

Deloitte Haskins & Sells

Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To The Members of Neeldeep Developers Private Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Neeldeep Developers Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and 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 a summary of significant accounting policies and other explanatory information (herein referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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, 2021, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 34(i) in the financial statements, which describes the possible effects of uncertainties relating to COVID-19 on Company's operations, liquidity position and results as assessed by the management.

Our opinion is not modified in respect of this matter.



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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 financial statements and our auditor's report thereon.

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

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance 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 financial statement 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 Responsibility for the Audit of the Financial Statements

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



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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the 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:
 - 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 Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) Reporting on the adequacy of Internal Financial Control Over Financial Reporting of the Company and the operating effectiveness of such controls, under section 143(3)(i) of the Act is not applicable in view of the exemption available to the Company in terms of the notification no. G.S.R. 583(E) dated June 13, 2017 issued by the Ministry of Corporate Affairs, Government of India, read with general circular No. 08/2017 dated July 25, 2017, based upon the legal opinion obtained by the Company (Refer Note 36).
 - g) In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position. (Refer Note 28(a) 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. (Refer Note 39 to the 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 40 to the financial statements).



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

For Deloitte Haskins & Sells

Chartered Accountants

(Firm's Registration No. 015125N)



Vikas Khurana

(Partner)

(Membership No. 503760)

UDIN:21503760AAAACI2921



Place: Gurugram

Date: September 1, 2021

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ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

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

- (i)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.
 - (b) The Company has a program of verification of property, plant and equipment to cover all the items a phased manner over a period of three 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 physically verified by the Management during the year. According to the information and explanations given to us, no discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and building which are freehold, are held in the name of the Company as at the balance sheet date. The Company does not have any immovable properties of land and buildings that have been taken on lease and disclosed as property, plant and equipment in the financial statements.
- (ii) In our opinion, the inventories were physically verified during the year by the Management at reasonable intervals and no discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from public during the year. The Company does not have any unclaimed deposits and accordingly the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 are not applicable to the Company.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013, hence reporting under clause (vi) of the Companies (Auditor's Report) Order, 2016 is not applicable.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has been regular in depositing undisputed statutory dues including Goods and Services Tax, Value Added Tax, Provident fund, Professional tax, Income tax (TDS) and other material statutory dues applicable to it to the appropriate authorities.



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We are informed that Customs Duty, Sales Tax, Employees' State Insurance, Cess and Excise Duty are not applicable to the Company.

(b) There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Goods and Services Tax, Value Added Tax and other material statutory dues, applicable to the Company, in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

We are informed that Customs Duty, Sales Tax, Employees' State Insurance, Cess and Excise Duty are not applicable to the Company.

(c) There are no dues of Income-tax, Sales Tax, Service Tax, Goods and Services Tax, Customs Duty, Excise Duty and Value Added Tax as on March 31, 2021 on account of disputes.

(viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debenture. Hence reporting under clause (viii) of CARO 2016 is not applicable.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) The Company is a private limited company and hence provision of section 197 of the Companies Act, 2013 do not apply to the Company.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 188 of the Companies Act, 2013, 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. The Company is a private company and hence the provisions of section 177 are not applicable to the Company.

(xiv) In our opinion and according to the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debenture and hence reporting under clause (xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.



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(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Deloitte Haskins & Sells

Chartered Accountants

(Firm's Registration No. 015125N)



Vikas Khurana

(Partner)

(Membership No. 503760)

UDIN:21503760AAAACI2921



Place: Gurugram

Date: September 1, 2021



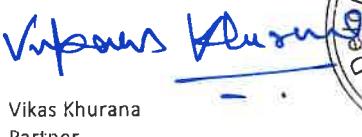
	Notes	As at 31 Mar 2021	As at 31 March 2020
ASSETS			
Non-current assets			
Property, plant and equipment	4	109.77	111.28
Capital work-in-progress	4	-	2.72
Financial assets			
(i) Other financial assets	5	0.58	0.58
Non-current tax assets (net)	6	3.89	2.81
Total non current assets		114.24	117.39
Current assets			
Inventories	8	0.14	1.35
Financial assