMON TREE HOTELS LTD. NEW DELHI

Fleur Hotels Private Limited
Notes to standalone financial statements for the year ended March 31, 2024

3. Property, plant and equipment

Rs. in lakhs

Particulars	Freehold land	Building on freehold land	Building on Leasehold land	Plant and Machinery	Office equipments	Furniture and Fixtures	Crockery, cutlery and soft furnishings	Computers	Vehicles	Total
Gross Carrying Amount (I)										
As at April 1, 2022	28,556.52	1,01,957.25	1,002.53	16,390.65	150.01	5,414.06	3,250.59	407.11	440.49	1,57,569.21
Additions	-	41.55	-	103.68	1.75	38.14	-	17.78	31.38	234.38
Eliminated on Disposals	-	-	-	10.04	-	-	-	-	-	10.04
As at March 31, 2023	28,556.52	1,01,998.90	1,002.53	16,484.29	151.76	5,452.20	3,250.59	424.89	471.87	1,57,793.55
Additions	-	12.13	-	547.70	8.66	353.95	-	17.68	19.97	960.09
Eliminated on Disposals	-	-	-	3.48	-	199.51	-	-	1.30	204.29
As at March 31, 2024	28,556.52	1,02,011.03	1,002.53	17,028.51	160.42	5,606.64	3,250.59	442.57	490.54	1,58,549.35
Accumulated Depreciation (II)										
As at April 1, 2022	-	6,065.10	81.93	5,565.74	109.35	2,468.33	2,837.38	332.64	205.29	17,665.76
Charge for the year	-	1,680.29	23.81	1,211.75	15.01	453.43	259.75	34.13	62.93	3,741.10
Eliminated on Disposals	-	-	-	8.85	-	-	-	-	-	8.85
As at March 31, 2023	-	7,745.39	105.74	6,768.64	124.36	2,921.76	3,097.13	366.77	268.22	21,398.01
Charge for the year	-	1,649.57	23.81	1,288.95	14.09	423.30	2.60	17.94	62.37	3,482.73
Eliminated on Disposals	-	-	-	2.56	-	173.26	-	-	0.64	175.46
As at March 31, 2024	-	9,395.96	129.55	8,055.03	138.45	3,171.80	3,099.73	384.71	329.95	24,704.28
III. Net Carrying amount(I-II)										
As at March 31, 2024	28,556.52	92,615.97	872.98	8,973.48	21.97	2,434.84	150.86	57.86	160.59	1,33,845.07
As at March 31, 2023	28,556.52	94,253.51	896.79	9,715.65	27.40	2,530.44	153.46	58.12	203.65	1,36,395.54

Net book value	As at March 31, 2024	As at March 31, 2023
Property, plant and equipment	1,33,845.07	1,36,395.54

Notes
a) Certain property, plant and equipment are pledged as collateral against borrowings, the details related to which have been described in note 15 on 'borrowings'.
b) The Property, Plant & Equipment are valued at cost.The Company has not revalued these assets during the year.
c) Refer Note 39 for critical judgements, estimates and assumptions
d) The lease agreement for leasehold properties on which building is constructed is registered in the name of the Company (refer note 6).
e) Title deeds for following immovable properties are submitted to lenders/custodian (on behalf of lenders):
-Kotak Mahindra Bank Limited- Red Fox Hotel, Sector 60, Gurgaon.
-Axis Bank Limited- Aurika Udaipur
- HDFC Bank- Lemon Tree Hotel, Gachibowli
- Indusind Bank- Lemon Tree Amarante Beach Resort
-Vistra ITCL (India) Limited (custodian) on behalf of Yes Bank Limited- Lemon Tree Hotel, Sector 60, Gurgaon, Lemon Tree Premier, Pune, Lemon Tree Premier, Kolkata
-Vistra ITCL (India) Limited (custodian) on behalf of Yes Bank Limited and Axis Bank Limited- Lemon Tree Premier, Mumbai
-Catalyst Trusteeship Limited (custodian) on behalf of Aditya Birla Finance Limited- Lemon Tree Premier, Hyderabad.

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LEMON TREE HOTELS LTD. NEW DELHI

Fleur Hotels Private Limited
Notes to standalone financial statements for the year ended March 31, 2024

4. Intangible assets under development

Particulars	Amount (Rs in lakhs)
Balance as at April 1, 2022	227.91
Additions during the year	49.62
Balance as at March 31, 2023	277.53
Additions during the year	11.83
Transferred/Capitalised during the year	(289.36)
Balance as at March 31, 2024	-

Note: Intangible assets under development consists of cost incurred on development of - 330KA substation which has been capitalised to Property, plant and equipment on April 18, 2023

Ageing schedule
As at March 31, 2024

Rs in lakhs

Intangible assets under development	Amount in intangible under development for a period of					Total
	Less than 1 year	1-2 years		2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-	-
Total	-	-	-	-	-	-

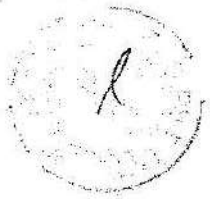
Ageing schedule
As at March 31, 2023

Rs in lakhs

Intangible assets under development	Amount in intangible under development for a period of					Total
	Less than 1 year	1-2 years		2-3 years	More than 3 years	
Projects in progress	49.62	227.91	-	-	-	277.53
Total	**49.62**	**227.91**	-	-	-	**277.53**







5. Other Intangible Assets

Rs in lakhs

Particulars	Software	Goodwill	Total
Gross Carrying Amount (I)			
As at April 1, 2022	348.17	0.08	348.25
Additions	2.10	-	2.10
As at March 31, 2023	350.27	0.08	350.35
Additions	0.49	-	0.49
As at March 31, 2024	350.76	0.08	350.84
Accumulated Depreciation (II)			
As at April 1, 2022	245.48	0.06	245.54
Amortisation/impairment	42.62	0.02	42.64
As at March 31, 2023	288.10	0.08	288.18
Amortisation/impairment	25.49	-	25.49
As at March 31, 2024	313.59	0.08	313.67
III. Net Carrying amount(I-II)			
As at March 31, 2024	37.17	-	37.17
As at March 31, 2023	62.17	-	62.17

Notes

a) The Intangible assets are valued at cost.The Company has not revalued these assets during the year.

6. Right-of-use asset*

Rs. in lakhs

Particulars	Amount
Gross Carrying Amount (I)	
As at April 1, 2022	14,415.15
Disposal	-
As at March 31, 2023	14,415.15
Additions	439.48
As at March 31, 2024	14,854.63
Accumulated Depreciation (II)	
As at April 1, 2022	3,037.85
Amortisation	643.95
As at March 31, 2023	3,681.79
Amortisation	590.53
As at March 31, 2024	4,272.32
III. Net Carrying amount(I-II)	
As at March 31, 2024	10,582.31
As at March 31, 2023	10,733.36

*refer note 32

Notes:

a) The lease agreement for leasehold properties is registerd in the name of the Company.

b) Right-of-use assets are valued at cost.The Company has not revalued these assets during the year.

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7. Financial assets

		As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(i) Investments			
(A) Investment in Companies with hotel properties			
Investments at cost			
Unquoted equity shares of subsidiary companies at cost			
3,52,677 (Previous Year: 3,52,677) equity shares of Celsia Hotels Private Limited of Rs. 1 each fully paid.		6,973.93	6,973.93
3,82,80,000 (Previous Year: 3,82,80,000) equity shares of Inovoa Hotels and Resorts Limited of Rs. 10 each fully paid.		3,843.54	3,843.54
82,10,000 (Previous Year: 82,10,000) equity shares of Hyacinth Hotels Private Limited of Rs. 1 each fully paid.*		13,245.53	13,245.53
17,68,94,900 (Previous Year: 17,68,94,900) equity shares of Iora Hotels Private Limited of Rs. 1 each fully paid.*		34,923.10	34,923.10
5,45,51,616 (Previous Year: 5,45,51,616) equity shares of Berggruen Hotels Private Limited of Rs. 10 each fully paid.*		49,511.32	49,511.32
1,31,110 (Previous Year : 1,31,110) equity shares of Bandhav Resorts Private Limited of Rs. 100 each fully paid.		2,603.27	2,603.27
Deemed investment (equity portion) on account of interest free loan to subsidiaries			
Berggruen Hotels Private Limited		2,566.05	839.89
Celsia Hotels Private Limited		7.47	7.47
Inovoa Hotels and Resorts Limited		47.42	47.42
Hyacinth Hotels Private Limited		52.90	52.90
Iora Hotels Private Limited		63.47	63.47
Bandhav Resorts Private Limited		1.77	1.77
	(A)	1,13,839.77	1,12,113.61
(B) Other Investments			
Investments at cost			
Unquoted equity shares of subsidiary companies at cost			
2,50,000 (Previous Year: 2,50,000) equity shares of Ophrys Hotels Private Limited of Rs. 1 each fully paid.		2.50	2.50
Investment in Limited Liability Partnership (at cost)			
Investment in Mezereon Hotels LLP		1.00	1.00
Unquoted equity shares of companies other than subsidiary and associate companies at fair value through profit and loss			
4,109 (Previous Year: 4,109) equity shares of SEP Energy Private Limited of Rs.10 each fully paid.		0.41	0.41
	(B)	3.91	3.91
	(A+B)	1,13,843.68	1,12,117.52
Current			
Non-Current		1,13,843.68	1,12,117.52
		1,13,843.68	1,12,117.52

*The above investment in subsidiaries are pledged as security against borrowings. Refer note 32(iii).

	* As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(ii) Loans		
Unsecured, considered good		
Loans to subsidiaries at amortized cost (refer note 11(iv) and note 33)	4,878.78	2,319.39
	4,878.78	2,319.39

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(iii) Other non-current financial assets		
Unsecured, considered good		
Security Deposits	795.28	950.17
Interest accrued on deposits with banks and others*	33.24	69.56
Fixed Deposits under lien*	148.51	139.36
	977.03	1,159.09
Less Provision for doubtful assets	(462.26)	(462.26)
	514.77	696.83

* Fixed deposits under lien and interest accrued on deposits includes deposits lien marked with banks against guarantees issued in favour of various Government departments.

8. Non-current tax assets (net)

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Advance Income Tax (net of provision for taxation)	771.28	703.14
Total	**771.28**	703.14

9. Other non-current assets

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Unsecured considered good		
Balance with statutory/ government authorities	10.73	10.73
Prepaid expenses	-	1.96
Total	**10.73**	**12.69**

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10. Inventories
(valued at lower of cost or net realisable value, unless otherwise stated)

	As At March 31, 2024 Rs in lakhs	As At March 31, 2023 Rs in lakhs
Food and beverages (excluding liquor and wine)	**98.79**	62.29
Liquor and wine	**90.28**	78.00
Stores, cutlery, crockery, linen, provisions and others (valued at cost)	**343.54**	284.31
Total	**532.61**	424.60

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LEMON TREE HOTELS LTD. NEW DELHI

11. Financial assets

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(i) Trade receivables#		
Trade receivables		
Unsecured, considered good	2,233.57	1,874.64
Trade Receivables which have significant increase in credit risk	200.32	150.58
Less: Provision for expected credit loss	(200.32)	(150.58)
Total	2,233.57	1,874.64
Trade receivables	2,233.57	1,874.64
	2,233.57	1,874.64

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Trade receivables are non interest bearing and are generally on terms of 30 to 90 days from the date of invoice.

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FLEUR HOTELS LIMITED NEW DELHI

Fleur Hotels Private Limited
Notes to standalone financial statements for the year ended March 31, 2024

#Trade receivable ageing schedule based on the requirement of Schedule III

As at March 31, 2024

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from date of transaction					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables –considered good	10.48	2,107.37	97.97	17.75	-	-	2,233.57
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	14.66	11.12	16.47	8.19	149.88	200.32
(iii) Undisputed Trade Receivables –credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed TradeReceivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed TradeReceivables – credit impaired	-	-	-	-	-	-	-
Total	10.48	2,122.03	109.09	34.22	8.19	149.88	2,433.89
Less: Provision for expected credit loss	-	(14.66)	(11.12)	(16.47)	(8.19)	(149.88)	(200.32)
Net total	10.48	2,107.37	97.97	17.75	-	-	2,233.57

As at March 31, 2023

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from date of transaction					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables –considered good	13.96	1,777.47	52.54	30.67	-	-	1,874.64
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	11.78	5.97	28.49	4.52	99.82	150.58
(iii) Undisputed Trade Receivables –credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed TradeReceivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed TradeReceivables – credit impaired	-	-	-	-	-	-	-
Total	13.96	1,789.25	58.51	59.16	4.52	99.82	2,025.22
Less: Provision for expected credit loss	-	(11.78)	(5.97)	(28.49)	(4.52)	(99.82)	(150.58)
Net total	13.96	1,777.47	52.55	30.67	-	-	1,874.64

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LEMON TREE HOTELS LTD. NEW DELHI

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(ii) Cash and cash equivalents		
Balance with banks		
On current accounts	813.27	246.34
Cash on hand	18.99	20.36
	832.26	266.70

Reconciliation of Movements of liabilities to cash flows arising from financing activities

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Particulars		
Balance as at beginning of the year-Borrowings and lease liabilities	1,16,366.36	1,10,930.43
Movement due to payments (received)/made	(14,912.73)	(4,240.97)
Movement due to non cash transactions in lease liabilities and borrowings		
-Addition	439.48	
-Accrual of finance cost	10,475.00	9,600.33
-Amortization of processing fee	86.93	80.58
Balance as at end of the year- Borrowings and lease liabilities	1,12,455.04	1,16,366.36

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(iii) Other bank balances		
Deposits with original maturity of more than 3 months and less than 12 months	750.00	330.00
	750.00	330.00

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(iv) Loans*#		
Unsecured, considered good		
Loans and advance to related parties	11,781.16	14,476.85
*read with note 33	11,781.16	14,476.85

A Disclosure of loans or advances given by the Company in the nature of loans granted to related parties

Rs in lakhs

	March 31, 2024		March 31, 2023	
Type of Borrower	Amount of loan or advance in the nature of loan outstanding	% of total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	% of total Loans and Advances in the nature of loans
Loan to Related parties (Subsidiaries)				
-Non current(refer note (7(ii))	4,878.78		2,319.39	
-Current	11,781.16		14,476.85	
Total	16,659.94	100%	16,796.24	100%

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(v) Other current financial assets		
Security deposits*	192.00	-
Interest accrued on deposits with banks and others	44.43	27.77
Bank deposits with more than 12 months maturity	23.10	-
*read with note 33	259.53	27.77

Break up of current financial assets carried at amortised cost

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(i) Trade receivables	2,233.57	1,874.64
(ii) Cash and cash equivalents	832.26	266.70
(iii) Security deposits	192.00	-
(iv) Interest accrued on deposits with banks and others	44.43	27.77
(v) Bank deposits with more than 12 months maturity	23.10	-
(vi) Other bank balances	750.00	330.00
(vii) Loans & advances to subsidiaries	11,781.16	14,476.85
Total current financial assets carried at amortised cost	15,856.52	16,975.96

12. Other current assets

	As At March 31, 2024 Rs in lakhs	As At March 31, 2023 Rs in lakhs
Advances recoverable*	352.49	267.50
Balance with statutory/ government authorities	946.92	1,002.64
Government incentive receivable**	493.17	86.61
Prepaid expenses	406.89	143.51
Total	2,199.47	1,500.26
*read with note 33		
**read with note 40		

13(a). Equity Share capital

Authorised Equity Share Capital (Equity shares of Rs 10 each)	Equity shares	
	No. of shares	Rs in lakhs
As at April 1, 2022	13,58,50,000	13,585.00
Increase during the year	-	-
As at March 31, 2023	13,58,50,000	13,585.00
Increase during the year	-	-
As at March 31, 2024	13,58,50,000	13,585.00

Authorised Preference Share Capital	Preference Shares (Face Value of Rs. 100 each)		Preference Shares (Face Value of Rs. 10 each)	
	No. of shares	Rs in lakhs	No. of shares	Rs in lakhs
As at April 1, 2022	10,00,000	1,000.00	1,14,00,000	1,140.00
Increase/(decrease) during the year	-	-	-	-
As at March 31, 2023	10,00,000	1,000.00	1,14,00,000	1,140.00
Increase/(decrease) during the year	-	-	-	-
As at March 31, 2024	10,00,000	1,000.00	1,14,00,000	1,140.00

Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders 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.

Issued equity capital*

Equity shares of Rs. 10 each issued, subscribed and fully paid	No. of shares	Rs in lakhs
As at April 1, 2022	9,24,55,153	9,245.52
Increase/(decrease) during the year	-	-
As at March 31, 2023	9,24,55,153	9,245.52
Conversion of CCPS into equity shares during the year	53,76,340	537.63
As at March 31, 2024	9,78,31,493	9,783.15

(a) Shares held by Holding company

	As at March 31, 2024		As At March 31, 2023	
	No. of shares	Rs in lakhs	No. of shares	Rs in lakhs
Equity shares of Rs. 10 each fully paid				
Lemon Tree Hotels Limited	5,76,30,968	5,763.10	4,94,94,240	4,949.42

(b) Details of shareholders holding more than 5% shares in the Company.

	As at March 31, 2024		As At March 31, 2023	
Name of the shareholder	No. of shares	% held	No. of shares	% held
Equity shares of Rs. 10 each fully paid				
Lemon Tree Hotels Limited	5,76,30,968	58.91%	4,94,94,240	53.53%
APG Strategic Real Estate Pool N.V	4,02,00,525	41.09%	3,79,91,385	41.09%
Dandelion Hotels Private Limited*	-	-	49,69,528	5.38%

*Merged with Lemon Tree Hotels Limited vide order dated December 14, 2023, appointed date April 1, 2022.

(c) Aggregate number of bonus share issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

	March 31, 2024 No. of shares	March 31, 2023 No. of shares
(i) Equity shares allotted as fully paid, pursuant to amalgamation	2,18,22,900	2,18,22,900

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LEMON TREE HOTELS LTD. NEW DELHI

13(b). Instruments entirely equity in nature

Compulsorily Convertible Preference Shares of Rs 10 each fully paid*	Rs in lakhs
As at April 1, 2022	537.63
Increase/(decrease) during the year	-
As at March 31, 2023	537.63
Conversion of CCPS into equity shares during the year	(537.63)
As at March 31, 2024	-

(a) Shares held by Holding company

	As at March 31, 2024		As At March 31, 2023	
	No. of shares	Rs in lakhs	No. of shares	Rs in lakhs
Compulsorily Convertible Preference Shares of Rs. 10 each fully paid				
Lemon Tree Hotels Limited	-	-	22,00,000	220.00

(b) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2024		As At March 31, 2023	
Name of the shareholder	No. of shares	% held	No. of shares	% held
Lemon Tree Hotels Limited	-	-	22,00,000	40.92%
APG Strategic Real Estate Pool N.V.	-	-	31,76,340	59.08%

*On June 22, 2020, Fleur Hotels Private Limited had made allotment of 53,76,340 Compulsorily Convertible Preference Shares (CCPS) of Rs. 10 each at a premium of Rs. 315.56 per share to APG Strategic Real Estate Pool N.V (first tranche) which were to be converted into equity shares on or before December 21, 2022. During the year ended March 31, 2023 the Holding Company (Lemon Tree Hotels Limited) has purchased 22,00,000 CCPS from APG Strategic Real Estate Pool N.V. Further during the year ended March 31, 2024 the Holding Company (Lemon Tree Hotels Limited) has purchased additional 9,67,200 CCPS from APG Strategic Real Estate Pool N.V.

Further on July 28, 2023, the Board of Directors of Fleur Hotels Private Limited have approved the conversion of CCPS into one (1) equity share of Rs. 10 in accordance with the terms of issuance and accordingly 53,76,340 CCPS have been converted to equity shares in 1:1 ratio.

14. Other equity

Securities Premium	Rs in lakhs
As at April 1, 2022	1,65,539.10
Increase/(decrease) during the year	-
As at March 31, 2023	1,65,539.11
Increase/(decrease) during the year	-
As at March 31, 2024	1,65,539.11

Preference Share Capital (equity component of redeemable, non convertable preference shares)	Rs in lakhs
As at April 1, 2022	83.58
Increase/(decrease) during the year	-
As at March 31, 2023	83.58
Increase/(decrease) during the year	-
As at March 31, 2024	83.58

Surplus/(deficit) in the Statement of Profit and Loss	Rs in lakhs
As at April 1, 2022	(18,256.09)
Profit for the year	3,575.05
As at March 31, 2023	(14,681.04)
Profit for the year	5,604.60
As at March 31, 2024	(9,076.44)

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Other comprehensive income	Rs in lakhs
As at April 1, 2022	3.10
Increase during the year	1.98
As at March 31, 2023	5.08
Increase during the year	(1.64)
As at March 31, 2024	3.44

Capital Reserve Account	Rs in lakhs
As at April 1, 2022	(710.65)
Increase/(decrease) during the year	-
As at March 31, 2023	(710.65)
Increase/(decrease) during the year	-
As at March 31, 2024	(710.65)

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Other reserves		
Securities Premium	1,65,539.11	1,65,539.11
Preference Share Capital (equity component of redeemable, non convertable preference shares)	83.58	83.58
Surplus/(deficit) in the Statement of Profit and Loss	(9,976.44)	(14,681.04)
Other comprehensive income	3.44	5.08
Capital Reserve Account	(710.65)	(710.65)
Total	1,55,839.04	1,50,236.08

Securities premium: Securities premium comprises premium received on issue of shares.
Preference Share Capital (equity component of redeemable, non convertable preference shares): represents component of equity of 5% redeemable non cummulative Preference share Capital (transferred on merger of Meringue Hotels Private Limited).

Surplus in the Statement of Profit and Loss: Surplus in the Statement of Profit and Loss represents balances of profit and loss at each period/year end.

Other comprehensive income: Other comprehensive income represents accumulated balances of Remeasurement (losses)/gains on defined benefit plans.

Capital Reserve Account: Capital reserve account is recorded as difference between share capital issued and the amount of share capital of the transferor.

Fleur Hotels Private Limited
Notes to standalone financial statements for the year ended March 31, 2024

(d) Detail of shares held by promoters

As at March 31, 2024

S.No.	Promoter Name	Number of shares at the beginning of the year 2023	Change during the year	Number of shares at the end of the year 2024	Percentage of Total shares	Percentage change during the year
Equity Share Capital						
1	Lemon Tree Hotels Limited*	4,94,94,240	81,36,728	5,76,30,968	58.91%	5.38%
2	Dandelion Hotels Private Limited*	49,69,528	(49,69,528)	-	0.00%	-5.38%
Compulsorily Convertible Preference Shares						
1	Lemon Tree Hotels Limited	22,00,000	(22,00,000)	-	-	-
	Total	**5,44,63,768**	**9,67,200**	**5,76,30,968**		

*During the year Dandelion Hotels Private Limited has merged with Lemon Tree Hotels Limited vide order dated December 14, 2023, appointed date April 1, 2022.

As at March 31, 2023

S.No.	Promoter Name	Number of shares at the beginning of the year 2022	Change during the year	Number of shares at the end of the year 2023	Percentage of Total shares	Percentage change during the year
Equity Share Capital						
1	Lemon Tree Hotels Limited	4,94,94,240	-	4,94,94,240	53.53%	0.00%
2	Dandelion Hotels Private Limited	49,69,528	-	49,69,528	5.38%	0.00%
Compulsorily Convertible Preference Shares						
1	Lemon Tree Hotels Limited	-	22,00,000.00	22,00,000	40.92%	40.92%
	Total	**5,44,63,768**	**22,00,000.00**	**5,66,63,768**		

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15. Financial Liabilities

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(i) Borrowings		
Non-current borrowings		
Term Loans		
Loans from Banks (secured)		
Yes Bank Limited (Refer note 4, 5 and 6 below)	32,945.71	34,098.11
Kotak Mahindra Bank Limited (Refer note 1 and 3 below)	6,365.11	7,430.04
Indusind Bank Limited (Refer Note 7 and 8 below)	6,315.12	6,791.57
Axis Bank Limited(Refer Note 9, 10 and 11 below)	21,968.02	23,576.95
HDFC Bank Limited (Refer 2, 14, 15, 16 and 17 below)	10,840.63	13,619.96
Vehicle loans (Refer note 18 below)	16.45	38.90
Loans from financial institutions		
Aditya Birla Finance Limited (Refer Note 12 and 13 below)	10,385.70	11,600.50
Total non-current borrowings	88,836.74	97,156.03
Current maturity of loans from Banks (secured)		
Yes Bank Limited (Refer note 4, 5 and 6 below)	1,202.90	870.09
Indusind Bank Limited (Refer Note 7 and 8 below)	477.71	150.00
Kotak Mahindra Bank Limited (Refer note 1 and 3 below)	1,070.08	607.58
HDFC Bank Limited (Refer 2, 14, 15, 16 and 17 below)	2,779.33	650.00
Vehicle loans (Refer note 18 below)	29.97	49.97
Axis Bank Limited(Refer Note 9, 10 and 11 below)	1,623.46	330.96
Loans from financial institutions		
Aditya Birla Finance Limited (Refer Note 12 and 13 below)	1,228.34	-
Current maturity of loans	8,411.79	2,658.60
Less: Amount clubbed under "Short term borrowings"(refer note 19(i))	(8,411.79)	(2,658.60)
Net current borrowings	-	-

Fleur Hotels Private Limited
Notes to Standalone financial statements for the year ended March 31, 2024

Note	Lender	Amount Sanctioned	Carrying rate of Interest as at March 31, 2024	Carrying rate of Interest as at March 31, 2023	Repayment/ Modification of terms	Security/ Principal terms and conditions
1	Kotak Mahindra Bank Limited	6,206.00	8.50%	9.25%	The loan is repayable in 48 quarterly instalments starting from 39th month following the month of first disbursement.	**The loan is secured by:** - First and exclusive charge on all existing and future current assets, movable and immovable fixed assets of the hotel - Red Fox Sector - 60, Gurgaon. - Subservient charge on all existing and future current assets of the Borrower except current assets of the hotel - Red Fox Sector - 60, Gurgaon on which bank has to the exclusive charge - Equitable Mortgage by way of exclusive charge on the land and building of Red Fox Hotel Sector-60, Gurgaon. -Minimum asset cover 1.2x to be maintained throughout the tenor of bank loan as per valuation accepted by bank.
2	HDFC Bank Limited	3,500.00	8.73%	8.15%	The loan is repayable in 48 monthly instalments starting from after 24 month of moratorium.	It is secured by second charge over existing primary and collateral securities including mortgages created in favour of the bank at Lemon Tree Hotel Gachibowli, Hyderabad.
3	Kotak Mahindra Bank Limited	2,400.00	8.50%	8.45%	The loan is repayable in 48 monthly instalments starting from after 24 month of moratorium.	**The loan is secured by second charge on:-** all existing and future current assets, movable and immovable fixed assets of the hotel - Red Fox Sector - 60, Gurgaon.- Subservient charge on all existing and future current assets of the Borrower except current assets of the hotel - Red Fox Sector - 60, Gurgaon.
4	Yes Bank Limited	4,500.00	8.97%	9.48%	The loan is repayable 44 structured quarterly installment after a moratorium period of 36 months from the date of first disbursement.	**It is secured by:** a) Exclusive charge on all immoveable fixed assets, moveable fixed assets and current assets of Lemon tree Sector 60 Gurgaon, and covention centre within Hotel premises of 20,000 sq.ft (appox.). b) Escrow of all receivables of the project including security deposits. c) Corporate guarantee of Lemon Tree Hotels Limited. d) DSRA equivalent to three months interest and one quarter principal to be created in case of any over dues beyond 30 days in the form of fixed deposits duly lien marked in favour of YBL. e) Minimum security cover of 1.5x on immoveable and moveable fixed assets of the project.
5	Yes Bank Limited	20,500.00	8.97%	9.48%	The loan is repayable in 52 structured quarterly installments post moratorium period of 36 months from the date of first disbursement.	**It is secured by:** a) First charge on all present and future movable & immoveable fixed assets of the project. Lemon Tree Premier Hotel, Kolkata, Lemon Tree Premier Hotel in Pune, Lemon Tree Hotel in sector 60 Gurgaon and approximately 20,000 sqft convention centre within the hotel premises. b) Escrow of all receivables of the hotels including security deposits (if any). c) Corporate guarantee of Lemon Tree Hotels Limited.

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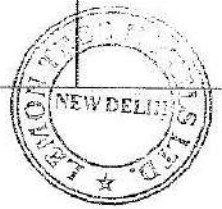
Fleur Hotels Private Limited
Notes to Standalone financial statements for the year ended March 31, 2024

Note	Lender	Amount Sanctioned	Carrying rate of Interest as at March 31, 2024	Carrying rate of Interest as at March 31, 2023	Repayment/ Modification of terms	Security/ Principal terms and conditions
						d) DSRA equivalent to 3 months interest and 1 quarter principle to be created in case of any over dues beyond 30 days in the form of fixed deposits duly lien marked in favour of YBL.
6	Yes Bank Limited	12,500.00	8.97%	9.48%	The loan is repayable 60 structured quarterly installment after a moratorium period of 60 months from the date of first disbursement.	**It is secured by:** a) Equitable mortgage over 80% share of Land and building (except 2nd basement, ground floor and first floor) on pari passu basis with other lenders for the project, Lemon Tree Premier Hotel, Andheri Mumbai. b) First charge (on pari passu basis) on ther movable fixed assets and all current assets, both present and future of the project, Lemon Tree Premier Hotel, Andheri Mumbai. c) Corporate guarantee of Lemon Tree Hotels Limited.
7	Indusind Bank Limited	5,000.00	8.63%	8.25%	Tenor of 16 years with door door tenor facility shall not exceed 193 months from the date of first disbursement, including moratorium period of nil months.	**It is secured by:** a) First charge on all present and future immoveable assets of the hotel " Lemon Tree Amarante Beach Resort (At Candolim, Goa)". b) First charge on all moveable fixed assets (both present and future) (including Escrow account opened with IBL) of the hotel " Lemon Tree Amarante Beach Resort (At Candolim, Goa)", c) Exclusive charge on book debts, operating cash flows, credit card receivables, commissions, revenues of whatsoever nature and wherever arising, present and future through Escrow mechanisim of the Hotel "Lemon Tree Amarante Beach Resort (At Candolim, Goa). d) Escrow of all cash flows of Lemon Tree Amarante Beach Resort, Goa including security deposits.
8	Indusind Bank Limited	1,990.00	9.25%	9.25%	It is repayable in 48 equal monthly instalments on the last day of the month after the 24 month of first availment.	**It is Secured By:** a) Second Charge on all present and future immoveable assets of the hotel " Lemon Tree Amarante Beach Resort (At Candolim, Goa)". b) Second charge on all moveable fixed assets (both present and future) (including Escrow account opened with IBL) of the hotel " Lemon Tree Amarante Beach Resort (At Candolim, Goa c) Second charge on book debts, operating cash flows, credit card receivables, commissions, revenues of whatsoever nature and wherever arising, present and future through Escrow mechanism of the Hotel "Lemon Tree Amarante Beach Resort (At Candolim, Goa).





Fleur Hotels Private Limited
Notes to Standalone financial statements for the year ended March 31, 2024

Note	Lender	Amount Sanctioned	Carrying rate of Interest as at March 31, 2024	Carrying rate of Interest as at March 31, 2023	Repayment/ Modification of terms	Security/ Principal terms and conditions
9	Axis Bank Limited	10,000.00	8.65%	8.80%	Tenor of 18 years and 9 months including construction period of 1.5 years and moratorium period of 2.5 years with repayments in with 60 quarterly unequal installments.	**It is secured by:** a) Exclusive charge by way of Equitable Mortgage over the land & building at Plot No.1, Khasra No. 979 to 981, Kalarohi, Udaipur, (admeasuring 26390.3 sq. yards or 237513 sq. ft.), b) Exclusive charge over the moveable fixed assets of the Udaipur Hotel, both present and future, c) Exclusive charge by way of hypothecation of all the current assets of Udaipur Hotel, d) Exclusive charge by way of hypothecation of all the cashflows of Udaipur Hotel. e) Corporate Guarantee of Lemon Tree Hotels. f) FACR of 1.50x shall be maintained at all times.
10	Axis Bank Limited	4,770.00	8.65%	8.95%	The loan is repayable in 48 monthly installments after a period of 2 years of Moratorium.	**It is secured by second charge:-** (a) Equitable mortgage over land & building situated at Plot no.1, Khasra 979 to 981, Kalarohi, Siarama, Udaipur (measuring 26,390.3sq). (b) Other moveable fixed assets of the Udaipur Hotels both present and future. (c) Hypothecation of all the current assets of Udaipur Hotel. (d) Hypothecation of all the cashflows of Udaipur Hotel. (e) Equitable mortgage over 80% share of land & building except for 2nd basement, ground floor and 1st floor (total land area admeasuring 5552.90 sq.mtr.) located at Andheri Kurla Road, Mumbai, Maharashtra. (f) Other moveable fixed assets of the Kurla project, both present and future. (g) Hypothecation of all the current assets of the Kurla Project. (h) 100% credit guarantee by NCGTC.
11	Axis Bank Limited	9,500.00	8.65%	8.80%	The Loan is repayable in 60 quarterly instalments after a moratorium period of 5 years.	**It is secured by:** a) Equitable mortgage over 80% share of Land and building (except 2nd basement, ground floor and first floor) on pari passu basis with other lenders for the project, Lemon Tree Premier Hotel, Andheri Mumbai. b) First charge (on pari passu basis) on ther movable fixed assets and all current assets, both present and future of the project, Lemon Tree Premier Hotel, Andheri Mumbai.c) Corporate guarantee of Lemon Tree Hotels Limited.

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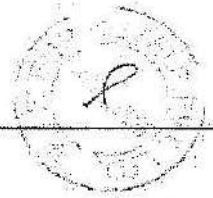
Fleur Hotels Private Limited
Notes to Standalone financial statements for the year ended March 31, 2024

Note	Lender	Amount Sanctioned	Carrying rate of Interest as at March 31, 2024	Carrying rate of Interest as at March 31, 2023	Repayment/ Modification of terms	Security/ Principal terms and conditions
12	Aditya Birla Finance Limited	11,500.00	9.25%	9.90%	Tenor of 12 years with repayment in 48 structured quarterly installment. Repayment of term loan 1 in line with existing lender repayment schedule. The facility have lock-in tenor of 1 year from the date of first disbursement.	**It is secured by:** a) First exclusive charge by way of Mortgage/ Hypothecation on the immovable and movable fixed assets (both present and future) of Lemon Tree Premier Hotel Hitec City, Hyderabad, to provide minimum cover of 1.25x at all times during the tenor of the loan, b) First exclusive charge on the current assets of the Lemon Tree Premier Hotel, Hitec City Hyderabad, c) First exclusive charge on project's bank account including but not limited to Escrow account where entire cash flow of Lemon Tree Premier Hotel, Hitec City, Hyderabad shall be deposited, d) Unconditional and Irrevocable Corporate Guarantee of Lemon Tree Hotels Limited, e) Demand Promissory Note (DPN),
13	Aditya Birla Finance Limited	4,000.00				
14	HDFC Bank Limited	1,000.00	9.00%	8.90%	Repayable in 48 equal monthly instalments after 1 year of moratorium.	It is secured by second charge over existing primary and collateral securities including mortgages created in favour of the bank at Lemon Tree Hotel Gachibowli, Hyderabad.
15	HDFC Bank Limited	1,000.00	9.00%	8.90%	The principal shall be repaid in 48 monthly instalments after completion of moratorium of 2 year.	
16	HDFC Bank Limited	5,302.00	9.01%	8.20%	The Loan is repayable in 48 Structured Quarterly Instalments	**It is secured by:** a) First and exclusive charge on movable and immovable fixed assets at the Lemon Tree Hotel Gachibowli, Hyderabad. b) First and exclusive charge on escrow account of entire cash flows of the Lemon Tree Hotel Gachibowli, Hyderabad. c) Corporate guarantee of Lemon Tree Hotels Limited.







Fleur Hotels Private Limited
Notes to Standalone financial statements for the year ended March 31, 2024

Note	Lender	Amount Sanctioned	Carrying rate of Interest as at March 31, 2024	Carrying rate of Interest as at March 31, 2023	Repayment/ Modification of terms	Security/ Principal terms and conditions
17	HDFC Bank Limited	5,200.00	8.69%	8.60%	The principal shall be repaid in 48 monthly instalments after completion of moratorium of 24 months.	**It is secured by:** (a) 100% Credit Guarantee by National Credit Guarantee Trust Company Limited. (b) Extension of second ranking charge over existing primary and collateral securities including mortgages created in favor of the bank and security created over the assets of the borrower purchased out of this facility at Lemon Tree Premier, Hitech City, Hyderabad
18	Vehicle loan (different banks)	-			These loans are repaid on agreed monthly installments.	Vehicle loan is secured by hypothecation of underlying motor vehicle acquired out of such loans from HDFC Bank Limited and Axis Bank Limited.

(i) The Company has not defaulted in the repayment of loans and interest as at Balance Sheet date
(ii) Bank loans availed by the Company are subject to certain covenants relating to interest coverage ratio, debt service coverage ratio, capital gearing ratio, fixed assets coverage ratio.
(iii) The Company has complied all significant covenants from bank and financial institutions as per the terms of the loan agreement.
(iv) The Company has used borrowings from banks/financial institutions for the specific purpose of working capital requirement and/or setting new projects.

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16.Lease liabilities*

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Balance at beginning of the year	14,343.35	14,239.33
Additions during the year	439.48	-
Interest accrued during the year (refer note 26)	1,412.82	1,375.12
Less: Payment of lease liabilities	1,274.44	1,271.10
Balance at end of the year	14,921.21	14,343.35
Current	89.85	87.75
Non-Current	14,831.36	14,255.60

*Refer note 32

17. Provisions

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Provision for gratuity (refer note 31)	36.84	36.92
Current	7.60	7.13
Non-current	29.24	29.79

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Provision for leave benefits	47.12	49.40
Current	47.12	49.40
Non-current	-	-

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Provision for stamp duty (refer note 45)	86.36	86.36
Current	86.36	86.36
Non-current	-	-

Total current	141.08	142.90
Total non-current	29.24	29.79

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18. Deferred tax assets (net)

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Property, plant and equipment and intangible assets	9,559.60	8,435.32
Revaluation of land	405.04	405.04
Deferred tax liabilities	9,964.64	8,840.36
Impact of expenditure charged to the statement of profit and loss in the current/ earlier period but allowable for tax purposes on payment basis	279.72	357.75
Right to use asset/lease liability	1,387.08	1,210.22
Provision for doubtful debts and advances	50.50	37.99
Effect of unabsorbed depreciation and business losses carried forward	7,274.49	6,249.79
Interest on loan u/s 43B	906.35	920.53
Gratuity	9.27	9.29
Non moving inventory	0.87	0.87
Leave compensation	11.86	12.43
Security deposits-impact on discounting	44.49	41.50
Deferred tax assets (refer note 30(e))	9,964.64	8,840.36
Deferred tax Assets/Liabilities (net)	-	-

Note: As at March 31, 2024, the Company has carry forward tax losses of Rs 2,167.87 (March 31, 2023: Rs 3,433.64 lakhs) (with expiry of Rs 304.21 lakhs in financial year 2028-29 and Rs 1,863.66 in financial year 2029-30) and unabsorbed depreciation of Rs 37,064.07 lakhs (March 31, 2023: 37,064.07 lakhs) with no expiry. Further Considering that nature of the Company's operations and history of past tax losses, deferred tax assets are recognized to the extent that it is probable that taxable profit will be generated in future against which the deductible temporary differences, carry forward of unabsorbed depreciation and tax losses can be utilised. Accordingly, it is considered prudent to recognize the deferred tax assets only to the extent of deferred tax liabilities and the Company has not recognised deferred tax assets of Rs 2,591.64 lakhs (March 31, 2023: Rs 4,076.50 lakhs).

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2024 and March 31, 2023:

	For the year ended March 31, 2024 Rs in lakhs	For the year ended March 31, 2023 Rs in lakhs
Profit before tax	5,602.96	3,577.03
Tax rate	25.17%	25.17%
Tax at statutory income tax rate	1,410.15	900.27
Effect of non-deductible expenses	-	(0.20)
Unrecognized tax assets (recognised and utilized) (net)	(1,409.79)	(900.07)
Net tax expense as statement of profit and loss	-	-

19. Financial liabilities

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
(i) Short term borrowings		
Loan from related party (unsecured, repayable on demand)	285.30	357.80
Cash credit from banks (Secured) *	-	1,850.58
Current maturities of long-term borrowings (refer note 15)	8,411.79	2,658.60
Total	8,697.09	4,866.98

*The Cash credit facility from Yes Bank is repayable on demand and carries interest rate of 8.97% p.a.(March 31, 2023: 9.48% p.a.) and is secured by way of:

a)Exclusive charge on all movable assets and current assets of Lemon Tree Hotel Kolkata and Lemon Tree Premier Pune and Lemon Tree Hotel in sector 60 Gurgaon
b) First charge on all present & future immovable fixed assets(80% portion of undivided part of land) of the Lemon Tree Premier Andheri kurla Road, Mumbai
c)First charge on all present & future movable fixed assets and current assets of the Lemon Tree Premier Andheri kurla Road, Mumbai
d) Corporate Guarantee of Lemon Tree Hotels Limited (Holding Company)

Basis on several terms and conditions as specified in sanction letters, the company submits quarterly returns/statements comprising of lease deposit schedules , cash flow mismatch statements and unaudited quarterly statements with banks/ financial institution and these returns/statements are materially in agreement with the books of accounts.

(iii) Trade Payables*#	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
-total outstanding dues of micro enterprises and small enterprises	600.28	563.58
- total outstanding dues of creditors other than micro enterprises and small enterprises	2,756.74	4,392.62
*read with note 33		
Total	3,357.02	4,956.20

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Trade payables	3,002.08	2,404.83
Trade payables to related parties (Holding company)	354.94	2,551.37
	3,357.02	4,956.20

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LEMON TREE HOTELS NEW DELHI

Fleur Hotels Private Limited
Notes to standalone financial statements for the year ended March 31, 2024

#Trade payables ageing schedule based on the requirement of Schedule III

As at March 31, 2024

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from date of transaction				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	600.28	-	-	-	600.28
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,493.70	1,152.13	19.57	9.02	82.32	2,756.74
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-

As at March 31, 2023

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from date of transaction				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	563.58	-	-	-	563.58
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,070.84	3,202.12	21.02	49.01	49.63	4,392.62
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-

(iv) Other financial liabilities	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Security Deposits	46.44	46.44
Interest accrued but not due on borrowings	189.56	164.76
Book overdraft	-	12.72
Payable for capital goods	3.99	-
Total	239.99	223.92

20. Other current liabilities

	As at March 31, 2024 Rs in lakhs	As at March 31, 2023 Rs in lakhs
Advance from customers	764.77	400.32
Statutory dues (Provident fund, GST, TDS and other statory dues)	462.26	280.27
Total	1,227.03	680.59

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21. Revenue From operations

	For the year ended March 31, 2024 Rs. in lakhs	For the year ended March 31, 2023 Rs. in lakhs
Sale of products and services		
- Room rental	33,394.32	29,393.83
- Food and beverage (excluding liquor and wine)	5,534.43	5,019.53
- Liquor and wine	744.28	598.18
- Banquet rentals	280.59	257.85
- Telephone and telex	0.36	0.21
- Other Services (including service charge income)	2,499.09	2,155.12
Other Operating Revenue		
Government grant (refer note 40)	838.52	-
Revenue From operations	43,291.59	37,424.72

22. Other income

	For the year ended March 31, 2024 Rs. in lakhs	For the year ended March 31, 2023 Rs. in lakhs
Profit on sale of property, plant & equipment	-	6.26
Rent received	-	11.66
Provision no longer required written back	6.74	19.84
Government grant (refer note 40)	-	86.61
Miscellaneous income	40.30	1.90
Total	47.04	126.27

23. Cost of food & beverages consumed

	For the year ended March 31, 2024 Rs. in lakhs	For the year ended March 31, 2023 Rs. in lakhs
(a) Consumption of food & beverages excluding liquor & wine		
Inventory at the beginning of the year	62.29	52.10
Add: Purchases	2,457.66	2,104.68
	2,519.95	2,156.78
Less: Inventory at the end of the year	98.79	62.29
Cost of food and beverage consumed	2,421.16	2,094.49
(b) Consumption of liquor & wine		
Inventory at the beginning of the year	78.00	64.08
Add: Purchases	236.53	180.85
	314.53	244.93
Less: Inventory at the end of the year	90.28	78.00
Cost of liquor and wine consumed	224.25	166.93
Total (a+b)	2,645.41	2,261.42

24. Employee benefits expense

	For the year ended March 31, 2024 Rs. In lakhs	For the year ended March 31, 2023 Rs. in lakhs
Salaries, wages and bonus	4,928.10	4,242.98
Contribution to provident fund and other funds	296.32	267.28
Gratuity expense (refer note 31)	12.34	11.70
Staff welfare expenses	413.66	468.15
Total	5,650.42	4,990.11

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LEMON TREE HOTELS LTD. NEW DELHI

25(a). Power and fuel

	For the year ended March 31, 2024 Rs. in lakhs	For the year ended March 31, 2023 Rs. in lakhs
Power and fuel	2,672.53	2,557.89
Total	2,672.53	2,557.89

25(b). Stamp duty expense

	For the year ended March 31, 2024 Rs. in lakhs	For the year ended March 31, 2023 Rs. in lakhs
Stamp duty expense	-	478.42
Total	-	478.42

25(c). Other expenses

	For the year ended March 31, 2024 Rs. in lakhs	For the year ended March 31, 2023 Rs. in lakhs
Consumption of stores, cutlery, crockery, linen, provisions and others	497.14	426.30
Linen & uniform washing and laundry expenses	563.84	423.08
Guest transportation	344.32	203.11
Spa expenses	182.67	143.95
Subscription charges	68.24	67.04
Repair and maintenance		
- Buildings	855.61	286.43
- Plant and machinery	436.42	374.28
- Others	420.90	296.58
Rent (refer note 32)	109.00	84.79
Rates and taxes	828.50	849.43
Insurance	149.19	127.45
Communication costs	111.37	101.56
Printing and stationery	114.56	91.80
Traveling and conveyance	31.26	33.93
Vehicle running and maintenance	59.42	49.31
Advertisement and business promotion	1,324.79	1,165.84
Management fee paid	3,126.50	2,614.99
Commission -other than sole selling agent	2,048.46	1,550.72
Security and cleaning expenses	328.44	291.68
Membership and subscriptions	5.56	6.71
Legal and professional fees	245.51	201.84
Donation	-	0.78
Provision for doubtful debts and advances	49.74	-
Loss on write off/sale of Property, Plant & Equipment	27.87	-
Payments to auditor*	58.90	50.99
Miscellaneous expenses	259.73	176.91
Total	12,247.94	9,619.50

*Payments to auditor (excluding Goods and service tax)

For statutory audit	48.00	33.00
For tax audit	1.00	1.00
For attestation service	8.00	15.00
Out of pocket expense	1.90	1.99
	58.90	50.99

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LEMON TREE HOTELS LTD. NEW DELHI

26. Finance costs

	For the year ended March 31, 2024 Rs. in lakhs	For the year ended March 31, 2023 Rs. in lakhs
Interest		
- on term loans from banks	7,879.73	7,233.08
- on loans from others	1,118.61	1,066.64
- on vehicle loans	6.53	9.79
- on other credit facilities from banks	57.30	30.28
- on lease liability (refer note 16)	1,412.82	1,375.12
Bank charges (including commission on credit card collection)	255.88	257.26
Total	10,730.87	9,972.17

27. Finance income

	For the year ended March 31, 2024 Rs. in lakhs	For the year ended March 31, 2023 Rs. in lakhs
Interest Income on :		
-Bank Deposits	33.16	26.16
-Others	278.73	305.11
Total	311.89	331.27

28. Depreciation and amortization expense

	For the year ended March 31, 2024 Rs. in lakhs	For the year ended March 31, 2023 Rs. in lakhs
Depreciation on tangible assets (refer note no. 3)	3,482.73	3,741.10
Depreciation on right-of-use asset (refer note 6 & 32)	590.53	643.96
Amortization on intangible assets (refer note no. 5)	25.49	42.64
Total	4,098.75	4,427.70

29. Earnings Per Share (Basic EPS And Diluted EPS)

Basic EPS amounts are calculated by dividing the earning/(loss) for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year. Equity shares that will be issued upon the conversion of mandatory convertable preference shares are included in evaluation of basic EPS

Diluted EPS amounts are calculated by dividing the earning/(loss) attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) 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.

The following reflects the income and share data used in the basic and diluted EPS computations:

	For the year ended March 31, 2024	For the year ended March 31, 2023
Earning/(loss) attributable to equity holders (for basic and diluted)	5,604.60	3,575.05
Weighted average number of equity Shares (for basic and diluted earnings per share)*	9,78,31,493	9,78,31,493
Basic and Diluted earnings per share	5.73	3.65

* The weighted average number of shares takes into account the weighted average effect of changes in share transactions during the year. There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.

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30. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities and other commitments. Uncertainty about these judgements, estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The estimates and underlying assumptions are reviewed on an ongoing basis and the revisions to accounting estimates are recognized in the period in which the estimate is revised.

Critical judgements, estimates and assumptions

a. Impairment of property, plant and equipment

Each hotel property is an identifiable asset that generates cash inflows and is independent of the cash inflows of the other hotel properties, hence identified as cash generating units. The Company assesses the carrying amount of hotel properties (CGU) to determine whether there is any indication that those assets have suffered an impairment loss. Where the carrying amount of CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. An impairment loss (if any) is recognised in the statement of profit and loss.

While assessing the recoverable amount, the Company used the discounted cash flow approach including various significant estimates and assumptions such as forecast of future revenue, operating margins, growth rate and selection of the discount rates. The key assumptions used for the calculations are as follows::

Particulars	As at March 2024	As at March 31, 2023
Discount Rate *(pre tax rate of WACC)*	11.70%-13.50%	12.50%
Long Term Growth Rate	5.00%	5.50%

As at March 31, 2024, the estimated recoverable amount of the CGU exceeded its carrying amount.

b. Impairment of Investment in subsidiaries and associates

The Company assesses the carrying amounts of investment in subsidiaries having hotel properties to determine whether there is any indication that those investments have suffered an impairment loss. Where the carrying amount of investments exceed its recoverable amount, the investment is considered impaired and is written down to its recoverable amount. An impairment loss (if any) is recognised in the statement of profit and loss.

While assessing the recoverable amount, the Company used the discounted cash flow approach including various significant assumptions such as such as forecast of future revenue, operating margins, growth rate and selection of the discount rates. The key assumptions used for the calculations are as follows:

Particulars	As at March 2024	As at March 31, 2023
Discount Rate *(pre tax rate of WACC)*	11.70%-13.50%	12.50%
Long Term Growth Rate	5.00%	5.50%

As at March 31, 2024, the estimated recoverable amount of the investments exceeded its carrying amount.

c. Leases

The Company has taken certain land and building on long term lease basis. The lease agreements generally have an escalation clause and are generally non-cancellable. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IND AS 116. Identification of a lease requires judgment. The Company uses judgement in assessing the lease term and the applicable discount rate. The discount rate is generally based on the incremental borrowing rate.

d. Loss Allowance on trade receivables (Expected credit loss)

An impairment analysis of trade receivables is performed at each reporting period based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates. Basis this assessment, the allowance for doubtful trade receivables as at March 31, 2024 is considered adequate.

31. Gratuity

The Company has a defined benefit gratuity plan (funded). The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The fund has the form of a trust and it is governed by the Board of Trustees, which consists of an equal number of employer and employee representatives. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy. The Trust Fund has taken a Scheme of Insurance, whereby these contributions are transferred to the insurer. The Company makes provision of such gratuity liability in the books of accounts on the basis of actuarial valuation as per the Projected unit credit method.

Rs. in lakhs

	As at March 31, 2024	As at March 31, 2023
Gratuity plan	36.84	36.92
Total	**36.84**	**36.92**

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2024:

Rs. in lakhs

	Opening Balance	Statement of cost charged to profit or loss			Remeasurement gains/(losses) in other comprehensive income							
	April 1, 2023	Service cost	Net interest expense/ income	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Remeasurement changes arising from changes in demographic assumptions	Remeasurement changes arising from changes in financial assumptions	Experience adjustment	Sub-total included in OCI	Contributions by employer	March 31, 2024
Defined benefit obligation	59.80	9.68	4.31	13.99	(17.43)	-	-	(0.18)	(1.41)	(1.59)	-	57.95
Fair value of plan assets	22.88	-	1.65	1.65	(3.37)	(0.05)	-	-	-	0.05	-	21.11
Benefit liability	**36.92**	**9.68**	**2.66**	**12.34**	**(14.06)**	**(0.05)**	-	**(0.18)**	**(1.41)**	**(1.64)**	-	**36.84**







Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2023:

Rs.in lakhs

	Opening Balance	Statement of cost charged to profit or loss			Remeasurement gains/(losses) in other comprehensive income							
	April 1, 2022	Service cost	Net interest expense/ income	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Remeasurement changes arising from changes in demographic assumptions	Remeasurementchanges arising from changes in financial assumptions	Experience adjustment	Sub-total included in OCI	Contributions by employer	March 31, 2023
Defined benefit obligation	60.43	8.94	3.69	12.63	(12.29)	-	-	2.14	(1.17)	0.97	-	59.80
Fair value of plan assets	15.00	-	0.93	0.93	(1.62)	(1.01)	-	-	-	1.01	7.57	22.88
Benefit liability	**45.43**	**8.94**	**2.76**	**11.70**	**(13.91)**	**1.01**	**-**	**2.14**	**(1.17)**	**1.98**	**7.57**	**36.92**

The major categories of plan assets of the fair value of the total plan assets are as follows:

	March 31, 2024	March 31, 2023
Unquoted investments:		
Asset invested in insurance scheme with the LIC	100%	100%
Total	**100%**	**100%**

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

	March 31, 2024	March 31, 2023
Discount rate:		
Pension plan	**7.10%**	**7.20%**
Future salary increases:		
Pension plan	**5.00%**	**5.00%**
Life expectation for pensioners at the age of 65:	**Years**	**Years**
Pension plan		
Male	**60**	**60**
Female	**60**	**60**

A quantitative sensitivity analysis for significant assumption as at March 31, 2024 is as shown below:

India gratuity plan:

Rs in lakhs

	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(1.78)	1.90	1.92	(1.83)

A quantitative sensitivity analysis for significant assumption as at March 31, 2023 is as shown below:

Rs. in lakhs

	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(1.81)	1.94	1.96	(1.86)

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

Rs. in lakhs

Duration (Years)	For the year ended March 31, 2024	For the year ended March 31, 2023
1	14.71	14.94
2	12.11	12.90
3	9.57	10.69
4	8.79	8.45
5	7.14	7.34
Above 5	22.73	23.16
Total expected payments	**75.05**	**77.48**

The average duration of the defined benefit plan obligation at the end of the reporting period is 5years (March 31, 2023: 5years).

32. Commitments and contingencies

a. Leases

Operating lease commitments — Company as lessee

The Company has entered into operating leases on hotel buildings, with lease terms between twenty three, twenty fiveand forty years.Refer Noteno.6 for carrying value of right to use asset recognised and Refer Note no.16 for carrying value of lease liability and the movement during the year.

The weighted average of incremental borrowing rate applied to lease liabilities is 9.72%(March 31, 2023: 9.72%)

During the year, the Company has reassessed its decision to exercise right to renewer for a certain property based on business performance of the property. Accordingly lease liability has been remeasured using the revised discount rate i.e, 9.10% and adjustment in done in value of ROU and lease liability

b. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:

At March 31, 2024, the Company had commitments of Rs.Nil (March 31, 2023: 45.90 Lakhs)

c. Contingent liabilities

(i) Legal claim contingency

Rs. in lakhs

		March 31, 2024	March 31, 2023
a.	Service Tax*	**10.06**	102.45
b.	Income tax**	**27.25**	27.25

*amount paid under protest– Nil (March 31 2023, 23.10 lakhs)

**amount paid under protest/adjusted against refund – 10.72 lakhs

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

(ii) For financials guarantee given to banks on behalf of and in respect of term loan facilities availed by its group companies refer note 32(d).

(iii) Pledge of shares

(a) Pledge of 30% and lien of 21% in favour ofTrustee on the basis of Non-disposable undertakingof the shareholding held in Hyacinth Hotels Private Limited by the Company for term loan facility availed

availed by Hyacinth Hotels Private Limited. Amount of Loan outstanding as on March 31, 2024 of Rs. 11,041.44 (March 31, 2023: Rs 13,726.45 lakhs).

(b) Pledge of 30% of shareholding held in Berggruen Hotels Private Limited by the Company for term loan availed by Berggruen Hotels Private Limited from Yes Bank Limited. Amount of Loan outstanding as on March 31, 2024 is Rs. 3,448.68 lakhs. (March 31, 2023: Rs. 6,458.28 lakhs)

(c) Pledge of 30% of shareholding held in Iora Hotels Private Limited by the Company for term loan availed by Iora Hotels Private Limited from Yes Bank Limited. Amount of Loan outstanding as on March 31, 2024 is Rs. 19,900 lakhs. (March 31, 2023: Rs. Nil)

(d) Pledge of 30% of shareholding held in Iora Hotels Private Limited by the Company for term loan availed by Iora Hotels Private Limited from Axis Bank Limited. Amount of Loan outstanding as on March 31, 2024 is Rs. 16,900 lakhs. (March 31, 2023: Nil)

(d) Financial guarantees

The Company has issued financial guarantees to banks on behalf of and in respect of term loan facilities availed by its group companies for construction of new hotel project. In accordance with the policy of the Company (refer note 2.2(n) the Company has designated such guarantees as 'Insurance Contracts'. The Company has classified financial guarantees as contingent liabilities. These financial guarantees are an integral element of debts held by entities, hence has not been accounted for separately. Accordingly, there are no assets and liabilities recognized in the balance sheet under these contracts. Refer below for details of the financial guarantees issued:

(Rs in lakhs)

		Loan Outstanding as on March 31, 2024	Guarantees as on March 31, 2024	Loan Outstanding as on March 31, 2023	Guarantees as on March 31, 2023
a.	Counter guarantees issued in respect of guarantees issued by Company's bankers	-	675.59	-	674.11
b.	Guarantee given on behalf of Hyacinth Hotels Private Limited	7,858.78	11,500.00	9,465.79	16,105.00
c.	Guarantee given on behalf of Celsia Hotels Private Limited	1,791.22	2,709.00	2,550.78	2,709.00
d.	Guarantee given on behalf of Inovoa Hotels and Resorts Limited	2762.77	3,481.00	3,025.27	3,481.00
e.	Guarantee given on behalf of Berggruen Hotels Private Limited	3,448.68	3,887.00	6,458.28	18,600.00
f.	Guarantee given on behalf of Iora Hotels Private Limited	36,800	48,000.00	-	-

(e) Note on Provident Fund:

Based upon the legal opinion obtained by the management, Company is not required to create provisions in books of accounts in view of the judgement of the Hon'ble Supreme court in the case of Vivekananda Vidyamandir vs Regional Provident Fund Commissioner (II), West Bengal and subsequent dismissal of review petition by Hon'ble Supreme court in the case of review petition No. 001972-001973/2019 in civil appeal 3965-3966 in the matter of Surya Roshni Ltd Vs Employees Provident Fund and Another.

Considering the equitable cause, the High Courts may give prospective effect to the judgement which can be done in exercise of inherent powers of High Court under Article 226 of the constitution of India.

In case of Company retrospective effect is remote and at present uniformity is maintained across all brands/grades.

33. Related Party Transactions

Names of related parties

Holding Company	- Lemon Tree Hotels Limited
Subsidiary Company	- Celsia Hotels Private Limited - Inovoa Hotels and Resorts Limited - Iora Hotels Private Limited - Ophrys Hotels Private Limited - Hyacinth Hotels Private Limited - Bandhav Resorts Private Limited -Berggruen Hotels Private Limited
Fellow subsidiary companies	- Manakin Resorts Private Limited -Hamstede Living Private Limited -Canary Hotels Private Limited - Sukhsagar Complexes Private Limited - Oriole Dr. Fresh Hotels Private Limited
Limited Liability Partnership	- Mezereon Hotels LLP
Key Management Personnel (KMP)	- Mr. Patanjali Govind Keswani (Managing Director) - Mr Aditya Madhav Keswani (Director)(w.e.f May 27, 2022) -Mr Niten Malhan (Independent Director) -Mr. Dominic James Doran (Director) -Mr. Paramartha Saikia (Independent Director) -Mr. Ashish Kumar Guha (Independent Director) -Dr. Arindam Kumar Bhattacharya (Independent Director) - Mr. Pradeep Mathur (Chairman and Independent Director) -Ms. Freyan Jamshed Desai (Independent Director) (w.e.f. August 09, 2023)

Enterprises owned or significantly influenced by key management personnel or their relatives	- Toucan Real Estates Private Limited
Enterprise in which Holding Company has Significant Influence	-Mind Leaders Learning India Private Limited

Additional related parties as per Companies Act 2013 with whom transactions have taken place during the year:

Chief Financial Officer	-Mr. Inder Pal Batra (Upto January 31, 2024) -Mr. Mayank Sharma (w.e.f February 05, 2024)
Company Secretary	-Mrs. Sonali Manchanda (Upto November 30, 2023) -Mrs. Isha Jain (w.e.f. February 05, 2024)

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year

Rs in lakhs

Transactions with Related Party	Holding Company		Subsidiaries		Fellow subsidiaries		Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Enterprise in which Holding Company has significant influence	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Reimbursement of expenses paid on behalf of party												
Lemon Tree Hotels Limited	5.14	7.27	-	-	-	-	-	-	-	-	-	-
Loans (given)												
Celsia Hotels Private Limited	-	-	763.94	2.46	-	-	-	-	-	-	-	-
Hyacinth Hotels Private Limited	-	-	409.00	83.60	-	-	-	-	-	-	-	-
Iora Hotels Private Limited	-	-	11,348.00	13,188.35	-	-	-	-	-	-	-	-
Berggruen Hotels Private Limited	-	-	4,687.42	3,818.34	-	-	-	-	-	-	-	-
Inovoa Hotels & Resorts Limited	-	-	20.15	32.14	-	-	-	-	-	-	-	-
Repayment of Loan Given												
Celsia Hotels Private Limited	-	-	75.00	2.46	-	-	-	-	-	-	-	-

Fleur Hotels Private Limited
Notes to Standalone financial statements for the year ended March 31, 2024

Transactions with Related Party	Holding Company		Subsidiaries		Fellow subsidiaries		Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Enterprise in which Holding Company has significant influence	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Hyacinth Hotels Private Limited	-	-	-	83.60	-	-	-	-	-	-	-	-
Iora Hotels Private Limited	-	-	14,892.00	1,371.96	-	-	-	-	-	-	-	-
Bandhav Resorts Private Limited	-	-	-	21.34	-	-	-	-	-	-	-	-
Berggruen Hotels Private Limited	-	-	900.00	3,244.41	-	-	-	-	-	-	-	-
Inovoa Hotels & Resorts Limited	-	-	10.12	40.96	-	-	-	-	-	-	-	-
Loans (taken)												
Manakin Resorts Private Limited	-	-	-	-	10.00	5.00	-	-	-	-	-	-
Repayment of Loan taken												
Manakin Resorts Private Limited	-	-	-	-	82.50	64.90	-	-	-	-	-	-
Management fees and advertisement and sales promotion												
Lemon Tree Hotels Limited	4,403.53	3,736.88	-	-	-	-	-	-	-	-	-	-

Fleur Hotels Private Limited
Notes to Standalone financial statements for the year ended March 31, 2024

Transactions with Related Party	Holding Company		Subsidiaries		Fellow subsidiaries		Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Enterprise in which Holding Company has significant influence	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Training expenses paid (Gross)												
Mind Leaders Learning India Private Limited	-	-	-	-	-	-	-	-	-	-	61.17	11.30
Remuneration Paid												
Mr. Inder Pal Batra	-	-	-	-	-	-	69.87	55.01	-	-	-	-
Mr. Mayank Sharma							7.68	-	-	-	-	-
Mrs. Sonali Manchanda	-	-	-	-	-	-	18.95	22.53	-	-	-	-
Mrs. Isha Jain	-	-	-	-	-	-	3.03	-	-	-	-	-
Purchase of Compulsorily Convertible Preference Shares from APG Strategic Real Estate Pool N.V (Shareholder)												
Lemon Tree Hotels Limited	4,884.36	10,898.41	-	-	-	-	-	-	-	-	-	-

Fleur Hotels Private Limited
Notes to Standalone financial statements for the year ended March 31, 2024

Transactions with Related Party	Holding Company		Subsidiaries		Fellow subsidiaries		Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Enterprise in which Holding Company has significant influence	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Director Sitting Fees												
Mr. Ashish Kumar Guha	-	-	-	-	-	-	8.00	1.05	-	-	-	-
Mr. Paramartha Saikia	-	-	-	-	-	-	4.50	1.20	-	-	-	-
Mr. Pradeep Mathur	-	-	-	-	-	-	6.50	1.05	-	-	-	-
Mr. Niten Malhan	-	-	-	-	-	-	6.50	0.70	-	-	-	-
Ms. Freyan Jamshed Desai	-	-	-	-	-	-	0.75	-	-	-	-	-
Dr. Arindam Kumar Bhattacharya	-	-	-	-	-	-	6.00	-	-	-	-	-
Capital Advance given to the party												
Toucan Real Estates Private Limited	-	-	-	-	-	-	-	-	24.15	34.30	-	-
Guarantees reduced for loan taken by												
Hyacinth Hotels Private Limited	-	-	4,605.00	-	-	-	-	-	-	-	-	-

Fleur Hotels Private Limited
Notes to Standalone financial statements for the year ended March 31, 2024

Transactions with Related Party	Holding Company		Subsidiaries		Fellow subsidiaries		Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Enterprise in which Holding Company has significant influence	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Berggruen Hotels Private Limited	-	-	14,713.00	-	-	-	-	-	-	-	-	-
Guarantees given for loan taken by												
Celsia Hotels Private Limited	-	-	-	3,263.00	-	-	-	-	-	-	-	-
Iora Hotels Private Limited	-	-	46,000.00	2,000.00	-	-	-	-	-	-	-	-
Amount Received on behalf of the Company												
Lemon Tree Hotels Limited	23.21	33.93					-	-	-	-	-	-
Canary Hotels Private Limited	-	-	-	-	-	0.25	-	-	-	-	-	-
Hyacinth Hotels Private Limited	-	-	0.67	0.25	-	-	-	-	-	-	-	-
Inovoa Hotels and Resorts Limited	-	-	0.48	0.23	-	-	-	-	-	-	-	-
Berggruen Hotels Private Limited	-	-	0.36	1.23	-	-	-	-	-	-	-	-

Fleur Hotels Private Limited
Notes to Standalone financial statements for the year ended March 31, 2024

Transactions with Related Party	Holding Company		Subsidiaries		Fellow subsidiaries		Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Enterprise in which Holding Company has significant influence	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Bandhav Resorts Private Limited	-	-	-	0.25	-	-	-	-	-	-	-	-
Oriole Dr Fresh Hotels Private Limited	-	-	-	-	-	0.25	-	-	-	-	-	-
Sukhsagar Complexes Private Limited	-	-	-	-	**0.18**	0.25	-	-	-	-	-	-
Manakin Resorts Private Limtied	-	-	-	-	**0.18**	0.25	-	-	-	-	-	-
Celsia Hotels Private Limited			0.36	-	-	-	-	-	-	-	-	-
Interest Paid(Gross)												
Manakin Resorts Private Limited	-	-	-	-	**28.67**	33.81	-	-	-	-	-	-
Amount paid on behalf of the party												
Lemon Tree Hotels Limited	**5.14**	3.09	-	-	-	-	-	-	-	-	-	-
Hyacinth Hotels Private Limited	-	-	-	0.11	-	-	-	-	-	-	-	-
Inovoa Hotels and	-	-	-	0.13	-	-	-	-	-	-	-	-

Fleur Hotels Private Limited
Notes to Standalone financial statements for the year ended March 31, 2024

Transactions with Related Party	Holding Company		Subsidiaries		Fellow subsidiaries		Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Enterprise in which Holding Company has significant influence	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Resorts Limited												
Berggruen Hotels Private Limited	-	-	0.27	-	-	-	-	-	-	-	-	-
Celsia Hotels Private Limited	-	-	0.18	-	-	-	-	-	-	-	-	-
Canary Hotels Private Limited	-	-	-	-	0.10	-	-	-	-	-	-	-
Iora Hotels Private Limited	-	-	16.58	-	-	-	-	-	-	-	-	-
Balances outstanding at the year end- Loans given												
Inovoa Hotels and Resorts Limited	-	-	10.12	0.10	-	-	-	-	-	-	-	-
Celsia Hotels Private Limited	-	-	688.94	-	-	-	-	-	-	-	-	-
Hyacinth Hotels Private Limited	-	-	409.00	-	-	-	-	-	-	-	-	-
Iora Hotels Private Limited	-	-	9,655.49	13,199.49	-	-	-	-	-	-	-	-

Fleur Hotels Private Limited
Notes to Standalone financial statements for the year ended March 31, 2024

Transactions with Related Party	Holding Company		Subsidiaries		Fellow subsidiaries		Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Enterprise in which Holding Company has significant influence	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Berggruen Hotels Private Limited	-	-	8,001.15	4,213.73	-	-	-	-	-	-	-	-
Ophyrs Hotels Private Limited	-	-	2.00	2.00	-	-	-	-	-	-	-	-
Balances outstanding at the year end- Loans taken												
Manakin Resorts Private Limited	-	-	-	-	285.30	357.80	-	-	-	-	-	-
Balances outstanding at the year end- Trade Payable												
Lemon Tree Hotels Limited	354.94	2,551.37	-	-	-	-	-	-	-	-	-	-
Mind Leaders Learning India Private Limited	-	-	-	-	-	-	-	-	-	-	13.85	2.95
Mr. Mayank Sharma	-	-	-	-	-	-	0.44	-	-	-	-	-
Mrs. Isha Jain	-	-	-	-	-	-	0.37	-	-	-	-	-
Balances outstanding at the												

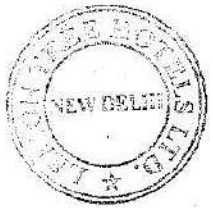
Fleur Hotels Private Limited
Notes to Standalone financial statements for the year ended March 31, 2024

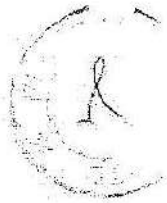
Transactions with Related Party	Holding Company		Subsidiaries		Fellow subsidiaries		Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Enterprise in which Holding Company has significant influence	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
year end- Expenses Payable												
Lemon Tree Hotels Limited	562.75											
Advance recoverable												
Toucan Real Estate Private Limited	-	-	-	-	-	-	-	-	95.23	95.23	-	-
Security Deposit												
Toucan Real Estate Private Limited	-	-	-	-	-	-	-	-	192.00	192.00	-	-
Guarantees Given for loan taken by												
Hyacinth Hotels Private Limited	-	-	11,500.00	16,105.00	-	-	-	-	-	-	-	-
Celsia Hotels Private Limited	-	-	2,709.00	2,709.00	-	-	-	-	-	-	-	-
Inovoa Hotels and Resorts Limited	-	-	3,481.00	3,481.00	-	-	-	-	-	-	-	-
Berggruen Hotels Private Limited	-	-	3,887.00	18,600.00	-	-	-	-	-	-	-	-
Iora Hotels Private	-	-	48,000.00	2,000.00	-	-	-	-	-	-	-	-

Fleur Hotels Private Limited
Notes to Standalone financial statements for the year ended March 31, 2024

Transactions with Related Party	Holding Company		Subsidiaries		Fellow subsidiaries		Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Enterprise in which Holding Company has significant influence	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Limited												
Guarantee Taken for Loan received												
Lemon Tree Hotels Limited	**85,302.00**	85,302.00	-	-	-	-	-	-	-	-	-	-







Terms and conditions of transactions with related parties

Outstanding balances with related parties at the year-end are unsecured and interest free and settlement occurs in cash. For the year ended March 31, 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2023: INR Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Commitments with related parties

The Company has not entered into any commitments with related parties during the year.

34. Fair value measurement

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument

a. Financial Assets (other than equity investment/ deemed investment in subsidiaries carried at cost)

Rs. in lakhs

	March 31, 2024		March 31, 2023	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets				
Trade Receivables	-	2,233.57	-	1,874.64
Security Deposits	-	525.02	-	487.92
Investment	0.41	-	0.41	-
Other bank balances(including Fixed deposits under Lien)	-	921.61	-	469.36
Cash and Cash Equivalents	-	832.26		266.70
Interest accrued on deposit with banks and others	-	77.67	-	97.33
Loans		16,659.94		16,796.24
Total Financial Assets (other than equity investment/ deemed investment in subsidiaries carried at cost)	**0.41**	**21,250.07**	**0.41**	**19,992.19**

Note: The financial assets above do not include investments in subsidiaries which are measured at cost in accordance with Ind AS 27.

b. Financial Liabilities

Rs. in lakhs

	March 31, 2024		March 31, 2023	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Liabilities				
Borrowings	-	97,533.83	-	102,023.01
Trade Payables	-	3,357.00	-	4,956.20
Lease Liabilities	-	14,921.21	-	14,343.35
Other Current Financial Liabilities	-	239.99	-	223.92
Total Financial Liabilities	-	**116,052.03**	-	121,546.48

c. Fair value measurement hierarchy for assets and liabilities

Fair value measurement

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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

i) Level 1

Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

ii) Level 2

Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

iii) Level 3

Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

Deloitte Haskins & Sells LLP Chartered Accountants

35 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include loans, trade and other receivables, and cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline in long term, accordingly the Company is currently carrying its loans at variable interest rates.

Rs. In lakhs

	March 31, 2024	March 31, 2023
Variable rate borrowings	97,202.11	1,01,576.34
Fixed rate borrowings	331.72	446.67

Interest rate sensitivity

Particulars	Increase/decrease in basis points	Effect on profit before tax
March 31, 2024		
Floating rate borrowing	50	(505.88)
Floating rate borrowing	-50	505.88
March 31, 2023		
Floating rate borrowing	50	(467.33)
Floating rate borrowing	-50	467.33

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has no exposure in foreign currency.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and deposits to landlords) and from its financing activities, including deposits with banks and financial institutions and other financial instruments

(a) Trade receivables

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 11. The Company does not hold collateral as security.

Reconciliation of provision for doubtful debts - Trade receivables(including provision for expected credit loss)

	March 31, 2024	March 31, 2023
Provision at beginning	150.58	150.58
Addition during the year	49.74	-
Reversal during the year	-	-
Provision at closing	200.32	150.58

(b) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investment of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2024 and March 31, 2023 is the carrying amount as given in Note 11.

Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders. As at March 31, 2024, the Company had no sanctioned balance(March 31, 2023: Nil) of undrawn committed borrowing facilities.

The table below summarises the maturity profile of the Company's financial liabilities based on

contractual undiscounted payments.

Rs. In lakhs

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2024						
Borrowings*	285.30	1,827.11	6,584.67	38,846.83	50,721.22	98,265.13
Trade and other payables	3,357.00	-	-	-	-	3,357.00
Other Financial Liabilities	239.99	-	-	-	-	239.99
	3,882.29	**1,827.11**	**6,584.67**	**38,846.83**	**50,721.22**	**101,862.12**
Year ended March 31, 2023						
Borrowings*	2,208.38	204.10	2,454.50	39,015.51	58,958.76	1,02,841.25
Trade and other payables	4,956.20	-	-	-	-	4,956.20
Other Financial Liabilities	223.92	-	-	-	-	223.92
	7,388.50	**204.10**	**2,454.50**	**39,015.51**	**58,958.76**	**1,08,021.37**

*represents un-discounted cashflows

The table provides details regarding the contractual maturities of lease liabilities as of March 31, 2024 and March 31, 2023 as on undiscounted basis

Particulars	As at March 31, 2024	As at March 31, 2023
Minimum Lease Payments:		
Not later than one year	1,369.42	1,276.54
Later than one year but not later than five years	6,130.39	5,887.00
Later than five years	29,563.57	26,661.08
Total	37,063.38	33,824.62

36 Capital management

For the purpose of the Company's capital management, capital includesissuedequity capital, share premium and all otherequityreservesattributable to the equityholders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makesadjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Companymayadjust the dividendpayment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, whichis net debtdividedby total capital plus net debt. The Companyincludeswithin net debt, interestbearingloans and borrowings, trade payables, less cash and cash equivalents.

Rs. In lakhs

	March 31, 2024	March 31, 2023
Borrowings (Note 15 and Note 19) (Net of Processing Fee)	97,533.83	1,02,023.01
Trade payables (Note 19)	3,357.00	4,956.20
Less: cash and cash equivalents (Note 11)	832.26	266.70
Net debt	**100,058.57**	**1,06,712.51**
Total capital	1,65,622.19	1,60,019.23
Capital and net debt	**2,65,680.76**	**2,66,731.23**
Gearing ratio	**38%**	**40%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no significant breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

37. Amendements/Standards notified but not yet effective

a) The 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. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

b) **Note on Social Security:**

The Code on Wages, 2019 and Code on social security, 2020 ("the codes") relating to employee compensation and post-employment benefits that received Presidential assent have not been notified. Further, the related rules for quantifying the financial impact have not been notified. The Company will assess the impact of the codes when the rules are notified and will record any related impact in the period in which the Codes become effective.

There are no new amendements/standards (other than above) that are notified, but not yet effective up to the date of issuance of the Company's financial statements.

Deloitte Haskins & Sells LLP Chartered Accountants

LEMON TREE HOTELS NEW DELHI

38. Ratio Analysis and its elements

S.No.	Ratio	Numerator	Denominator	March 2024	March 2023	% Variance	Reason for variance
1	Current Ratio	Current Asset	Current liabilities	1.35	1.74	(22.46%)	-
2	Debt Equity Ratio	Total Debt	Shareholder equity	0.59	0.64	(7.63%)	-
3	Debt service coverage Ratio	Earnings available for debt service	Debt service	1.55	1.77	(12.06%)	-
4	Return on Equity	Net profit after taxes	Average shareholders equity	3.44%	2.26%	52.35%	Increase in profit as compared to previous year
5	Inventory Turnover Ratio	Cost of goods sold	Average Inventory(excluding Stores, cutlery, crockery, linen)	16.06	17.63	(8.91%)	-
6	Trade Receivable turnover Ratio	Net total sales	Avg. accounts receivable	20.67	27.45	(24.71%)	-
7	Trade Payables turnover Ratio	Net credit purchase	Average Trade Payable	NA	NA	NA	Not applicable to the Company considering nature of services of the Company
8	Net capital Turnover Ratio	Net Sales	Working capital	8.78	4.60	91.00%	Increase in revenue and decrease in working capital levels as compared to previous year
9	Net Profit Ratio	Net Profit	Net sales	13.20%	9.55%	38.20%	Increase in revenue as compared to previous year
10	Return on capital employed	EBIT	Capital employed	6.09%	5.05%	22.72%	-
11	Return on investment	Interest(Finance income)	Investment	NA	NA	NA	Not applicable to the Company considering the investments are made to subsidiaries with long term growth outlook

(i) Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and otheramortizations + Interest + otheradjustments like loss on sale of Fixed assets etcwhich are non cash in nature.

(ii) DebtService = Interest&Lease Payments + Principal Repayments (excludingprepayments).

(iii) Capital Employed= Networth+ Total Debt+DeferredTaxLiability-Net Intangible assets- Intangible assets underdevelopment

(iv) Working Capital= Current Assets- Currentliabilities

(v) EBIT= Earningbeforeinterest and taxes

(vi) Net sales- Revenue from operations- Government grant

39. Segment Reporting

The Company is into Hotellering business. The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore there is no reportable segment for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about geographical areas

The Company has only domestic operations and hence no information required for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about major customers

No customer individually accounted for more than 10% of the revenue for the year ended March 31, 2024 and March 31, 2023.

40. a) During the year Company has received Entitlement certificate for subsidy under Tourism Policy (TP) 2016 dated December 1 2023, based on which the company shall be eligible for 100% of the SGST paid on Lemon Tree Premier, Mumbai for a period of 7 years from the date of the entitlement certificate i.e. December 1, 2023.

b)During the previous year Company has received Entitlement certificate for subsidy under Rajasthan Investment Promotion Scheme (RIPS) 2014 dated December 6 2022, based on which the company shall be eligible for 50% of the SGST paid on Aurika Hotels, Udaipur for a period of 7 years from the date of the commencement of operation i.e. 29th October 2019.

The Company has complied with all the significant terms and conditions affixed to these grants.

41. The Company does not have any long term contracts including derivative contracts for which there are any material foreseeable losses.

42. There is no such immovable property whose title deed is not in the favor of the Companyexcept freehold land and building located at Andheri Mumbai admeasuring 5,552.9 sqmt whose title deeds are in name of the Meringue Hotels Private Limited, erstwhile company that was merged with the Company under Section 230-232 of the Companies Act, 2013 in terms of the approval of the National Company Law Tribunal.

Deloitte Haskins & Sells LLP Chartered Accountants

LEMON TREE HOTELS NEW DELHI

43. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006.

Rs. in Lakhs

	March31, 2024	March31, 2023
the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	600.28	563.58
the amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

44. There has been no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

45. During the year ended March 31, 2022, the Company had made provision of estimated stamp duty expense of Rs. 1525.03 lakhs on amalgamation of Meringue Hotels Private Limited, Begonia Hotels Private Limited and Nightingale Hotels Private Limited. This provision of stamp duty expense was a one- time expense of non-recurring nature. As on March 31, 2024, Company is carrying provision of Rs 86.36 lakhs (refer note 17).

46. As per the proviso to Rule 3(1) of Companies (Accounts) Rules, 2014, for the financial year commencing on or after the 1st day of April 2023, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses SAP S/4 HANA as its accounting software operated for recording all the accounting transactions for the year ended March 31, 2024. SAP S/4 HANA has a feature of recording audit trail (edit log) facility which has not been enabled throughout the year.

In respect of maintaining revenue records, the Company has used an revenue management software. The said software has a feature of recording audit trail (edit log) facility from July 1, 2023, except the software does not have feature of audit trail at database level.

The Management has adequate internal controls over financial reporting which were operating effectively for the year ended March 31, 2024. The Management is in the process of evaluating the options to ensure compliance with the requirements of proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 referred above in respect of audit trail (edit log).

47. Other Statutory Information

(i) The Company have not traded or invested in Crypto currency or Virtual currency during the financial year.

(ii) The Company have not 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.

(iii) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under Benami Transactions (Prohibition) Act, 1988.

(iv) The Company do not have any transaction with companies struck off.

(v) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(vi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vii) During the year, the Company has not entered into any scheme of arrangements in terms of section 230 to 237 of the Companies Act, 2013 and accordingly, the prescribed disclosures of Schedule III are not required to be given.

(viii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or,

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(ix) The Company have not received any funds from any person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or,

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(x) The Company is not required to spend towards Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013, since there is no average profit in the last 3 years calculated as per the provisions of the Act.

48. Previous year figures have been regrouped/ reclassified wherever necessary to correspond with the current year classification.

For and on behalf of the Board of Directors of
Fleur Hotels Private Limited

Patanjali Govind Keswani
Managing Director
DIN-00002974
Place: Mumbai

Aditya Madhav Keswani
Director
DIN-07208901
Place: Mumbai

Isha Jain
Company Secretary
Mem. no.-A25838
Place : New Delhi

Mayank Sharma
Chief Financial Officer

Place : New Delhi

Date :May 28, 2024

Deloitte
Haskins & Sells LLP

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INDEPENDENT AUDITOR'S REPORT

To The Members of Fleur Hotels Limited (formerly known as Fleur Hotels Private Limited)
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Fleur Hotels Limited (formerly known as Fleur Hotels Private Limited) (the "Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of 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 standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including 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 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 standalone financial statements, 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 intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate



to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone 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.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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 financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 not complying with the requirements of audit trail as stated in (i)(vi) below.



c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.

g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, no remuneration (except sitting fees) has been paid by the Company to its Directors during the year.

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. (Refer Note 31 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. (Refer Note 40 to Standalone Financial Statements)

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. (Refer Note 43 to Standalone Financial Statements)

iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 46(viii)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.

(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 46(ix) 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 Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the year ended March 31, 2025 wherein:

(a) the accounting software has a feature of recording audit trail (edit log) facility and the audit trail at the application level has operated throughout the year for all relevant transactions recorded in the software except that the audit trail feature was enabled for certain tables/master records only from March 29, 2025. Further, audit trail was not enabled at the database level to log any direct data changes. Consequently, we are unable to comment whether there were any instances of the audit trail feature being tampered with.

As audit trail feature was not enabled for the year ended March 31, 2024, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable.

(b) In respect of a revenue management software used for maintaining its revenue records, it has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that the audit trail (edit log) at database level was enabled on March 19, 2025 and the software do not have feature to capture whether audit trail (edit log) has been tampered or not. Consequently, we are unable to comment whether there were any instances of the audit trail feature being tampered with.

Additionally, the audit trail that was enabled and operated for the year ended March 31, 2024, has been preserved by the Company as per the statutory requirements for record retention.

(Refer Note 45 of the financial statements)



2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018



Rajesh Kumar Agarwal
Partner
Membership No. 105546
UDIN : 25105546BMLAIH4055

Place: Gurugram
Date: May 28, 2025

Deloitte
Haskins & Sells LLP

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls with reference to standalone financial statements of Fleur Hotels Limited (formerly known as Fleur Hotels Private Limited) (the "Company") as at March 31, 2025 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone 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 standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 standalone financial statements.



Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to standalone financial statements 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.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Deloitte Haskins & Sells LLP Chartered Accountants

Rajesh Kumar Agarwal
Partner
Membership No. 105546
UDIN : 25105546BMLAIH4055

Place: Gurugram
Date: May 28, 2025

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Annexure "B" To the Independent Auditor's Report of Fleur Hotels Limited (formerly known as Fleur Hotels Private Limited)

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(B)The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of verification of property, plant and equipment so to cover all the items once every two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on the examination of the confirmation received by us from "Vistra ITCL (India) Limited" (custodian) on behalf of Yes Bank, Kotak Mahindra Bank, Axis Bank, HDFC Bank and IndusInd Bank in respect of immovable properties of land and buildings (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment whose title deeds have been pledged as security for loans and guarantees are held in the name of the Company as at the balance sheet date except for the following:

Description of Property	Gross carrying value (Rs. in lakhs)	Held in name of	Whether Promoter, director or their relative or employee	Period held	Reason for not being held in name of company
Freehold land of Lemon Tree Hotel located at Andheri Mumbai admeasuring 5,552.9 sqmt	784.69	Meringue Hotels Private Limited	N/A	January 31, 2020	Meringue Hotels Private Limited was amalgamated with Fleur Hotels Private Limited under section 230-232 of the Companies Act, 2013 in terms of the approval of the National company Law tribunal.

(d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising operating performance (MIS) filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.

(iii) The Company has not made investment, provided any guarantees or security, and granted any advances in nature of loans, to Companies, firms, Limited liability partnerships or any other parties during the year. The Company has granted unsecured loans to subsidiaries during the year, in respect of which:

(a) The Company has provided loans during the year and stood guarantees in previous years, details of which are given below:

Particulars	Guarantees (Rs. in lakhs)	Loans (Rs in lakhs)
A. Aggregate amount granted during the year: - subsidiaries - Others	- -	6,109.62 -
B. Balance outstanding as at balance sheet date: - subsidiaries - Others	63,190.00 -	12,531.81* -

*Includes equity component of loan given to subsidiary as per Ind AS 109 for Rs. 2,566.05 lakhs and excludes interest accreted on the loan component for Rs. 939.47 Lakhs.

(b) According to the information and explanations given to us, the Company has, during the year, granted interest free unsecured loans (refer reporting under clause (iii) (a) above and clause (iii)(f) below) to wholly owned subsidiaries covered in the register maintained under section 189 of the Companies Act, 2013, which, as explained to us, have been made for meeting working capital requirements and/or setting up new projects. In respect of these loans granted, the terms and conditions are, in our

opinion, not prejudicial to the Company's interest after considering the purpose for which guarantees are provided and loans have been granted.

(c) The Company has granted loans to wholly owned subsidiaries amounting to Rs. 5,731.81 lakhs which are repayable on demand. During the year the Company has not demanded such loan. Having regard to the fact that the repayment of principal or payment of interest has not been demanded by the Company, in our opinion the repayments of principal amounts and receipts of interest are regular. (Refer reporting under clause (iii)(f) below)

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) The Company has granted loans which are repayable on demand amounting to Rs. 5,731.81 lakhs to its wholly owned subsidiaries. These loans constitute 45.74% of total loans given by the Company.

(iv) The Company has complied with the provisions of sections 186 of the Companies Act, 2013 in respect of making investments. The Company has not granted any loans or provided guarantee or security under section 185 of Companies Act 2013. As per section 186 (11) read with schedule VI, provision for section 186 with respect to grant of loans and providing guarantees would not apply to the Company as the Company is providing infrastructural facilities.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Value Added Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities in all cases during the year. We are informed that the duty of Custom, Sales tax, Service tax and duty of Excise is not applicable to the company.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.



(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2025 on account of disputes are given below:

Name of Statute	Nature of Dues	Amount Involved (Rs. In lakhs)#	Period (FY) to which the amount relates	Forum where dispute is pending
Finance Act, 1994 (Service Tax)	Service Tax	10.06	2007-2012	CESTAT
Finance Act, 1994 (Service Tax)	Service Tax	96.13	2012-2017	CESTAT
Finance Act, 1994 (Service Tax)	Service Tax	253.62	2012-2018	CESTAT
Good and Service Tax Act,2017	Goods and Service Tax	327.16	2019-2020	Deputy Commissioner of State Tax
Good and Service Tax Act,2017	Goods and Service Tax	200.26	2017-18	Deputy Commissioner of State Tax
Good and Service Tax Act,2017	Goods and Service Tax	15.49	2022-2023	Deputy Commissioner of State Tax
Good and Service Tax Act,2017	Goods and Service Tax	16.90	2018-2019	Appellate Authority
Good and Service Tax Act,2017	Goods and Service Tax	65.78	2019-2020	Appellate Authority
Income tax Act, 1961	Income Tax	16.53*	2016-17	CIT(A)
The Indian Stamp Act, 1899	Stamp Duty	146.41	FY 13-14	Delhi High Court
The Rajasthan Stamp Act, 1988	Stamp Duty	45.94	FY 14-15	Rajasthan High Court-Jodhpur

#Amount includes interest and penalty as per demand orders wherever quantified in the order.
* Net of Rs. 10.72 lakhs paid under protest/adjusted against refund

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.



(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, not been used during the year for long-term purposes by the Company.

(e) On overall examination of financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. According to the information and explanations given to us by the management, the Company has utilised funds from internal accruals for investing and granting loans to its wholly owned subsidiaries. (refer reporting under clause (iii) above)

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiary companies.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, and according to the explanation given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.



(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

The Group does not have more than one CIC as part of the group.

(xvii) The Company has not incurred any cash losses in the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, 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 Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Deloitte Haskins & Sells LLP Chartered Accountants

Rajesh Kumar Agarwal
Partner
Membership No. 105546
UDIN: 25105546BMLAIH4055

Place: Gurugram
Date: May 28, 2025

Fleur Hotels Limited (Formerly known as Fleur Hotels Private Limited)
CIN: U55101DL2003PLC207912

Standalone Balance Sheet as at March 31, 2025

Particulars	Note	As at March 31, 2025 Rs. in lakhs	As at March 31, 2024 Rs. in lakhs
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	1,30,985.41	1,33,845.07
(b) Other intangible assets	4	29.98	37.17
(c) Right-of-use asset	5	9,991.74	10,582.31
(d) Financial assets			
(i) Investments	6	1,13,843.68	1,13,843.68
(ii) Loans	6	4,401.82	4,878.78
(iii) Other non-current financial assets	6	570.88	514.77
(e) Deferred tax assets (net)	17	-	-
(f) Non-current tax assets (net)	7	1,585.97	771.28
(g) Other non-current assets	8	91.95	10.73
		2,61,501.43	2,64,483.79
Current assets			
(a) Inventories	9	456.36	532.61
(b) Financial assets			
(i) Trade receivables	10	2,308.81	2,233.57
(ii) Cash and cash equivalents	10	1,537.14	832.26
(iii) Investments	6	746.29	-
(iv) Bank balances other than (ii) above	10	710.00	750.00
(v) Loans	10	6,503.02	11,781.16
(vi) Other current financial assets	10	38.52	259.53
(c) Other current assets	11	2,816.32	2,198.67
		15,116.46	18,587.80
Total Assets		2,76,617.89	2,83,071.59
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	12	9,783.15	9,783.15
(b) Other equity	13	1,63,933.61	1,55,839.04
Total Equity		1,73,716.76	1,65,622.19
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	14	76,032.31	88,836.74
(ii) Lease liabilities	15	14,887.69	14,831.36
(b) Provisions	16	36.42	29.24
		90,956.42	1,03,697.34
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	7,782.09	8,697.09
(ii) Lease liabilities	15	104.60	89.85
(iii) Trade payables	18		
- total outstanding dues of micro enterprises and small enterprises		564.14	600.28
- total outstanding dues of creditors other than micro enterprises and small enterprises		1,905.30	2,237.63
(iv) Other current financial liabilities	18	418.34	759.10
(b) Other current liabilities	19	1,024.93	1,227.03
(c) Provisions	16	145.31	141.08
		11,944.71	13,752.06
Total Liabilities		1,02,901.13	1,17,449.40
Total Equity and Liabilities		2,76,617.89	2,83,071.59
Summary of material accounting policies	2.2		
The accompanying notes are an integral part of the financial statements	1 to 46		

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants

Rajesh Kumar Agarwal
Partner

Deloitte Haskins & Sells LLP Chartered Accountants

For and on behalf of the Board of Directors of
Fleur Hotels Limited

Pataniali Govind Keswani
Managing Director
DIN-00002974

Aditya Madhav Keswani
Director
DIN-07208901

Mayank Sharma
Chief Financial Officer

Ishi Jain
Company Secretary
Mem no. A25838

Place : Gurugram
Date : May 28, 2025

Place : New Delhi
Date : May 28, 2025

FLEUR HOTELS LTD. NEW DELHI

Fleur Hotels Limited (Formerly known as Fleur Hotels Private Limited)
CIN: U55101DL2003PLC207912
Standalone Statement of Profit and Loss for the year ended March 31, 2025

Particulars	Note	For the year ended March 31, 2025 Rs. in lakhs	For the year ended March 31, 2024 Rs. in lakhs
Revenue from operations	20	46,423.84	43,291.59
Other income	21	55.90	47.04
Total income		46,479.74	43,338.63
Expenses			
Cost of food & beverages consumed	22	2,823.95	2,645.41
Employee benefits expense	23	6,292.44	5,650.42
Power and fuel	24(a)	2,800.57	2,672.53
Other expenses	24(b)	13,428.37	12,247.94
Total expenses		25,345.31	23,216.30
Profit before finance cost, finance income depreciation and amortization, and tax (EBITDA) (Refer note 2.2 (p))		21,134.43	20,122.33
Finance costs	25	9,509.05	10,730.87
Finance income	26	(562.07)	(311.89)
Depreciation and amortization expense	27	4,085.13	4,098.75
Profit before tax		8,102.32	5,604.60
Tax expense			
(1) Current tax	17	-	-
(2) Deferred tax	17	-	-
		-	-
Profit for the year		8,102.32	5,604.60
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
Re-measurement losses on defined benefit plans		(7.75)	(1.64)
Income tax effect		-	-
		(7.75)	(1.64)
Total comprehensive income for the year		8,094.56	5,602.96
Earning per equity share:			
(1) Basic	28	8.28	5.73
(2) Diluted	28	8.28	5.73
Summary of material accounting policies	2.2		
	1 to 46		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants

Rajesh Kumar Agarwal
Partner

Place : Gurugram
Date : May 28, 2025

For and on behalf of the Board of Directors of
Fleur Hotels Limited

Patanjali Govind Keswani
Managing Director
DIN-00002974

Aditya Madhav Keswani
Director
DIN-07208901

Mayank Sharma
Chief Financial Officer

Isha Jain
Company Secretary
Mem no : A25838

Place : New Delhi
Date : May 28, 2025

Fleur Hotels Limited (Formerly known as Fleur Hotels Private Limited)
CIN: U55101DL2003PLC207912
Standalone Statement of Changes in Equity for the year ended Marc 31, 2025

A. Equity Share Capital

Equity shares of Rs. 10 each issued, subscribed and fully paid	No. of shares	Amount (Rs in lakhs)
As at April 1, 2023	9,24,55,153	9,245.52
Conversion of CCPS into equity shares during the year	53,76,340	537.63
As at March 31, 2024	9,78,31,493	9,783.15
Issue of share capital	-	-
As at March 31, 2025	9,78,31,493	9,783.15

B. Compulsorily Convertible Preference Shares (Instruments entirely equity in nature)

Preference shares of Rs. 10 each issued, subscribed and fully paid	No. of shares	Amount (Rs in lakhs)
As at April 1, 2023	53,76,340	537.63
Conversion of CCPS into equity shares during the year	(53,76,340)	(537.63)
As at March 31, 2024	-	-
Issue of share capital	-	-
As at March 31, 2025	-	-

C. Other Equity

Rs in lakhs

	Reserves and Surplus		Items of OCI	Equity Component-Preference Share	Reserves and Surplus	Other Equity
	Securities Premium	Surplus/(Deficit) in the Statement of Profit and Loss	Remeasurement gains/(losses) on defined benefit plans		Capital Reserve Account*	
Balance as at April 1, 2023	1,65,539.11	(14,681.04)	5.08	83.58	(710.65)	1,50,236.08
Profit for the year	-	5,604.60	-	-	-	5,604.60
Other comprehensive income for the year	-	-	(1.64)	-	-	(1.64)
Total comprehensive income for the year	-	5,604.60	(1.64)	-	-	5,602.96
Balance as at March 31, 2024	1,65,539.11	(9,076.44)	3.44	83.58	(710.65)	1,55,839.04
Profit for the year		8,102.32	-	-	-	8,102.32
Other comprehensive income for the year	-	-	(7.75)	-	-	(7.75)
Total comprehensive income for the year	-	8,102.32	(7.75)	-	-	8,094.57
Balance as at March 31, 2025	1,65,539.11	(974.12)	(4.31)	83.58	(710.65)	1,63,933.61

* Refer Note. No.14

Summary of material accounting policies 2.2

The accompanying notes are an integral part of the financial statements. 1 to 46

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants

Rajesh Kumar Agarwal
Partner

Place : Gurugram
Date : May 28, 2025

For and on behalf of the Board of Directors of
Fleur Hotels Limited

Patanjali Govind Keswani
Managing Director
DIN-00002974

Mayank Sharma
Chief Financial Officer

Place : New Delhi
Date : May 28, 2025

Aditya Madhav Keswani
Director
DIN-07208901

Isha Jain
Company Secretary
Mem no.: A25838

Fleur Hotels Limited (Formerly known as Fleur Hotels Private Limited)
CIN: U55101DL2003PLC207912

Standalone Statement of Cash flows for the year ended March 31, 2025

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
A. Cash flow from operating activities		
Profit before tax	**8,102.32**	5,604.60
Non-cash adjustments to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortisation expenses	**4,085.13**	4,098.75
Finance income (including fair value change in financial instruments)	**(562.07)**	(311.89)
Finance costs (including fair value change in financial instruments)	**9,255.17**	10,474.99
Provision for doubtful debts and advances	**-**	49.74
Provision for gratuity	**13.58**	12.34
Provision for leave encashment	**4.13**	5.92
Excess provision/ credit balances written back	**(25.77)**	(6.74)
Net loss/(gain) on write off /sale of property plant and equipment	**94.62**	27.87
Operating profit before working capital changes:	**20,967.11**	19,955.58
Movements in working capital:		
Increase in trade receivables	**(75.24)**	(408.66)
Increase in loans and advances and other current assets	**(539.91)**	(533.58)
Increase in inventories	**76.25**	(108.01)
Decrease in liabilities and provisions	**(805.49)**	(1,081.00)
Cash Generated from Operations	**19,622.72**	17,824.33
Direct taxes paid (net of refunds)	**(814.68)**	(68.15)
Net cash flow from operating activities (A)	**18,808.04**	17,756.18
B. Cash flows used in investing activities		
Purchase of property, plant and equipment (adjustment of intangible under development, capital advances and capital creditors)	**(850.19)**	(679.05)
Proceeds from sale of property, plant & equipment	**202.34**	(0.01)
Purchase of current investment	**(1,440.00)**	-
Proceeds from sale of current investment(net)	**700.00**	-
Short term loans (given)/repaid (to)/by subsidiaries	**5,755.10**	(1,589.86)
Investment in fixed deposits	**63.10**	(452.25)
Interest received	**550.68**	331.54
Net Cash flow used in investing activities (B)	**4,981.02**	(2,389.63)
C Cash flows used in financing activities		
Payment towards reduction of outstanding lease liabilities	**(1,354.69)**	(1,274.44)
Proceeds from long term borrowings	**6,601.68**	16.46
Repayment of long term borrowings	**(20,111.66)**	(2,669.49)
(Repayment)/proceeds from short term borrowings	**(285.30)**	(1,923.08)
Interest paid	**(7,934.21)**	(8,950.44)
Net Cash flow used in financing activities (C)	**(23,084.18)**	(14,800.99)

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Deloitte Haskins & Sells LLP Chartered Accountants

FLEUR HOTELS LTD. NEW DELHI

Fleur Hotels Limited (Formerly known as Fleur Hotels Private Limited)
CIN: U55101DL2003PLC207912
Standalone Statement of Cash flows for the year ended March 31, 2025

Particulars	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Net increase in cash and cash equivalents (A + B + C)	**704.88**	565.56
Cash and cash equivalents at the beginning of the year	**832.26**	266.70
Cash and cash equivalents at the end of the year	**1,537.14**	832.26
Components of cash and cash equivalents (refer note 10)		
Cash on Hand	**20.03**	18.99
Balances with scheduled banks in		
- Current accounts	**1,517.11**	813.27
Total cash and cash equivalents	**1,537.14**	832.26

Summary of material accounting policies	2.2
The accompanying notes are an integral part of the financial statements.	1 to 46

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants

Rajesh Kumar Agarwal
Partner

Place : Gurugram
Date : May 28, 2025

For and on behalf of the Board of Directors of
Fleur Hotels Limited

Patanjali Govind Keswani
Managing Director
DIN-00002974

Aditya Madhav Keswani
Director
DIN-07208901

Mayank Sharma
Chief Financial Officer

Isha Jain
Company Secretary
Mem no.: A25838

Place : New Delhi
Date : May 28, 2025

Fleur Hotels Limited (Formerly known as Fleur Hotels Private Limited)
Notes to standalone financial statements for the year ended March 31, 2025

Rs. in lakhs

3. Property, plant and equipment

Particulars	Freehold land	Building on freehold land	Building on Leasehold land	Plant and Machinery	Office equipments	Furniture and Fixtures	Crockery, cutlery and soft furnishings	Computers	Vehicles	Total
Deemed cost										
Gross Carrying Amount (I)										
As at April 1, 2023	28,556.52	1,01,998.90	1,002.53	16,484.29	151.76	5,452.20	3,250.59	424.89	471.87	1,57,793.55
Additions	-	12.13	-	547.70	8.66	353.95	-	17.68	19.97	960.09
Eliminated on Disposals	-	-	-	3.48	-	199.51	-	-	1.30	204.29
As at March 31, 2024	**28,556.52**	**1,02,011.03**	**1,002.53**	**17,028.51**	**160.42**	**5,606.64**	**3,250.59**	**442.57**	**490.54**	**1,58,549.35**
Additions	-	36.66	-	297.20	6.02	510.15	-	36.98	27.02	914.03
Eliminated on Disposals	251.85	-	-	4.47	-	302.44	-	-	14.83	573.59
As at March 31, 2025	**28,304.67**	**1,02,047.69**	**1,002.53**	**17,321.24**	**166.44**	**5,814.35**	**3,250.59**	**479.55**	**502.73**	**1,58,889.79**
Accumulated Depreciation (II)										
As at April 1, 2023	-	7,745.39	105.74	6,768.64	124.36	2,921.76	3,097.13	366.77	268.22	21,398.01
Charge for the year	-	1,649.67	23.81	1,288.95	14.09	423.30	2.60	17.94	62.37	3,482.73
Eliminated on Disposals	-	-	-	2.56	-	173.26	-	-	0.64	176.46
As at March 31, 2024	-	**9,395.06**	**129.55**	**8,055.03**	**138.45**	**3,171.80**	**3,099.73**	**384.71**	**329.95**	**24,704.28**
Charge for the year	-	1,636.05	23.81	1,240.20	7.86	477.36	4.26	27.25	59.94	3,476.73
Eliminated on Disposals	-	-	-	3.74	-	265.03	-	-	7.86	276.63
As at March 31, 2025	-	**11,031.11**	153.36	**9,291.49**	146.31	**3,384.13**	**3,103.99**	**411.96**	**382.03**	**27,904.38**
III. Net Carrying amount(I-II)										
As at March 31, 2025	28,304.67	**91,016.58**	849.17	**8,029.75**	20.13	**2,430.22**	146.60	**67.59**	**120.70**	**1,30,985.41**
As at March 31, 2024	28,556.52	92,615.97	872.98	8,973.48	21.97	2,434.84	150.86	57.86	160.59	1,33,845.07

Net book value	As at March 31, 2025	As at March 31, 2024
Property, plant and equipment	1,30,985.41	1,33,845.07

Notes

a) Certain property, plant and equipment are pledged as collateral against borrowings, the details related to which have been described in note 14 on 'borrowings'.
b) The Property, Plant & Equipment are valued at cost.The Company has not revalued these assets during the year.
c) Refer Note 29 for critical judgements, estimates and assumptions
d) The lease agreement for leasehold properties on which building is constructed is registerd in the name of the Company (refer note 5).
e) Title deeds for following immovable properties are submitted to lenders/custodian (on behalf of lenders):
-Kotak Mahindra Bank Limited- Red Fox Hotel, Sector 60, Gurgaon
-Axis Bank Limited- Aurika Udaipur
- HDFC Bank- Lemon Tree Hotel, Gachibowli
- Indusind Bank- Lemon Tree Amarante Beach Resort
-Vistra ITCL (India) Limited (custodian) on behalf of Yes Bank Limited- Lemon Tree Hotel, Sector 60, Gurgaon, Lemon Tree Premier, Pune, Lemon Tree Premier, Kolkata
-Vistra ITCL (India) Limited (custodian) on behalf of Yes Bank Limited and Axis Bank Limited- Lemon Tree Premier, Mumbai
-Catalyst Trusteeship Limited (custodian) on behalf of Aditya Birla Finance Limited- Lemon Tree Premier, Hyderabad.

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4. Other intangible Assets

Rs in lakhs

Particulars	Software	Goodwill	Total
Deemed cost			
Gross Carrying Amount (I)			
As at April 1, 2023	350.27	0.08	350.35
Additions	0.49	-	0.49
As at March 31, 2024	350.76	0.08	350.84
Additions	11.51	-	11.51
As at March 31, 2025	**362.27**	**0.08**	**362.35**
Accumulated Depreciation (II)			
As at April 1, 2023	288.10	0.08	288.18
Amortisation/impairment	25.49	-	25.49
As at March 31, 2024	313.59	0.08	313.67
Amortisation/impairment	18.70	-	18.70
As at March 31, 2025	**332.29**	**0.08**	**332.37**
III. Net Carrying amount(I-II)			
As at March 31, 2025	**29.98**	**-**	**29.98**
As at March 31, 2024	37.17	-	37.17

Notes

a) The Intangible assets are valued at cost.The Company has not revalued these assets during the year.

5. Right-of-use asset*

Rs. in lakhs

Particulars	Amount
Gross Carrying Amount (I)	
As at April 1, 2023	**14,415.15**
Additions	439.48
As at March 31, 2024	14,854.63
Additions	-
As at March 31, 2025	**14,854.63**
Accumulated Depreciation (II)	
As at April 1, 2023	**3,681.79**
Amortisation	590.53
As at March 31, 2024	**4,272.32**
Amortisation	590.57
As at March 31, 2025	**4,862.89**
III. Net Carrying amount(I-II)	
As at March 31, 2025	**9,991.74**
As at March 31, 2024	10,582.31

*refer note 31

Notes:

a) The lease agreement for leasehold properties is registerd in the name of the Company.

b) Right-of-use assets are valued at cost.The Company has not revalued these assets during the year.

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6. Financial assets

		As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(i) Investments			
(A) Investment in Companies with hotel properties			
Investments at cost			
Unquoted equity shares of subsidiary companies at cost			
3,52,677 (Previous Year: 3,52,677) equity shares of Celsia Hotels Private Limited of Rs. 1 each fully paid		6,973.93	6,973.93
3,82,80,000 (Previous Year: 3,82,80,000) equity shares of Inovoa Hotels and Resorts Limited of Rs. 10 each fully paid.		3,843.54	3,843.54
82,10,000 (Previous Year: 82,10,000) equity shares of Hyacinth Hotels Private Limited of Rs. 1 each fully paid.*		13,245.53	13,245.53
17,68,94,900 (Previous Year: 17,68,94,900) equity shares of Iora Hotels Private Limited of Rs. 1 each fully paid.*		34,923.10	34,923.10
5,45,51,616 (Previous Year: 5,45,51,616) equity shares of Berggruen Hotels Private Limited of Rs. 10 each fully paid.*		49,511.32	49,511.32
1,31,110 (Previous Year : 1,31,110) equity shares of Bandhav Resorts Private Limited of Rs. 100 each fully paid.		2,603.27	2,603.27
Deemed investment (equity portion) on account of interest free loan to subsidiaries			
Berggruen Hotels Private Limited		2,566.05	2,566.05
Celsia Hotels Private Limited		7.47	7.47
Inovoa Hotels and Resorts Limited		47.42	47.42
Hyacinth Hotels Private Limited		52.90	52.90
Iora Hotels Private Limited		63.47	63.47
Bandhav Resorts Private Limited		1.77	1.77
	(A)	1,13,839.77	1,13,839.77
(B) Other investments			
Investments at cost			
Unquoted equity shares of subsidiary companies at cost			
2,50,000 (Previous Year: 2,50,000) equity shares of Ophrys Hotels Private Limited of Rs. 1 each fully paid.		2.50	2.50
Investment in Limited Liability Partnership (at cost)			
Investment in Mezereon Hotels LLP		1.00	1.00
Quoted investments at fair value through Profit & Loss			
Mutual funds			
178,227.59 (March 31, 2024: Nil) Units of Aditya Birla Sun Life Liquid fund		746.29	-
Unquoted equity shares of companies other than subsidiary and associate companies at fair value through profit and loss			
4,109 (Previous Year: 4,109) equity shares of SEP Energy Private Limited of Rs.10 each fully paid.		0.41	0.41
	(B)	750.20	3.91
	(A+B)	1,14,589.97	1,13,843.68
Aggregate book value of quoted investments		746.29	-
Aggregate book value of unquoted investments		1,13,843.68	1,13,843.68
Current		746.29	-
Non-Current		1,13,843.68	1,13,843.68
		1,14,589.97	1,13,843.68

*The above investment in subsidiaries are pledged as security against borrowings. Refer note 31(c)(iii).

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(ii) Loans		
Unsecured, considered good		
Loans to subsidiaries at amortized cost (refer note 10(iv) and note 32)	4,401.82	4,878.78
	4,401.82	4,878.78

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(iii) Other non-current financial assets		
Unsecured, considered good		
Security Deposits	840.38	795.28
Interest accrued on deposits with banks and others*	44.25	33.24
Fixed Deposits under lien*	148.51	148.51
	1,033.14	977.03
Less Provision for doubtful assets	(462.26)	(462.26)
	570.88	514.77

* Fixed deposits under lien and interest accrued on deposits includes deposits lien marked with banks against guarantees issued in favour of various Government departments.

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17. Deferred tax assets (net)

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Property, plant and equipment and intangible assets	10,474.30	9,559.60
Fair value gain on investment at fair value through profit or loss	0.99	-
Revaluation of land	-	405.04
Deferred tax liabilities	10,475.29	9,964.64
Impact of expenditure charged to the statement of profit and loss in the current/ earlier period but allowable for tax purposes on payment basis	176.32	279.72
Right to use asset/lease liability	1,365.91	1,387.08
Provision for doubtful debts and advances	46.90	50.50
Effect of unabsorbed depreciation and business losses carried forward	7,836.39	7,274.49
Interest on loan u/s 43B	882.91	906.35
Amortised processing cost	114.60	
Gratuity	11.30	9.27
Non moving inventory	0.87	0.87
Leave compensation	12.70	11.86
Security deposits-impact on discounting	27.39	44.49
Deferred tax assets	10,475.29	9,964.64
Deferred tax Assets/Liabilities (net)	-	-

Note: As at March 31, 2025, the Company has carry forward tax losses of Rs Nil (March 31, 2024: Rs 2,167.87 lakhs) and unabsorbed depreciation of Rs 35,114.87 lakhs (March 31, 2024: 37,064.07 lakhs) with no expiry. Further Considering that nature of the Company's operations and history of past tax losses, deferred tax assets are recognized to the extent that it is probable that taxable profit will be generated in future against which the deductible temporary differences, carry forward of unabsorbed depreciation and tax losses can be utilised. Accordingly, it is considered prudent to recognize the deferred tax assets only to the extent of deferred tax liabilities and the Company has not recognised deferred tax assets of Rs 998.15 lakhs (March 31, 2024: Rs 2,591.64 lakhs).

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2025 and March 31, 2024:

	For the year ended March 31, 2025 Rs in lakhs	For the year ended March 31, 2024 Rs in lakhs
Profit before tax	8,094.56	5,602.96
Tax rate	25.17%	25.17%
Tax at statutory income tax rate	2,037.24	1,410.15
Effect of incomes taxable at nil/lower rate	52.91	-
Effect of non-deductible expenses	4.32	-
Unrecognized tax assets (recognised and utilized) (net)	(2,094.47)	(1,409.79)
Net tax expense as statement of profit and loss	-	-

7. Non-current tax assets (net)

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Advance Income Tax (net of provision for taxation)	1,585.97	771.28
Total	**1,585.97**	771.28

8. Other non-current assets

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Unsecured considered good		
Capital Advances	12.05	-
Balance with statutory/ government authorities	10.73	10.73
Prepaid expenses	69.17	-
Total	91.95	10.73

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9. Inventories
(valued at lower of cost or net realisable value, unless otherwise stated)

	As At March 31, 2025 Rs in lakhs	As At March 31, 2024 Rs in lakhs
Food and beverages (excluding liquor and wine)	**59.50**	98.79
Liquor and wine	**99.82**	90.28
Stores, cutlery, crockery, linen, provisions and others (valued at cost)	**297.04**	343.54
Total	**456.36**	532.61

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10. Financial assets

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(i) Trade receivables#		
Unsecured		
Trade receivables- considered good	**2,323.13**	2,233.57
Trade Receivables-credit impaired	**186.00**	200.32
	2,509.13	2,433.89
Less: Provision for doubtful debts	**(200.32)**	(200.32)
Total	**2,308.81**	2,233.57
Trade receivables from non related parties	**2,308.81**	2,233.57
	2,308.81	2,233.57

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Trade receivables are non interest bearing and are generally on terms of 30 to 90 days from the date of invoice.

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	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(ii) Cash and cash equivalents		
Balance with banks		
On current accounts	1,517.11	813.27
Cash on hand	20.03	18.99
	1,537.14	832.26

Reconciliation of Movements of liabilites to cash flows arising from financing activites

Particulars	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Balance as at beginning of the year-Borrowings and lease liabilites	1,12,455.04	1,16,366.36
Movement due to payments (received)/made	(22,979.38)	(14,912.73)
Movement due to non cash transactions in lease liabilites and borrowings		
-Addition	-	439.48
-Accrual of finance cost	9,255.17	10,475.00
-Amortization of processing fee	75.86	86.93
Balance as at end of the year- Borrowings and lease liabilites	98,806.69	1,12,455.04

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(iii) Other bank balances		
Deposits with original maturity of more than 3 months and less than 12 months	710.00	750.00
	710.00	750.00

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(iv) Loans*#		
Unsecured, considered good		
Loans and advance to related parties	6,503.02	11,781.16
*read with note 32	6,503.02	11,781.16

Disclosure of loans or advances given by the Company in the nature of loans granted to related parties. *Rs in lakhs*

	March 31, 2024	
Type of Borrower	Amount of loan or advance in the nature of loan outstanding	% of total Loans and Advances in the nature of loans
Loan to Related parties (Subsidiaries)		
-Non current(refer note (6(i))	4,878.78	
-Current	11,781.16	
Total	16,659.95	100%

(v) Other current financial assets	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Security deposits*	-	192.00
Interest accrued on deposits with banks and others	38.52	44.43
Bank deposits with more than 12 months maturity	-	23.10
*read with note 32	38.52	259.53

Break up of current financial assets carried at amortised cost

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(i) Trade receivables	2,308.81	2,233.57
(ii) Cash and cash equivalents	1,537.14	832.26
(iii) Security deposits	-	192.00
(iv) Interest accrued on deposits with banks and others	38.52	44.43
(v) Bank deposits with more than 12 months maturity	-	23.10
(vi) Other bank balances	710.00	750.00
(vii) Loans & advance to subsidiaries	6,503.02	11,781.16
Total current financial assets carried at amortised cost	11,097.49	15,856.52

11. Other current assets

	As At March 31, 2025 Rs in lakhs	As At March 31, 2024 Rs in lakhs
Advances recoverable*	172.66	352.49
Balance with statutory/ government authorities	1,067.29	946.92
Government incentive receivable**	1,232.69	493.17
Prepaid expenses	343.68	406.09
Total	2,816.32	2,198.67

*read with note 32
**read with note 39





#Trade receivable ageing schedule based on the requirement of Schedule III

As at March 31, 2025

(Rs. in lakhs)

Particulars	Not Due	Outstanding for following periods from date of transaction					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables –considered good	38.97	2,141.60	115.56	26.99	-	-	2,323.13
(ii) Undisputed Trade Receivables –credit impaired	-	-	-	27.16	17.11	141.73	186.00
(iii) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	**38.97**	**2,141.60**	**115.57**	**54.15**	**17.11**	**141.73**	**2,509.13**
Less: Provision for doubtful debts	-	(0.50)	(13.82)	(27.16)	(17.11)	(141.73)	(200.32)
Net total	**38.97**	**2,141.10**	**101.75**	**26.99**	**-**	**-**	**2,308.81**

As at March 31, 2024

(Rs. in lakhs)

Particulars	Not Due	Outstanding for following periods from date of transaction					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables –considered good	10.48	2,107.37	97.97	17.75	-	-	2,233.57
(ii) Undisputed Trade Receivables –credit impaired	-	14.66	11.12	16.47	8.19	149.88	200.32
(iii) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	**10.48**	**2,122.03**	**109.09**	**34.22**	**8.19**	**149.88**	**2,433.89**
Less: Provision for doubtful debts	-	(14.66)	(11.12)	(16.47)	(8.19)	(149.88)	(200.32)
Net total	**10.48**	**2,107.37**	**97.97**	**17.75**	**-**	**-**	**2,233.57**

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FLEUR HOTELS LTD. NEW DELHI

12. Equity Share capital

Authorised Equity Share Capital
(Equity shares of Rs 10 each)

	Equity shares	
	No. of shares	Rs in lakhs
As at April 1, 2023	13,58,50,000	13,585.00
Increase during the year	-	-
As at March 31, 2024	13,58,50,000	13,585.00
Increase during the year	-	-
As at March 31, 2025	**13,58,50,000**	**13,585.00**

Authorised Preference Share Capital

	Preference Shares (Face Value of Rs. 100 each)		Preference Shares (Face Value of Rs. 10 each)	
	No. of shares	Rs in lakhs	No. of shares	Rs in lakhs
As at April 1, 2023	10,00,000	1,000.00	1,14,00,000	1,140.00
Increase/(decrease) during the year	-	-	-	-
As at March 31, 2024	10,00,000	1,000.00	1,14,00,000	1,140.00
Increase/(decrease) during the year	-	-	-	-
As at March 31, 2025	**10,00,000**	**1,000.00**	**1,14,00,000**	**1,140.00**

Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders 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.

Issued equity capital

Equity shares of Rs. 10 each issued, subscribed and fully paid

	No. of shares	Rs in lakhs
As at April 1, 2023	9,24,55,153	9,245.52
Conversion of CCPS into equity shares during the year	53,76,340	537.63
As at March 31, 2024	9,78,31,493	9,783.15
Increase/(decrease) during the year	-	-
As at March 31, 2025	**9,78,31,493**	**9,783.15**

(a) Shares held by Holding company

	As at March 31, 2025		As At March 31, 2024	
	No. of shares	Rs in lakhs	No. of shares	Rs in lakhs
Equity shares of Rs. 10 each fully paid				
Lemon Tree Hotels Limited	5,76,30,968	5,763.10	5,76,30,968	5,763.10

(b) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2025		As At March 31, 2024	
Name of the shareholder	No. of shares	% held	No. of shares	% held
Equity shares of Rs. 10 each fully paid				
Lemon Tree Hotels Limited	5,76,30,968	58.91%	5,76,30,968	58.91%
APG Strategic Real Estate Pool N.V	4,02,00,525	41.09%	4,02,00,525	41.09%

(c) Aggregate number of bonus share issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

	March 31, 2025 No. of shares	March 31, 2024 No. of shares
(i) Equity shares allotted as fully paid, pursuant to amalgamations	95,57,461	2,18,22,900

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13. Other equity

Securities Premium

	Rs in lakhs
As at April 1, 2023	**1,65,539.11**
Increase/(decrease) during the year	-
As at March 31, 2024	**1,65,539.11**
Increase/(decrease) during the year	-
As at March 31, 2025	**1,65,539.11**

Preference Share Capital (equity component of redemable, non convertable preference shares)

	Rs in lakhs
As at April 1, 2023	**83.58**
Increase/(decrease) during the year	-
As at March 31, 2024	**83.58**
Increase/(decrease) during the year	-
As at March 31, 2025	**83.58**

Surplus/(deficit) in the Statement of Profit and Loss

	Rs in lakhs
As at April 1, 2023	**(14,681.04)**
Profit for the year	5,604.60
As at March 31, 2024	**(9,076.44)**
Profit for the year	8,102.32
As at March 31, 2025	**(974.12)**

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Other comprehensive income

	Rs in lakhs
As at April 1, 2023	5.08
Decrease during the year	(1.64)
As at March 31, 2024	3.44
Decrease during the year	(7.75)
As at March 31, 2025	(4.31)

Capital Reserve Account

	Rs in lakhs
As at April 1, 2023	(710.65)
Increase/(decrease) during the year	-
As at March 31, 2024	(710.65)
Increase/(decrease) during the year	-
As at March 31, 2025	(710.65)

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Other reserves		
Securities Premium	1,65,539.11	1,65,539.11
Preference Share Capital (equity component of redemable, non convertable preference shares)	83.58	83.58
Surplus/(deficit) in the Statement of Profit and Loss	(974.12)	(9,076.44)
Other comprehensive income	(4.31)	3.44
Capital Reserve Account	(710.65)	(710.65)
Total	1,63,933.61	1,55,839.04

Securities premium: Securities premium comprises premium received on issue of shares.
Preference Share Capital (equity component of redemable, non convertable preference shares): represents component of equity of 5% reedemable non cummulative Preference share Captial (transferred on merger of Meringue Hotels Private Limited).

Surplus in the Statement of Profit and Loss: Surplus in the Statement of Profit and Loss represents balances of profit and loss at each period/year end.

Other comprehensive income: Other comprehensive income represents accumulated balances of Remeasurement (losses)/gains on defined benefit plans.

Capital Reserve Account: Capital reserve account is recorded as difference between share capital issued and the amount of share capital of the transferor.

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Fleur Hotels Limited (Formerly known as Fleur Hotels Private Limited)
Notes to standalone financial statements for the year ended March 31, 2025

(d) Detail of shares held by promoters

As at March 31, 2025

S.No.	Promoter Name	Number of shares at the beginning of the year 2024	Change during the year	Number of shares at the end of the year 2025	Percentage of Total shares	Percentage change during the year
Equity Share Capital						
1	Lemon Tree Hotels Limited	5,76,30,968	-	5,76,30,968	58.91%	0.00%
Total		**5,76,30,968**	-	**5,76,30,968**		

As at March 31, 2024

S.No.	Promoter Name	Number of shares at the beginning of the year 2023	Change during the year	Number of shares at the end of the year 2024	Percentage of Total shares	Percentage change during the year
Equity Share Capital						
1	Lemon Tree Hotels Limited	4,94,94,240	81,36,728.00	5,76,30,968	58.91%	5.38%
2	Dandelion Hotels Private Limited*	49,69,528	(49,69,528.00)	-	0.00%	-5.38%
Compulsorily Convertible Preference Shares						
1	Lemon Tree Hotels Limited	22,00,000	(22,00,000.00)	-	-	-
Total		**5,44,63,768**	**(22,00,000.00)**	**5,76,30,968**		

*During the previous year, Dandelion Hotels Private Limited has merged with Lemon Tree Hotels Limited vide order dated December 14, 2023, appointed date April 1, 2022.





14. Financial Liabilities

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(i) Borrowings		
Non-current borrowings		
Term Loans		
Loans from Banks (secured)		
Yes Bank Limited (Refer note 5, 6 and 7 below)	31,374.98	32,945.71
Kotak Mahindra Bank Limited (Refer note 1 and 4 below)	5,300.04	6,365.11
Indusind Bank Limited (Refer Note 8 and 9 below)	4,806.69	6,315.12
Axis Bank Limited(Refer Note 10 to 12 below)	20,181.75	21,968.02
HDFC Bank Limited (Refer 2,3, 15 to 18 below)	14,343.96	10,840.63
Vehicle loans (Refer note 19 below)	24.89	16.45
Loans from financial institutions		
Aditya Birla Finance Limited (Refer Note 13 and 14 below)	-	10,385.70
Total non-current borrowings	76,032.31	88,836.74
Current maturity of loans from Banks (secured)		
Yes Bank Limited (Refer note 5, 6 and 7 below)	1,623.57	1,202.90
Indusind Bank Limited (Refer Note 8 and 9 below)	200.00	477.71
Kotak Mahindra Bank Limited (Refer note 1 and 4 below)	1,070.08	1,070.08
HDFC Bank Limited (Refer 2,3, 15 to 18 below)	3,077.67	2,779.33
Vehicle loans (Refer note 19 below)	9.75	29.97
Axis Bank Limited(Refer Note 10 to 12 below)	1,801.02	1,623.46
Loans from financial institutions		
Aditya Birla Finance Limited (Refer Note 13 and 14 below)	-	1,228.34
Current maturity of loans	7,782.09	8,411.79
Less: Amount clubbed under "Short term borrowings"(refer note 19(i))	(7,782.09)	(8,411.79)
Net current borrowings	-	-





15.Lease liabilities*

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Balance at beginning of the year	**14,921.21**	14,343.35
Additions during the year	-	439.48
Interest accrued during the year (refer note 25)	**1,425.75**	1,412.82
Less: Payment of lease liabilities	**1,354.67**	1,274.44
Balance at end of the year	**14,992.29**	14,921.21
Current	**104.60**	89.85
Non-Current	**14,887.69**	14,831.36

*Refer note 31

16. Provisions

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Provision for gratuity (refer note 30)	**44.89**	36.84
Current	**8.47**	7.60
Non-current	**36.42**	29.24

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Provision for leave benefits	**50.48**	47.12
Current	**50.48**	47.12
Non-current	-	-

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Provision for stamp duty (refer note 44)	**86.36**	86.36
Current	**86.36**	86.36
Non-current	-	-

Total current	145.31	141.08
Total non-current	**36.42**	29.24

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18. Financial liabilities

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
(i) Short term borrowings		
Loan from related party (unsecured, repayable on demand)	-	285.30
Current maturities of long-term borrowings (refer note 14)	7,782.09	8,411.79
Total	7,782.09	8,697.09

(iii) Trade Payables*#	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
-total outstanding dues of micro enterprises and small enterprises	564.14	600.28
- total outstanding dues of creditors other than micro enterprises and small enterprises	1,905.30	2,237.63
*read with note 32		
Total	2,469.44	2,837.91

Employee payable amounting to Rs. 519.11 lakhs relating to March 31, 2024 has been reclassified to outstanding dues to employees (Refer note 18(iv) -Other current financial liabilities).

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Trade payables	1,655.33	3,002.08
Trade payables to related parties (Holding company)	814.11	354.94
	2,469.44	3,357.02

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(iv) Other current financial liabilities

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Security Deposits	46.44	46.44
Interest accrued but not due on borrowings	8.90	189.56
Payable for capital goods	90.51	3.99
Outstanding dues to employees	272.49	519.11
Total	418.34	759.10

19. Other current liabilities

	As at March 31, 2025 Rs in lakhs	As at March 31, 2024 Rs in lakhs
Advance from customers	493.00	764.77
Statutory dues (Provident fund, GST, TDS and other statory dues)	531.93	462.26
Total	1,024.93	1,227.03

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#Trade payables ageing schedule based on the requirement of Schedule III

As at March 31, 2025

(Rs. in lakhs)

Particulars	Not Due	Outstanding for following periods from date of transaction				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	564.14	-	-	-	**564.14**
Total outstanding dues of creditors other than micro enterprises and small enterprises	378.35	1,410.13	15.85	10.17	90.80	**1,905.30**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-

As at March 31, 2024

(Rs. in lakhs)

Particulars	Not Due	Outstanding for following periods from date of transaction				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	600.28	-	-	-	**600.28**
Total outstanding dues of creditors other than micro enterprises and small enterprises	985.58	1,143.69	18.97	8.50	80.89	**2,237.63**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-

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20. Revenue from operations

	For the year ended March 31, 2025 Rs. in lakhs	For the year ended March 31, 2024 Rs. in lakhs
Sale of products and services		
- Room rental	35,513.65	33,394.32
- Food and beverage (excluding liquor and wine)	6,063.59	5,534.43
- Liquor and wine	825.51	744.28
- Banquet rentals	315.72	280.59
- Other Services (including service charge income)	2,698.24	2,499.44
Other Operating Revenue		
-Goverament grant (refer note 39)	1,007.14	838.52
Revenue from operations	46,423.84	43,291.59

21. Other income

	For the year ended March 31, 2025 Rs. in lakhs	For the year ended March 31, 2024 Rs. in lakhs
Provision no longer required written back	25.77	6.74
Miscellaneous income	30.13	40.30
Total	55.90	47.04

22. Cost of food & beverages consumed

	For the year ended March 31, 2025 Rs. in lakhs	For the year ended March 31, 2024 Rs. in lakhs
(a) Consumption of food & beverages excluding liquor & wine		
Inventory at the beginning of the year	98.79	62.29
Add: Purchases	2,529.02	2,457.66
	2,627.81	2,519.95
Less: Inventory at the end of the year	59.50	98.79
Cost of food and beverage consumed	2,568.31	2,421.16
(b) Consumption of liquor & wine		
Inventory at the beginning of the year	90.28	78.00
Add: Purchases	265.18	236.53
	355.46	314.53
Less: Inventory at the end of the year	99.82	90.28
Cost of liquor and wine consumed	255.64	224.25
Total (a+b)	2,823.95	2,645.41

23. Employee benefits expense

	For the year ended March 31, 2025 Rs. in lakhs	For the year ended March 31, 2024 Rs. in lakhs
Salaries, wages and bonus	5,435.05	4,928.10
Contribution to provident fund and other funds	303.94	296.32
Gratuity expense (refer note 30)	13.58	12.34
Staff welfare expenses	539.87	413.66
Total	6,292.44	5,650.42

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24(a). Power and fuel

	For the year ended March 31, 2025 Rs. in lakhs	For the year ended March 31, 2024 Rs. in lakhs
Power and fuel	2,800.57	2,672.53
Total	2,800.57	2,672.53

24(b). Other expenses

	For the year ended March 31, 2025 Rs. in lakhs	For the year ended March 31, 2024 Rs. in lakhs
Consumption of stores, cutlery, crockery, linen, provisions and others	564.61	497.14
Linen & uniform washing and laundry expenses	520.82	563.84
Guest transportation	390.70	344.32
Spa expenses	203.31	182.67
Subscription charges	70.41	68.24
Repair and maintenance		
- Buildings	1,585.77	855.61
- Plant and machinery	465.01	436.42
- Others	377.60	420.90
Rent (refer note 31)	127.91	109.00
Rates and taxes	807.60	828.50
Insurance	141.58	149.19
Communication costs	130.58	111.37
Printing and stationery	131.33	114.56
Traveling and conveyance	42.29	31.26
Vehicle running and maintenance	74.03	59.42
Advertisment, sales and business promotion	1,656.29	1,324.79
Management fee paid	3,238.14	3,126.50
Commission -other than sole selling agent	1,851.08	2,048.46
Security and cleaning expenses	340.57	328.44
Membership and subscriptions	11.26	5.56
Legal and professional fees	299.52	245.51
Corporrate Social Responsibility#	17.15	-
Provision for doubtful debts and advances	-	49.74
Loss on write off/sale of Property, Plant & Equipment	94.62	27.87
Payments to auditor*	55.75	58.90
Miscellaneous expenses	230.44	259.73
Total	13,428.37	12,247.94

***Payments to auditor (excluding Goods and service tax)**

For statutory audit	44.45	48.00
For tax audit	1.00	1.00
For attestation service	8.00	8.00
Out of pocket expense	2.30	1.90
	55.75	58.90

#Details of CSR expenditure:

	For the year ended March 31, 2025 Rs. in lakhs	For the year ended 45382 Rs. in lakhs
(a) Gross amount required to be spent by the company during the year	17.15	-

(b) Amount spent during the year ending on March 31, 2025:	Cash	Yet to be paid in cash
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	17.15	-

(c) Amount spent during the year ending on March 31, 2024:	Cash	Yet to be paid in cash
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	-	-

*Company has not found any adequate opportunity for spending the balance amount.

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25. Finance costs

	For the year ended March 31, 2025 Rs. in lakhs	For the year ended March 31, 2024 Rs. in lakhs
Interest		
- on term loans from banks	7,566.43	7,879.73
- on loans from others	258.22	1,118.61
- on vehicle loans	4.44	6.53
- on other credit facilities from banks	0.33	57.30
- on lease liability (refer note 15)	1,425.75	1,412.82
Bank charges (including commission on credit card collection)	253.88	255.88
Total	9,509.05	10,730.87

26. Finance income

	For the year ended March 31, 2025 Rs. in lakhs	For the year ended March 31, 2024 Rs. in lakhs
Interest Income on :		
-Bank Deposits	67.09	33.16
-Others	488.69	278.73
Fair value gain on investment at fair value through profit or loss	6.29	-
Total	562.07	311.89

27. Depreciation and amortization expense

	For the year ended March 31, 2025 Rs. in lakhs	For the year ended March 31, 2024 Rs. in lakhs
Depreciation on tangible assets (refer note no. 3)	3,475.86	3,482.73
Depreciation on right-of-use asset (refer note 5 & 31)	590.57	590.53
Amortization on intangible assets (refer note no. 4)	18.70	25.49
Total	4,085.13	4,098.75

28. Earnings Per Share (Basic EPS And Diluted EPS)

Basic EPS amounts are calculated by dividing the earning/(loss) for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year. Equity shares that will be issued upon the conversion of mandatory convertable preference shares are included in evaluation of basic EPS

Diluted EPS amounts are calculated by dividing the earning/(loss) attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) 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.

The following reflects the income and share data used in the basic and diluted EPS computations:

	For the year ended March 31, 2025	For the year ended March 31, 2024
Earning/(loss) attributable to equity holders (for basic and diluted)	8,102.32	5,604.60
Weighted average number of equity shares (for basic and diluted earnings per share)*	9,78,31,493	9,78,31,493
Basic and Diluted earnings per share	8.28	5.73

* The weighted average number of shares takes into account the weighted average effect of changes in share transactions during the year. There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.

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Fleur Hotels Limited (formerly known as Fleur Hotels Private Limited)
Notes to Standalone financial statements for the year ended March 31, 2025

Note	Lender	Amount Sanctioned	Carrying rate of Interest as at March 31, 2025	Carrying rate of Interest as at March 31, 2024	Repayment/ Modification of terms	Security/ Principal terms and conditions
1	Kotak Mahindra Bank Limited	6,206.00	8.50%	8.50%	The loan is repayable in 48 quarterly instalments starting from 39th month following the month of first disbursement.	**The loan is secured by:** - First and exclusive charge on all existing and future current assets, movable and immovable fixed assets of the hotel - Red Fox Sector - 60, Gurgaon. - Subservient charge on all existing and future current assets of the Borrower except current assets of the hotel - Red Fox Sector - 60, Gurgaon on which bank has to the exclusive charge - Equitable Mortgage by way of exclusive charge on the land and building of Red Fox Hotel Sector-60, Gurgaon. -Minimum asset cover 1.2x to be maintained throughout the tenor of bank loan as per valuation accepted by bank.
2	HDFC Bank Limited	6,581.00	8.16%	-	The loan is repayable in 20 quarterly instalments.	**The loan is secured by:** -Unconditional and Irrevocable Corporate Guarantee of Lemon Tree Hotels Limited -First exclusive charge on all movable fixed assets both present and future situated at Lemon Tree Premier Hotel Hi-Tech City, Hyderabad -First exclusive charge by way of Mortgage / Hypothecation on the Immovable and Movable Fixed Assets (both present and future) of the -Lemon Tree Premier Hotel Hi- Tech City, Hyderabad, to provide a minimum cover of 1.25x at all times during the tenor of the loan -First exclusive charge on current assets of Lemon Tree Premier Hotel Hi-Tech City, Hyderabad
3	HDFC Bank Limited	3,500.00	8.26%	8.73%	The loan is repayable in 48 monthly instalments starting from after 24 month of moratorium.	It is secured by second charge over existing primary and collateral securities including mortgages created in favour of the bank at Lemon Tree Hotel Gachibowli, Hyderabad.
4	Kotak Mahindra Bank Limited	2,400.00	8.50%	8.50%	The loan is repayable in 48 monthly instalments starting from after 24 month of moratorium.	**The loan is secured by second charge on:-** all existing and future current assets, movable and immovable fixed assets of the hotel - Red Fox Sector - 60, Gurgaon.- Subservient charge on all existing and future current assets of the Borrower except current assets of the hotel - Red Fox Sector - 60, Gurgaon.

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Fleur Hotels Limited (formerly known as Fleur Hotels Private Limited)
Notes to Standalone financial statements for the year ended March 31, 2025

Note	Lender	Amount Sanctioned	Carrying rate of Interest as at March 31, 2025	Carrying rate of Interest as at March 31, 2024	Repayment/ Modification of terms	Security/ Principal terms and conditions
5	Yes Bank Limited	4,500.00	8.47%	8.97%	The loan is repayable 44 structured quarterly installment after a moratorium period of 36 months from the date of first disbursement.	**It is secured by:** a) Exclusive charge on all immoveable fixed assets, moveable fixed assets and current assets of Lemon tree Sector 60 Gurgaon, and covention centre within Hotel premises of 20,000 sq.ft (appox.). b) Escrow of all receivables of the project including security deposits. c) Corporate guarantee of Lemon Tree Hotels Limited. d) DSRA equivalent to three months interest and one quarter principal to be created in case of any over dues beyond 30 days in the form of fixed deposits duly lien marked in favour of YBL. e) Minimum security cover of 1.5x on immoveable and moveable fixed assets of the project.
6	Yes Bank Limited	20,500.00	8.47%	8.97%	The loan is repayable in 52 structured quarterly installments post moratorium period of 36 months from the date of first disbursement.	**It is secured by:** a) First charge on all present and future movable & immoveable fixed assets of the project. Lemon Tree Premier Hotel, Kolkata, Lemon Tree Premier Hotel in Pune, Lemon Tree Hotel in sector 60 Gurgaon and approximately 20,000 sqft convention centre within the hotel premises. b) Escrow of all receivables of the hotels including security deposits (if any). c) Corporate guarantee of Lemon Tree Hotels Limited. d) DSRA equivalent to 3 months interest and 1 quarter principle to be created in case of any over dues beyond 30 days in the form of fixed deposits duly lien marked in favour of YBL.
7	Yes Bank Limited	12,500.00	8.47%	8.97%	The loan is repayable 60 structured quarterly installment after a moratorium period of 60 months from the date of first disbursement.	**It is secured by:** a) Equitable mortgage over 80% share of Land and building (except 2nd basement, ground floor and first floor) on pari passu basis with other lenders for the project, Lemon Tree Premier Hotel, Andheri Mumbai. b) First charge (on pari passu basis) on ther movable fixed assets and all current assets, both present and future of the project, Lemon Tree Premier Hotel, Andheri Mumbai. c) Corporate guarantee of Lemon Tree Hotels Limited.
8	Indusind Bank Limited	5,000.00	8.04%	8.63%	Tenor of 16 years with door door tenor facility shall not exceed 193 months from the date of first disbursement, including moratorium period of nil months.	**It is secured by:** a) First charge on all present and future immoveable assets of the hotel " Lemon Tree Amarante Beach Resort (At Candolim, Goa)". b) First charge on all moveable fixed assets (both present and future) (including Escrow account opened with IBL) of the hotel " Lemon Tree Amarante Beach Resort (At Candolim, Goa)", c) Exclusive charge on book debts, operating cash flows, credit card receivables, commissions, revenues of whatsoever nature and wherever arising, present and

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Fleur Hotels Limited (formerly known as Fleur Hotels Private Limited)
Notes to Standalone financial statements for the year ended March 31, 2025

Note	Lender	Amount Sanctioned	Carrying rate of Interest as at March 31, 2025	Carrying rate of Interest as at March 31, 2024	Repayment/ Modification of terms	Security/ Principal terms and conditions
						future through Escrow mechanisim of the Hotel "Lemon Tree Amarante Beach Resort (At Candolim, Goa). d) Escrow of all cash flows of Lemon Tree Amarante Beach Resort, Goa including security deposits.
9	Indusind Bank Limited	1,990.00	9.25%	9.25%	It is repayable in 48 equal monthly instalments on the last day of the month after the 24 month of first availment.	**It is Secured By:** a) Second Charge on all present and future immoveable assets of the hotel " Lemon Tree Amarante Beach Resort (At Candolim, Goa)". b) Second charge on all moveable fixed assets (both present and future) (including Escrow account opened with IBL) of the hotel " Lemon Tree Amarante Beach Resort (At Candolim, Goa c) Second charge on book debts, operating cash flows, credit card receivables, commissions, revenues of whatsoever nature and wherever arising, present and future through Escrow mechanism of the Hotel "Lemon Tree Amarante Beach Resort (At Candolim, Goa).
10	Axis Bank Limited	10,000.00	8.40%	8.65%	Tenor of 18 years and 9 months including construction period of 1.5 years and moratorium period of 2.5 years with repayments in with 60 quarterly unequal installments.	**It is secured by:** a) Exclusive charge by way of Equitable Mortgage over the land & building at Plot No.1, Khasra No. 979 to 981, Kalarohi, Udaipur, (admeasuring 26390.3 sq. yards or 237513 sq. ft.), b) Exclusive charge over the moveable fixed assets of the Udaipur Hotel, both present and future, c) Exclusive charge by way of hypothecation of all the current assets of Udaipur Hotel, d) Exclusive charge by way of hypothecation of all the cashflows of Udaipur Hotel. e) Corporate Guarantee of Lemon Tree Hotels. f) FACR of 1.50x shall be maintained at all times.

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Fleur Hotels Limited (formerly known as Fleur Hotels Private Limited)
Notes to Standalone financial statements for the year ended March 31, 2025

Note	Lender	Amount Sanctioned	Carrying rate of Interest as at March 31, 2025	Carrying rate of Interest as at March 31, 2024	Repayment/ Modification of terms	Security/ Principal terms and conditions
11	Axis Bank Limited	4,770.00	8.40%	8.65%	The loan is repayable in 48 monthly installments after a period of 2 years of Moratorium.	**It is secured by second charge:-** (a) Equitable mortgage over land & building situated at Plot no.1, Khasra 979 to 981, Kalarohi, Sisrama, Udaipur (measuring 26,390.3sq). (b) Other moveable fixed assets of the Udaipur Hotels both present and future. (c) Hypothecation of all the current assets of Udaipur Hotel. (d) Hypothecation of all the cashflows of Udaipur Hotel. (e) Equitable mortgage over 80% share of land & building except for 2nd basement, ground floor and 1st floor (total land area admeasuring 5552.90 sq.mtr.) located at Andheri Kurla Road, Mumbai, Maharashtra. (f) Other moveable fixed assets of the Kurla project, both present and future. (g) Hypothecation of all the current assets of the Kurla Project. (h) 100% credit guarantee by NCGTC.
12	Axis Bank Limited	9,500.00	8.47%	8.65%	The Loan is repayable in 60 quarterly instalments after a moratorium period of 5 years.	**It is secured by:** a) Equitable mortgage over 80% share of Land and building (except 2nd basement, ground floor and first floor) on pari passu basis with other lenders for the project, Lemon Tree Premier Hotel, Andheri Mumbai. b) First charge (on pari passu basis) on ther movable fixed assets and all current assets, both present and future of the project, Lemon Tree Premier Hotel, Andheri Mumbai.c) Corporate guarantee of Lemon Tree Hotels Limited.
13	Aditya Birla Finance Limited	11,500.00	-	9.25%	Tenor of 12 years with repayment in 48 structured quarterly installment. Repayment of term loan 1 in line with existing lender repayment schedule. The facility have lock-in tenor of 1 year from the date of first disbursement.	**The loan has been prepaid during the year and below charge has been satisfied :** a) First exclusive charge by way of Mortgage/ Hypothecation on the immovable and movable fixed assets (both present and future) of Lemon Tree Premier Hotel Hitec City, Hyderabad, to provide minimum cover of 1.25x at all times during the tenor of the loan, b) First exclusive charge on the current assets of the Lemon Tree Premier Hotel, Hitec City Hyderabad, c) First exclusive charge on project's bank account including but not limited to Escrow account where entire cash flow of Lemon Tree Premier Hotel, Hitec City, Hyderabad shall be deposited, d) Unconditional and Irrevocable Corporate Guarantee of Lemon Tree Hotels Limited, e) Demand Promissory Note (DPN),
14	Aditya Birla Finance Limited	4,000.00				
15	HDFC Bank Limited	1,000.00	9.00%	9.00%	Repayable in 48 equal monthly instalments after 1 year of moratorium.	It is secured by second charge over existing primary and collateral securities including mortgages created in favour of the bank at Lemon Tree Hotel Gachibowli, Hyderabad.

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Notes to Standalone financial statements for the year ended March 31, 2025

Note	Lender	Amount Sanctioned	Carrying rate of Interest as at March 31, 2025	Carrying rate of Interest as at March 31, 2024	Repayment/ Modification of terms	Security/ Principal terms and conditions
16	HDFC Bank Limited	1,000.00	9.00%	9.00%	The principal shall be repaid in 48 monthly instalments after completion of moratorium of 2 year.	
17	HDFC Bank Limited	5,302.00	8.26%	9.01%	The Loan is repayable in 48 Structured Quarterly Instalments	**It is secured by:** a) First and exclusive charge on movable and immovable fixed assets at the Lemon Tree Hotel Gachibowli, Hyderabad. b) First and exclusive charge on escrow account of entire cash flows of the Lemon Tree Hotel Gachibowli, Hyderabad. c) Corporate guarantee of Lemon Tree Hotels Limited.
18	HDFC Bank Limited	5,200.00	8.06%	8.69%	The principal shall be repaid in 48 monthly instalments after completion of moratorium of 24 months.	**It is secured by:** (a) 100% Credit Guarantee by National Credit Guarantee Trust Company Limited. (b) Extension of second ranking charge over existing primary and collateral securities including mortgages created in favor of the bank and security created over the assets of the borrower purchased out of this facility at Lemon Tree Premier, Hitech City, Hyderabad
19	Vehicle loan (different banks)	-			These loans are repaid on agreed monthly installments.	Vehicle loan is secured by hypothecation of underlying motor vehicle acquired out of such loans from HDFC Bank Limited, Axis Bank Limited and BMW Financial Services.

(i) The Company has not defaulted in the repayment of loans and interest as at Balance Sheet date
(ii) Bank loans availed by the Company are subject to certain covenants relating to interest coverage ratio, debt service coverage ratio, capital gearing ratio, fixed assets coverage ratio.
(iii) The Company has complied all significant covenants from bank and financial institutions as per the terms of the loan agreement.
(iv) The Company has used borrowings from banks/financial institutions for the specific purpose of working capital requirement and/or setting new projects.

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1. Corporate Information

Fleur Hotels Limited (the Company) is Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at Asset No. 6, Aerocity Hospitality District, New Delhi-110037.

The principal activities of the Company is to carry out business of developing, owning, acquiring, renovating and promoting hotels, motels, resorts, restaurants, etc. under the brand name of Lemon Tree Hotel, Lemon Tree Premier, Red Fox Hotel and Aurika.

The financial statements are approved for issue in accordance with a resolution of the directors on May 28, 2025.

2 Basis of preparation of financial statements and material accounting policies

2.1 Basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), and the provisions of the Companies Act,2013 ('the Act') (to the extent notified) The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities which are measured at fair value/ amortised cost (refer note 33 below)

Accounting policies have been consistently applied.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, expect where otherwise indicated.

2.2 Summary of material accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

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A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(b) Foreign currencies

Functional and presentation currency

The Company's financial statements are presented in INR, which is also the Company's functional currency. Presentation currency is the currency in which the Company's financial statements are presented. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash. All the financial information presented in Indian Rupees (INR) has been rounded to the nearest of lakhs rupees, except where otherwise stated.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in Other comprehensive income ("OCI") or profit or loss are also recognised in OCI or profit or loss, respectively).

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(c) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date except to certain instruments which are measured at Amortized cost/ historic cost.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value. External valuers are involved for valuation of significant assets and liabilities. The management selects external valuer on various criteria such as market knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

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At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 30)
- Quantitative disclosures of fair value measurement hierarchy (note 34)
- Financial instruments (including those carried at amortised cost) (note 34)

(d) Revenue recognition

The Company earns revenue primarily from the business of carrying developing, owning, acquiring, renovating and promoting hotels, motels, resorts, restaurants, etc. under the brand of Lemon Tree Premier, Lemon Tree Hotel, Red Fox Hotel and Aurika.

The Company applyInd AS 115 "Revenue from Contracts with Customers" which establishes a comprehensive framework to depict timing and amount of revenue to be recognised.

In arrangements for room revenue and related services, the Company has applied the guidance in Ind AS 115 for recognition of Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering room revenue and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognized.

Value added tax (VAT)/Goods and Service Tax(GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Rooms, Restaurant, Banquets and Other Services

Income from guest accommodation is recognized on a day to day basis after the guest checks into the Hotels and are stated net of allowances. Incomes from other services are recognized as and when services are rendered. Sales are stated exclusive of Value Added Taxes (VAT) /Goods and Service Tax(GST) and Luxury Tax. Difference of revenue over the billed as at the year-end is carried in financial statement as unbilled revenue separately.

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, sale of food and beverage are recognized at the points of serving these items to the guests. Sales are stated exclusive of VAT/Goods and Service Tax(GST).

Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the income statement.

Dividends

Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Government grant

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. They exclude those forms of government assistance which cannot reasonably have a value placed upon them and transactions with government which cannot be distinguished from the normal trading transactions of the entity. Government grants are recognized where there is reasonable assurance that the Company will comply with the conditions attached to it and that the grants will be received.

Grants are presented as part of income in the statement of profit and loss; alternatively they are deducted in reporting the related expense.

(e) Taxes

Taxes comprises current tax and deferred tax.
Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

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Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the balance sheet approach method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets (including MAT credit available) is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date.

If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realisedare recognised in profit or loss.

Value added taxes/goods and service tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of value added taxes/goods and service tax paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

(f) Property, plant and equipment (including capital work in progress)

Property plant and equipment (PPE) is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. Freehold land is not depreciated. Capital work in progress is stated at cost.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

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The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on fixed assets is provided as per schedule II of Companies Act, 2013 on Straight Line Method over its economic useful life of PPE as follows:

Property plant and equipment	Useful life considered (SLM)
Building*	60 Years/Lease remaining life
Plant & Machinery	15 Years
Electrical installations and fittings	10 Years
Office Equipments	5 Years
Furniture and Fixtures	8 Years
Commercial Vehicles	6 Years
Private Vehicles	8 Years
Computers	3 Years
Crockery, cutlery and soft furnishings	3 Years
Networks and Servers	6 Years

**refer note no. 29*

The Company, based on management estimates, depreciates certain items of building, plant and equipment over estimated useful lives which are lower than the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end, and adjusted prospectively if appropriate.

(g) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as 3 years and the same shall be amortised on straight line basis over its useful life.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment at each year end and whenever there is an indication that the intangible assets may be impaired, either individually or at the cash generating unit level. The assessment of indefinite life is reviewed at each period to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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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 income statement when the asset is derecognized.

(h) Borrowing costs

Borrowing cost includes interest expense as per Effective Interest Rate (EIR).

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset until such time that the assets are substantially ready for their intended use. Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance a project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalisedis calculated using a weighted average of rates applicable to relevant general borrowings of the Company during the year. Capitalisation of borrowing costs is suspended and charged to profit and loss during the extended periods when the active development on the qualifying assets is interrupted.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial liability or a shorter period, where appropriate, to the amortised cost of a financial liability after considering all the contractual terms of the financial instrument.

(i) Leases

The Company assesses that the contract is, or contains, a lease if the contract 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:

(1) The contract involves the use of an identified asset,
(2) The Company has substantially all of the economic benefits from use of the identified asset, and
(3) The Company has the right to direct the use of the identified asset.

Company as a lessee

The Company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated from the commencement date over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments over the lease term. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company adopts the incremental borrowing rate for the entire portfolio of leases as a whole. The lease payments shall include fixed payments, variable lease payments, exercise price of a purchase option and payments of penalties for terminating the lease. The lease liability is subsequently

remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 to leases for which the underlying asset is of low value. The lease payments associated with these low value leases are recognized as an expense on a straight-line basis over the lease term (also refer note no. 29).

Company as a lessor

Leases where the Company does not transfer substantially all the risks and rewards incidental to ownership of the asset are classified as operating leases. Lease rentals under operating leases are recognized as income on a straight-line basis over the lease term.

(j) Inventories

Stock of food & beverages, stores and operating supplies are valued at lower of cost and net realisable Value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a first in first out basis.Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make sale.

(k) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair valueless costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

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Impairment losses including impairment on inventories, are recognised in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(l) Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent Assets/ Liabilities

Contingent assets are not recognised. However, when realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

Contingent liabilities are disclosed in notes to accounts when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

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(m) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to 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, for example, a reduction in future payment or a cash refund.

Retirement benefit in the form of gratuity is a defined benefit scheme. Gratuity liability of employees is accounted for on the basis of actuarial valuation on projected unit credit method at the close of the year. Company's contribution made to Life Insurance Corporation is expensed off at the time of payment of premium.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Retirement benefits in the form of Superannuation Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

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The Company treats leave expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

(n) 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.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at amortised cost
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- Equity instruments in subsidiaries carried at cost

Debt instruments at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. The difference between the transaction amount and amortized cost in case of interest free loan to subsidiaries based on the expected repayment period is considered as 'deemed investment on account of interest free loan to subsidiaries' (Refer Note 7(ii)). After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. If there is any change in estimate for payment of loan (provided that there was no error in original estimate) , difference in carrying amount and repayment has been adjusted as return on capital by the parent, based on condition/ situation prevailing on that date. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments

All equity investments (other than equity investments in subsidiaries) in scope of Ind AS 109 are measured at fair value. Equity instruments in subsidiaries are carried at cost in separate financial statements less impairments if any. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Financial assets that are debt instruments and are measured as at FVTOCI
c) Trade receivables or any contractual right to receive cash or another financial asset

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables:

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

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ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Debt instruments measured at FVTOCI: There are no instruments measured at FVTOCI.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:
Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

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Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Financial liabilities at amortised cost

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer Note 15.

Financial guarantee

Financial guarantees issued by the Company on behalf of group companies are designated as 'Insurance Contracts'. The Company assess at the end of each reporting period whether its recognised insurance liabilities (if any) are adequate, using current estimates of future cash flows under its insurance contracts. If that assessment shows that the carrying amount of its insurance liabilities is inadequate in the light of the estimated future cash flows, the entire deficiency is recognised in profit or loss.

If a financial guarantee is an integral element of debts held by the entity, it is not accounted for separately.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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(o) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and 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.

(p) Measurement of EBITDA

The Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/ (loss) from core business operations. In its measurement, the Company does not include finance costs, finance income, depreciation and amortization, exceptional items, if any and tax expense.

(q) Cash Flow Statement

Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(r) Earnings Per Share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity shareholders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity shareholders of the Company 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.

(s) Refer note 29 for Significant accounting judgements, estimates and assumptions

29. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities and other commitments. Uncertainty about these judgements, estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The estimates and underlying assumptions are reviewed on an ongoing basis and the revisions to accounting estimates are recognized in the period in which the estimate is revised.

Critical judgements, estimates and assumptions

a. Impairment of property, plant and equipment

Each hotel property is an identifiable asset that generates cash inflows and is independent of the cash inflows of the other hotel properties, hence identified as cash generating units. The Company assesses the carrying amount of hotel properties (CGU) to determine whether there is any indication that those assets have suffered an impairment loss. Where the carrying amount of CGU exceeds its recoverable amount (being higher of fair value less cost to sell or value in use), the asset is considered impaired and is written down to its recoverable amount. An impairment loss (if any) is recognised in the statement of profit and loss.

The value in use is determined basis discounted cash flow model which requires exercise of significant judgment in determining key assumptions like forecast of future revenue, operating margins, growth rate and selection of the discount rates. The key assumptions used for the calculations are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Discount Rate *(post tax rate of WACC)*	12.00%	11.70 %
Discount Rate *(pre tax rate of WACC)*	12.29%	12.00%
Long Term Growth Rate	5.50%	5.00%

As at March 31, 2025, the estimated recoverable amount of the CGU exceeded its carrying amount.

Sensitivity analysis of assumptions

The Company has performed sensitivity analysis on the key assumptions by +/- 1% for each of the assumptions used and ensured that the valuation is appropriate and there is no further impairment.

b. Impairment of Investment in subsidiaries and associates

The Company assesses the carrying amounts of investment in subsidiaries having hotel properties to determine whether there is any indication that those investments have suffered an impairment loss. Where the carrying amount of investments exceed its recoverable amount, the investment is considered impaired and is written down to its recoverable amount (being higher of fair value less cost to sell or value in use). An impairment loss (if any) is recognised in the statement of profit and loss.

The value in use is determined basis discounted cash flow model which requires exercise of significant judgment in determining key assumptions like forecast of future revenue, operating margins, growth rate and selection of the discount rates. The key assumptions used for the calculations are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Discount Rate *(post tax rate of WACC)*	12.00%	11.41%-13.21%
Discount Rate *(pre tax rate of WACC)*	12.29%	11.70% -13.50%
Long Term Growth Rate	5.50%	5.00%

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As at March 31, 2025, the estimated recoverable amount of the investments exceeded its carrying amount.

Sensitivity analysis of assumptions
The Company has performed sensitivity analysis on the key assumptions by +/- 1% for each of the assumptions used and ensured that the valuation is appropriate and there is no further impairment.

c. Leases

The Company has taken certain land and building on long term lease basis. The lease agreements generally have an escalation clause and are generally non-cancellable. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IND AS 116. Identification of a lease requires judgment. The Company uses judgement in assessing the lease term and the applicable discount rate. The discount rate is generally based on the incremental borrowing rate.

d. Loss Allowance on trade receivables (Expected credit loss)

An impairment analysis of trade receivables is performed at each reporting period based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates. Basis this assessment, the allowance for doubtful trade receivables as at March 31, 2025 is considered adequate.

e. Deferred tax asset (DTA)

Deferred tax asset (DTA) is recognized only when and to the extent there is convincing evidence that the Company will have sufficient taxable profits in future against which such assets can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, recent business performance and developments.





30. Gratuity

The Company has a defined benefit gratuity plan (funded). The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The fund has the form of a trust and it is governed by the Board of Trustees, which consists of an equal number of employer and employee representatives. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy. The Trust Fund has taken a Scheme of Insurance, whereby these contributions are transferred to the insurer. The Company makes provision of such gratuity liability in the books of accounts on the basis of actuarial valuation as per the Projected unit credit method.

Rs. in lakhs

	As at March 31, 2025	As at March 31, 2024
Gratuity plan	44.89	36.84
Total	**44.89**	**36.84**

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2025:

Rs.in lakhs

	Opening Balance	Statement of cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income						
	April 1, 2024	Service cost	Net interest expense/ income	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Remeasurement changes arising from changes in demographic assumptions	Remeasurementchanges arising from changes in financial assumptions	Experience adjustment	Sub-total included in OCI	Contributions by employer	March 31, 2025
Defined benefit obligation	57.95	10.96	4.11	15.07	(12.28)	-	-	(1.30)	(6.40)	(7.70)	-	68.44
Fair value of plan assets	21.11	-	1.50	1.50	-	(0.06)	-	-	-	0.06	1.00	23.55
Benefit liability	**36.84**	**10.96**	**2.61**	**13.57**	**(12.28)**	**(0.06)**	**-**	**(1.30)**	**(6.40)**	**(7.64)**	**1.00**	**44.89**

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Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2024:

Rs.in lakhs

	Opening Balance	Statement of cost charged to profit or loss			Remeasurement gains/(losses) in other comprehensive income						Contributions by employer	March 31, 2024
	April 1, 2023	Service cost	Net interest expense/ income	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Remeasurement changes arising from changes in demographic assumptions	Remeasurementchanges arising from changes in financial assumptions	Experience adjustment	Sub-total included in OCI		
Defined benefit obligation	59.80	9.68	4.31	13.99	(17.43)	-	-	(0.18)	(1.41)	(1.59)	-	57.95
Fair value of plan assets	22.88	-	1.65	1.65	(3.37)	(0.05)	-	-	-	0.05	-	21.11
Benefit liability	**36.92**	**9.68**	**2.66**	**12.34**	**(14.06)**	**(0.05)**	**-**	**(0.18)**	**(1.41)**	**(1.64)**	**-**	**36.84**

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The major categories of plan assets of the fair value of the total plan assets are as follows:

	March 31, 2025	March 31, 2024
Unquoted investments:		
Asset invested in insurance scheme with the LIC	100%	100%
Total	**100%**	**100%**

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

	March 31, 2025	March 31, 2024
Discount rate:		
Pension plan	**6.50%**	**7.10%**
Future salary increases:		
Pension plan	**5.00%**	**5.00%**
Withdrawal rate:		
Pension plan	**26.00%**	26.00%
Retirement age:		
Pension plan		
Male	**60**	**60**
Female	**60**	**60**

A quantitative sensitivity analysis for significant assumption as at March 31, 2025 is as shown below:

India gratuity plan:

Rs in lakhs

	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(2.13)	2.28	2.29	(2.18)

A quantitative sensitivity analysis for significant assumption as at March 31, 2024 is as shown below:

Rs. in lakhs

	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(1.78)	1.90	1.92	(1.83)

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

Rs. in lakhs

Duration (Years)	For the year ended March 31, 2025	For the year ended March 31, 2024
1	16.62	14.71
2	13.23	12.11
3	12.52	9.57
4	9.92	8.79
5	8.02	7.14
Above 5	26.47	22.73
Total expected payments	**86.78**	**75.05**

The average duration of the defined benefit plan obligation at the end of the reporting period is 5years (March 31, 2024: 5years).

31. Commitments and contingencies

a. Leases

Operating lease commitments — Company as lessee

The Company has entered into operating leases on hotel buildings, with lease terms between twenty three, twenty five and forty years. Refer Note no.5 for carrying value of right to use asset recognised and Refer Note no.15 for carrying value of lease liability and the movement during the year.

The weighted average of incremental borrowing rate applied to lease liabilities is 9.72%(March 31, 2024: 9.72%)

During the year ended March 31, 2024, the Company has reassessed its decision to exercise right to renewer for a certain property based on business performance of the property. Accordingly lease liability has been remeasured using the revised discount rate i.e, 9.10% and adjustment in done in value of ROU and lease liability

b. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:

At March 31, 2025, the Company had commitments of Rs. Nil (March 31, 2024: Rs. Nil)

c. Contingent liabilities

(i) Legal claim contingency

Rs. in lakhs

		March 31, 2025	March 31, 2024
a.	Service Tax*	**110.19**	10.06
b.	Income tax**	**27.25**	27.25

*amount paid under protest– Nil (March 31 2024, Nil)

**amount paid under protest/adjusted against refund – 10.72 lakhs

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

(ii) For financials guarantee given to banks on behalf of and in respect of term loan facilities availed by its group companies refer note 31(d).

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(iii) Pledge of shares

(a) Pledge of 30% and lien of 21% in favour of Trustee on the basis of Non-disposable undertaking of the shareholding held in Hyacinth Hotels Private Limited by the Company for term loan facility availed by Hyacinth Hotels Private Limited. Amount of Loan outstanding as on March 31, 2025 of Rs.7,188.92 (March 31, 2024: Rs 7,858.78 lakhs).

(b) Pledge of 30% of shareholding held in Berggruen Hotels Private Limited by the Company for term loan availed by Berggruen Hotels Private Limited from Yes Bank Limited. Amount of Loan outstanding as on March 31, 2025 is Rs. 2,340.83 lakhs. (March 31, 2024: Rs. 3,448.68 lakhs)

(c) Pledge of 30% of shareholding held in Iora Hotels Private Limited by the Company for term loan availed by Iora Hotels Private Limited from Yes Bank Limited. Amount of Loan outstanding as on March 31, 2025 is Rs. 25,000.00 lakhs. (March 31, 2024: Rs. 19,900 lakhs)

(d) Pledge of 30% of shareholding held in Iora Hotels Private Limited by the Company for term loan availed by Iora Hotels Private Limited from Axis Bank Limited. Amount of Loan outstanding as on March 31, 2025 is Rs.18,498.78 lakhs. (March 31, 2024: Rs. 16,900 lakhs)

(d) Financial guarantees

The Company has issued financial guarantees to banks on behalf of and in respect of term loan facilities availed by its group companies for construction of new hotel project. In accordance with the policy of the Company (refer note 2.2(n) the Company has designated such guarantees as 'Insurance Contracts'. The Company has classified financial guarantees as contingent liabilities. These financial guarantees are an integral element of debts held by entities, hence has not been accounted for separately. Accordingly, there are no assets and liabilities recognized in the balance sheet under these contracts. Refer below for details of the financial guarantees issued:

(Rs in lakhs)

		Loan Outstanding as on March 31, 2025	**Guarantees as on March 31, 2025**	Loan Outstanding as on March 31, 2024	Guarantees as on March 31, 2024
a.	Counter guarantees issued in respect of guarantees issued by Company's bankers	-	-	-	675.59
b.	Guarantee given on behalf of Hyacinth Hotels Private Limited	**7,188.92**	**7,500.00**	7,858.78	11,500.00
c.	Guarantee given on behalf of Celsia Hotels Private Limited	**1,031.67**	**2,709.00**	1,791.22	2,709.00
d.	Guarantee given on behalf of Inovoa Hotels and Resorts Limited	**2,377.77**	**3,481.00**	2762.77	3,481.00
e.	Guarantee given on behalf of Berggruen Hotels Private Limited	**2,340.83**	**1,500.00**	3,448.68	3,887.00
f.	Guarantee given on behalf of Iora Hotels Private Limited	**43,498.78**	**48,000.00**	36,800	48,000.00

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(e) Note on Provident Fund:

Based upon the legal opinion obtained by the management, Company is not required to create provisions in books of accounts in view of the judgement of the Hon'ble Supreme court in the case of Vivekananda Vidyamandir vs Regional Provident Fund Commissioner (II), West Bengal and subsequent dismissal of review petition by Hon'ble Supreme court in the case of review petition No. 001972-001973/2019 in civil appeal 3965-3966 in the matter of Surya Roshni Ltd Vs Employees Provident Fund and Another.

Considering the equitable cause, the High Courts may give prospective effect to the judgement which can be done in exercise of inherent powers of High Court under Article 226 of the constitution of India.

In case of Company retrospective effect is remote and at present uniformity is maintained across all brands/grades.

32. Related Party Transactions

Names of related parties	
Holding Company	- Lemon Tree Hotels Limited
Subsidiary Company	- Celsia Hotels Private Limited - Inovoa Hotels and Resorts Limited - Iora Hotels Private Limited - Ophrys Hotels Private Limited - Hyacinth Hotels Private Limited - Bandhav Resorts Private Limited -Berggruen Hotels Private Limited
Fellow subsidiary companies	- Manakin Resorts Private Limited -Hamstede Living Private Limited -Canary Hotels Private Limited - Sukhsagar Complexes Private Limited - Oriole Dr. Fresh Hotels Private Limited - Totally Foxed Solutions Private Limited
Limited Liability Partnership	- Mezereon Hotels LLP
Key Management Personnel (KMP)	- Mr. Patanjali Govind Keswani (Managing Director) - Mr Aditya Madhav Keswani (Director) -Mr Niten Malhan (Independent Director) (up to September 16, 2024) -Mr. Dominic James Doran (Director) -Mr. Paramartha Saikia (Independent Director) (up to November 14, 2024) -Mr. Ashish Kumar Guha (Independent Director) -Dr. Arindam Kumar Bhattacharya (Independent Director) (up to August 24, 2024) - Mr. Pradeep Mathur (Chairman and Independent Director) -Ms. Freyan Jamshed Desai (Independent Director) (w.e.f. August 09, 2023) - Mohit Gujral (Additional Director) (w.e.f. February 4, 2025)
Enterprises owned or significantly influenced by key management personnel or their relatives	- Toucan Real Estates Private Limited
Enterprise in which Holding Company has Significant Influence	-Mind Leaders Learning India Private Limited

Additional related parties as per Companies Act 2013 with whom transactions have taken place during the year:

Chief financial Officer	: Mr. Inder Pal Batra (Upto January 31, 2024)
	: Mr. Mayank Sharma (w.e.f. 05 February 2024)
Company Secretary	: Mrs. Sonali Manchanda (Upto November 30, 2023)
	: Mrs. Isha Jain (w.e.f. February 05, 2024)





The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year

Rs in lakhs

Transactions with Related Party	Holding Company		Subsidiaries		Fellow subsidiaries		Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Enterprise in which Holding Company has significant influence	
	March 31, 2025	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024
Reimbursement of expenses paid on behalf of party												
Lemon Tree Hotels Limited	**86.39**	5.14	-	-	-	-	-	-	-	-	-	-
Travelling Expenses												
Pradeep Mathur	-	-	-	-	-	-	**4.24**	-	-	-	-	-
Loans (given)												
Celsia Hotels Private Limited	-	-	-	763.94	-	-	-	-	-	-	-	-
Hyacinth Hotels Private Limited	-	-	**252.57**	409.00	-	-	-	-	-	-	-	-
Iora Hotels Private Limited	-	-	**3,119.30**	11,348.00	-	-	-	-	-	-	-	-
Berggruen Hotels Private Limited	-	-	**2,677.12**	4,687.42	-	-	-	-	-	-	-	-

Transactions with Related Party	Holding Company		Subsidiaries		Fellow subsidiaries		Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Enterprise in which Holding Company has significant influence	
	March 31, 2025	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024
Inovoa Hotels & Resorts Limited	-	-	**53.66**	20.15	-	-	-	-	-	-	-	-
Bandhav Resorts Private Limited	-	-	**4.57**	-	-	-	-	-	-	-	-	-
Ophrys Hotels Private Limited			**2.00**	-	-	-	-	-	-	-	-	-
Repayment of Loan Given												
Celsia Hotels Private Limited	-	-	**688.94**	75.00	-	-	-	-	-	-	-	-
Hyacinth Hotels Private Limited	-	-	**650.48**	-	-	-	-	-	-	-	-	-
Iora Hotels Private Limited	-	-	**9,740.32**	14,892.00	-	-	-	-	-	-	-	-
Berggruen Hotels Private Limited	-	-	**1,215.00**	900.00	-	-	-	-	-	-	-	-
Inovoa Hotels & Resorts Limited	-	-	**49.78**	10.12	-	-	-	-	-	-	-	-
Loans (taken)												





Transactions with Related Party	Holding Company		Subsidiaries		Fellow subsidiaries		Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Enterprise in which Holding Company has significant influence	
	March 31, 2025	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024
Manakin Resorts Private Limited	-	-	-	-	-	10.00	-	-	-	-	-	-
Repayment of Loan taken												
Manakin Resorts Private Limited	-	-	-	-	**285.30**	82.50	-	-	-	-	-	-
Management fees and advertisement and sales promotion												
Lemon Tree Hotels Limited	**4,609.42**	4,403.53	-	-	-	-	-	-	-	-	-	-
Advertisment, sales and business promotion (Gross)												
Totally Foxed Solutions Private Limited	-	-	-	-	**155.37**	-	-	-	-	-	-	-
Training expenses paid (Gross)												
Mind Leaders Learning India Private Limited	-	-	-	-	-	-	-	-	-	-	**37.01**	61.17

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Fleur Hotels Limited (Formerly known as Fleur Hotels Private Limited)
Notes to Standalone financial statements for the year ended March 31, 2025

Transactions with Related Party	Holding Company		Subsidiaries		Fellow subsidiaries		Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Enterprise in which Holding Company has significant influence	
	March 31, 2025	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024
Remuneration Paid												
Mr. Inder Pal Batra	-	-		-	-	-	-	69.87	-	-	-	-
Mr. Mayank Sharma							**53.84**	7.68	-	-	-	-
Ms. Sonali Manchanda	-	-		-	-	-	-	18.95	-	-	-	-
Ms. Isha Jain	-	-		-	-	-	**19.71**	3.03	-	-	-	-
Purchase of Compulsorily Convertible Preference Shares from APG Strategic Real Estate Pool N.V (Shareholder)												
Lemon Tree Hotels Limited	-	4,884.36		-	-	-	-	-	-	-	-	-
Director Sitting Fees												
Mr. Ashish Kumar Guha	-	-		-	-	-	**6.50**	8.00	-	-	-	-

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Transactions with Related Party	Holding Company		Subsidiaries		Fellow subsidiaries		Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Enterprise in which Holding Company has significant influence	
	March 31, 2025	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024
Mr. Paramartha Saikia	-	-		-	-	-	2.60	4.50	-	-	-	-
Mr. Pradeep Mathur	-	-		-	-	-	5.00	6.50	-	-	-	-
Mr. Niten Malhan	-	-		-	-	-	2.50	6.50	-	-	-	-
Ms. Freyan J Desai	-	-		-	-	-	3.60	0.75	-	-	-	-
Mr. Arindam Kumar Bhattacharya	-	-		-	-	-	2.50	6.00	-	-	-	-
Capital Advance given to the party												
Toucan Real Estates Private Limited	-	-		-	-	-	-	-	-	24.15	-	-
Amount Recovered												
Toucan Real Estates Private Limited	-	-	-	-	-	-	-	-	287.23	-	-	

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Transactions with Related Party	Holding Company		Subsidiaries		Fellow subsidiaries		Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Enterprise in which Holding Company has significant influence	
	March 31, 2025	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024
Guarantees reduced for loan taken by												
Hyacinth Hotels Private Limited	-	-	**4,000.00**	4,605.00	-	-	-	-	-	-	-	-
Berggruen Hotels Private Limited	-	-	**2,387.00**	14,713.00	-	-	-	-	-	-	-	-
Guarantees reduced for loan taken by Fleur												
Lemon Tree Hotels Limited	**15,000.00**	-	-	-	-	-	-	-	-	-	-	-
Guarantees taken for loan taken by Fleur												
Lemon Tree Hotels Limited	**6,581.00**	-	-	-	-	-	-	-	-	-	-	-
Guarantees given for loan taken by												
Iora Hotels Private Limited	-	-	-	46,000.0	-	-	-	-	-	-	-	-
Amount Received on behalf of the Company												
Lemon Tree Hotels Limited	**16.56**	23.21	-	-	-	-	-	-	-	-	-	

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Transactions with Related Party	Holding Company		Subsidiaries		Fellow subsidiaries		Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Enterprise in which Holding Company has significant influence	
	March 31, 2025	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024
Hyacinth Hotels Private Limited	-	-	-	0.67	-	-	-	-	-	-	-	-
Inovoa Hotels & Resorts Limited	-	-	-	0.48	-	-	-	-	-	-	-	-
Berggruen Hotels Private Limited	-	-	-	0.36	-	-	-	-	-	-	-	-
Iora Hotels Private Limited	-	-	0.21	-		-	-	-	-	-	-	-
Sukhsagar Complexes Private Limited	-	-	-	-	-	0.18	-	-	-	-	-	-
Manakin Resorts Private Limtied	-	-	-	-	-	0.18	-	-	-	-	-	-
Celsia Hotels Private Limited	-	-	-	0.36	-	-	-	-	-	-	-	-
Sale of Services												
Mind Leaders Learning India Private Limited	-	-	-	-	-	-	-	-	-	-	0.67	

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Transactions with Related Party	Holding Company		Subsidiaries		Fellow subsidiaries		Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Enterprise in which Holding Company has significant influence	
	March 31, 2025	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024
Interest Paid(Gross)												
Manakin Resorts Private Limited	-	-	-	-	**22.82**	28.67	-	-	-	-	-	-
Amount paid on behalf of the party												
Lemon Tree Hotels Limited	**7.73**	5.14	-	-	-	-	-	-	-	-	-	-
Hyacinth Hotels Private Limited	-	-	**0.15**	-		-	-	-	-	-	-	-
Berggruen Hotels Private Limited	-	-	-	0.27	-	-	-	-	-	-	-	-
Celsia Hotels Private Limited	-	-	-	0.18	-	-	-	-	-	-	-	-
Canary Hotels Private Limited	-	-	-	-	-	0.10	-	-	-	-	-	-
Iora Hotels Private Limited	-	-	**69.24**	16.58		-	-	-	-	-	-	-
Balances outstanding at												

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Transactions with Related Party	Holding Company		Subsidiaries		Fellow subsidiaries		Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Enterprise in which Holding Company has significant influence	
	March 31, 2025	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024
the year end-												
Loans given												
Inovoa Hotels & Resorts Limited	-	-	**14.00**	10.12	-	-	-	-	-	-	-	-
Celsia Hotels Private Limited	-	-	-	688.94	-	-	-	-	-	-	-	-
Hyacinth Hotels Private Limited	-	-	**11.09**	409.00	-	-	-	-	-	-	-	-
Iora Hotels Private Limited	-	-	**3,034.47**	9,655.49	-	-	-	-	-	-	-	-
Bandhav Resorts Private Limited	-	-	**4.57**	-	-	-	-	-	-	-	-	-
Berggruen Hotels Private Limited	-	-	**9,463.27**	8,001.15	-	-	-	-	-	-	-	-
Ophyrs Hotels Private Limited	-	-	**4.00**	2.00	-	-	-	-	-	-	-	-
Balances outstanding at the year end-												
Loans taken												
Manakin Resorts Private Limited	-	-	-	-	-	285.30	-	-	-	-	-	-

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Transactions with Related Party	Holding Company		Subsidiaries		Fellow subsidiaries		Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Enterprise in which Holding Company has significant influence	
	March 31, 2025	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024
Balances outstanding at the year end- Trade Payable												
Lemon Tree Hotels Limited	**814.11**	354.94	-	-	-	-	-	-	-	-	-	-
Totally Foxed Solutions Private Limited	-	-	-	-	**12.90**	-	-	-	-	-	-	-
Mind Leaders Learning India Private Limited	-	-	-	-	-	-	-	-	-	-	**4.28**	13.85
Mr. Mayank Sharma	-	-	-	-	-	-	-	0.44	-	-	-	-
Ms. Isha Jain	-	-	-	-	-	-	**0.87**	0.37	-	-	-	-
Balances outstanding at the year end- Expenses Payable												
Lemon Tree Hotels Limited	-	562.75	-	-	-	-	-	-	-	-	-	

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Transactions with Related Party	Holding Company		Subsidiaries		Fellow subsidiaries		Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Enterprise in which Holding Company has significant influence	
	March 31, 2025	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024
Advance recoverable												
Toucan Real Estate Private Limited	-	-	-	-	-	-	-	-	-	95.23	-	-
Security Deposit												
Toucan Real Estate Private Limited	-	-	-	-	-	-	-	-	-	192.00	-	-
Guarantees Given for loan taken by												
Hyacinth Hotels Private Limited	-	-	**7,500.00**	11,500.00	-	-	-	-	-	-	-	-
Celsia Hotels Private Limited	-	-	**2,709.00**	2,709.00	-	-	-	-	-	-	-	-
Inovoa Hotels & Resorts Limited	-	-	**3,481.00**	3,481.00	-	-	-	-	-	-	-	-
Berggruen Hotels Private Limited	-	-	**1,500.00**	3,887.00	-	-	-	-	-	-	-	-
Iora Hotels Private Limited	-	-	**48,000.00**	48,000.00	-	-	-	-	-	-	-	-

Fleur Hotels Limited (Formerly known as Fleur Hotels Private Limited)
Notes to Standalone financial statements for the year ended March 31, 2025

Transactions with Related Party	Holding Company		Subsidiaries		Fellow subsidiaries		Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Enterprise in which Holding Company has significant influence	
	March 31, 2025	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024
Guarantee Taken for Loan received												
Lemon Tree Hotels Limited	**76,883.00**	85,302.00	-	-	-	-	-	-	-	-	-	-

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Terms and conditions of transactions with related parties

Outstanding balances with related parties at the year-end are unsecured and interest free and settlement occurs in cash. For the year ended March 31, 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2024: INR Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Commitments with related parties

The Company has not entered into any commitments with related parties during the year.

33. Fair value measurement

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument

a. Financial Assets (other than equity investment/ deemed investment in subsidiaries carried at cost)

Rs. in lakhs

	March 31, 2025		March 31, 2024	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets				
Trade Receivables	-	2,308.81	-	2,233.57
Security Deposits	-	378.13	-	525.02
Investment	746.70	-	0.41	-
Other bank balances(including Fixed deposits under Lien)	-	858.51	-	921.61
Cash and Cash Equivalents	-	1,537.14		832.26
Interest accrued on deposit with banks and others	-	82.77	-	77.67
Loans		10,904.84		16,659.94
Total Financial Assets (other than equity investment/ deemed investment in subsidiaries carried at cost)	**746.70**	**16,070.20**	**0.41**	**21,250.07**

Note: The financial assets above do not include investments in subsidiaries which are measured at cost in accordance with Ind AS 27.

b. Financial Liabilities

Rs. in lakhs

	March 31, 2025		March 31, 2024	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Liabilities				
Borrowings	-	83,814.40	-	97,533.83
Trade Payables	-	2,469.44	-	2,837.92
Lease Liabilities	-	14,992.29	-	14,921.21
Other Current Financial Liabilities	-	418.34	-	759.10
Total Financial Liabilities	-	**101,694.47**	-	**116,052.06**

c. Fair value measurement hierarchy for assets and liabilities

Fair value measurement

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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

i) Level 1

Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

ii) Level 2

Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

iii) Level 3

Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

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The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

Financial assets and liabilities measured at fair value

Rs. in lakhs

	March 31, 2025			
	Level 1	Level 2	Level 3	**Total**
Financial investments as FVTPL				
Investment in mutual fund	746.29	-	-	746.29
Unquoted equity instruments	-	-	0.41	0.41
Total	**746.29**	-	**0.41**	**746.70**

Rs. in lakhs

	March 31, 2024			
	Level 1	Level 2	Level 3	Total
Financial investments as FVTPL				
Unquoted equity instruments	-	-	0.41	0.41
Total	-	-	**0.41**	**0.41**

34 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include loans, trade and other receivables, and cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline in long term, accordingly the Company is currently carrying its loans at variable interest rates.

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Rs. in lakhs

	March 31, 2025	March 31, 2024
Variable rate borrowings	83,779.76	97,202.11
Fixed rate borrowings	34.64	331.72

Interest rate sensitivity

Particulars	Increase/decrease in basis points	Effect on profit before tax
March 31, 2025		
Floating rate borrowing	50	(491.37)
Floating rate borrowing	-50	491.37
March 31, 2024		
Floating rate borrowing	50	(505.88)
Floating rate borrowing	-50	505.88

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has no exposure in foreign currency.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and deposits to landlords) and from its financing activities, including deposits with banks and financial institutions and other financial instruments

(a) Trade receivables

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 11. The Company does not hold collateral as security.

Reconciliation of provision for doubtful debts - Trade receivables (including provision for expected credit loss)

Rs. in lakhs

	March 31, 2025	March 31, 2024
Provision at beginning	200.32	150.58
Addition during the year	-	49.74
Reversal during the year	-	-
Provision at closing	200.32	200.32

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(b) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investment of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2025 and March 31, 2024 is the carrying amount as given in Note 10.

Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders. As at March 31, 2025, the Company had no sanctioned balance(March 31, 2024: Nil) of undrawn committed borrowing facilities.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Rs. in lakhs

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2025						
Borrowings*	-	1,860.98	5,921.11	35,181.14	41,444.51	84,407.74
Trade and other payables	2,469.44	-	-	-	-	2,469.44
Other Financial Liabilities	418.34	-	-	-	-	418.34
	2,887.78	**1,860.98**	**5,921.11**	**35,181.14**	**41,444.51**	**87,295.52**
Year ended March 31, 2024						
Borrowings*	285.30	1,827.11	6,584.67	38,846.83	50,721.22	98,265.13
Trade and other payables	2,837.92	-	-	-	-	2,837.92
Other Financial Liabilities	759.10	-	-	-	-	759.10
	3,882.32	**1,827.11**	**6,584.67**	**38,846.83**	**50,721.22**	**101,862.15**

*represents un-discounted cash flows

The table provides details regarding the contractual maturities of lease liabilities as of March 31, 2025 and March 31, 2024 as on undiscounted basis

Particulars	As at March 31, 2025	As at March 31, 2024
Minimum Lease Payments:		
Not later than one year	**1,505.86**	1,369.42
Later than one year but not later than five years	**6,416.89**	6,130.39
Later than five years	**27,771.21**	29,563.57
Total	**35,693.96**	37,063.38

35 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade payables, less cash and cash equivalents.

Rs. in lakhs

	March 31, 2025	March 31, 2024
Borrowings (Note 14 and Note 18) (Net of Processing Fee)	83,814.40	97,533.82
Trade payables (Note 18)	2,469.44	2,837.92
Less: cash and cash equivalents (Note 10)	1,537.14	832.26
Net debt	**84,746.70**	**99,539.48**
Total capital	1,73,716.76	1,65,622.19
Capital and net debt	**2,58,463.46**	**2,65,161.67**
Gearing ratio	**33%**	**38%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no significant breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024.

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36. Recent pronouncements

a. New amendments adopted during the year

The Ministry of Corporate Affairs ('MCA'), vide notification no. G.S.R. 492(E) dated August 12, 2024, issued the Companies (Indian Accounting Standards) Amendment Rules, 2024, introducing a new accounting standard, Ind AS 117 relating to the accounting of Insurance Contracts and MCA through notification no. G.S.R. 554(E) dated September 9, 2024, issued the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, amending Ind AS 116 relating to the accounting for sale and leaseback transactions with variable lease payments. Both these amendments were applicable for annual periods beginning on or after April 1, 2024. The Company has reviewed both these pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

b. Amendments to Ind AS issued but not yet effective

MCA has notified amendment to Ind AS 21, The Effects of Changes in Foreign Exchange Rates, vide the Companies (Indian Accounting Standards) Amendment Rules, 2025 through Notification No. G.S.R. 291(E) dated May 7, 2025. The amendment provide comprehensive guidance on assessing the exchangeability of currencies, determining spot exchange rates when currencies are not exchangeable and enhancing related disclosures. The amendment is effective for annual reporting periods beginning on or after April 1, 2025. The Company will evaluate the impact of this amendment and implement the necessary changes in its financial reporting for periods commencing on or after the effective date.

c. Note on Social Security:

The Code on Wages, 2019 and Code on social security, 2020 ("the codes") relating to employee compensation and post-employment benefits that received Presidential assent have not been notified. Further, the related rules for quantifying the financial impact have not been notified. The Company will assess the impact of the codes when the rules are notified and will record any related impact in the period in which the Codes become effective.

There are no new amendements/standards (other than above) that are notified, but not yet effective up to the date of issuance of the Company's financial statements.

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37. Ratio Analysis and its elements

S.No.	Ratio	Numerator	Denominator	March 2025	March 2024	% Variance	Reason for variance
1	Current Ratio	Current Asset	Current liabilities	1.27	1.35	(6.37%)	-
2	Debt Equity Ratio	Total Debt	Shareholder equity	0.48	0.59	(18.65%)	-
3	Debt service coverage Ratio	Earnings available for debt service	Debt service	0.74	1.55	(52.39%)	Debt repayment has increased due to refinancing of loan
4	Return on Equity	Net profit after taxes	Average shareholders equity	4.78%	3.44%	38.95%	Increase in profit as compared to previous year
5	Inventory Turnover Ratio	Cost of goods sold	Average Inventory(excluding Stores, cutlery, crockery, linen)	16.21	16.06	(0.93%)	-
6	Trade Receivable turnover Ratio	Net total sales	Avg. accounts receivable	20.00	20.67	(3.26%)	-
7	Trade Payables turnover Ratio	Net credit purchase	Average Trade Payable	NA	NA	NA	Not applicable to the Company considering nature of services of the Company
8	Net capital Turnover Ratio	Net Sales	Working capital	14.32	8.78	63.09%	Increase in revenue and decrease in working capital levels as compared to previous year
9	Net Profit Ratio	Net Profit	Net sales	17.84%	13.20%	35.15%	Increase in revenue as compared to previous year
10	Return on capital employed	EBIT	Capital employed	6.62%	6.09%	8.70%	-
11	Return on investment	Interest(Finance income)	Investment	NA	NA	NA	Not applicable to the Company considering the investments are made to subsidiaries with long term growth outlook

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(i) Earning for Debt Service = Net Profit after taxes + Non -cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed asset which are non cash in nature.

(ii) Debt Service = Interest & Lease Payments + Principal Repayments (excluding prepayments).

(iii) Capital Employed=Networth+ Total Debt+Deferred Tax Liability-Net Intangible assets- Intangible assets under development

(iv) Working Capital= Current Assets- Current liabilities

(v) EBIT= Earning before interest and taxes

(vi) Net sales- Revenue from operations- Government grant

38. Segment Reporting

The Company is into Hoteliering business. The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore there is no reportable segment for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about geographical areas

The Company has only domestic operations and hence no information required for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about major customers

No customer individually accounted for more than 10% of the revenue for the year ended March 31, 2025 and March 31, 2024.

39. **a)** During the previous year Company has received Entitlement certificate for subsidy under Tourism Policy (TP) 2016 dated December 1 2023, based on which the company shall be eligible for 100% of the SGST paid on Lemon Tree Premier, Mumbai for a period of 7 years from the date of the entitlement certificate i.e. December 1, 2023.

B)During the previous year Company has received Entitlement certificate for subsidy under Rajasthan Investment Promotion Scheme (RIPS) 2014 dated December 6 2022, based on which the company shall be eligible for 50% of the SGST paid on Aurika Hotels, Udaipur for a period of 7 years from the date of the commencement of operation i.e. 29th October 2019.

The Company has complied with all the significant terms and conditions affixed to these grants.

40. The Company does not have any long term contracts including derivative contracts for which there are any material foreseeable losses.

41. There is no such immovable property whose title deed is not in the favor of the Company except freehold land and building located at Andheri Mumbai admeasuring 5,552.9 sqmt whose title deeds are in name of the Meringue Hotels Private Limited, erstwhile company that was merged with the Company under Section 230-232 of the Companies Act, 2013 in terms of the approval of the National Company Law Tribunal.

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42. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006.

Rs. in lakhs

	March31, 2025	March31, 2024
the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	564.14	600.28
the amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

43. There has been no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

44. During the year ended March 31, 2022, the Company had made provision of estimated stamp duty expense of Rs. 1525.03 lakhs on amalgamation of Meringue Hotels Private Limited, Begonia Hotels Private Limited and Nightingale Hotels Private Limited. This provision of stamp duty expense was a one- time expense of non-recurring nature. As on March 31, 2025, Company is carrying provision of Rs 86.36 lakhs (refer note 16).

45. As per the proviso to Rule 3(1) of Companies (Accounts) Rules, 2014, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses an accounting software for recording all the accounting transactions for the year ended March 31, 2025. The software has a feature of recording audit trail (edit log) facility which was enabled throughout the year except that on certain tables/ master records audit trail (edit log) facility was enabled on March 29, 2025 and the audit trail (edit log) facility is not enabled at database level. Subsequent to the year ended March 31, 2025, the Company has implemented audit trail (edit log) facility on this accounting software.

In respect of maintaining revenue records, the Company has used a revenue management software. The said software has a feature of recording audit trail (edit log) facility which was enabled throughout the year, except that the audit trail (edit log) facility at database level was enabled on March 19, 2025 and the software has limitation to track whether audit trail (edit logs) were tampered or not.

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The audit trail that was enabled and operated for the year ended March 31, 2024, has been preserved by the Company as per the statutory requirements for record retention.

The Management has adequate internal controls over financial reporting which were operating effectively for the year ended March 31, 2025.

46. Other Statutory Information

(i) The Company have not traded or invested in Crypto currency or Virtual currency during the financial year.

(ii) The Company have not 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.

(iii) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under Benami Transactions (Prohibition) Act, 1988.

(iv) The Company do not have any transaction with companies struck off.

(v) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(vi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vii) During the year, the Company has not entered into any scheme of arrangements in terms of section 230 to 237 of the Companies Act, 2013 and accordingly, the prescribed disclosures of Schedule III are not required to be given.

(viii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or,

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(ix) The Company have not received any funds from any person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or,

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

For and on behalf of the Board of Directors of
Fleur Hotels Limited

Patanjali Govind Keswani
Managing Director
DIN-00002974

Aditya Madhav Keswani
Director
DIN-07208901

Isha Jain
Company Secretary
Mem. no.-A25838
Place: New Delhi

Mayank Sharma
Chief Financial Officer

Date: May 28, 2025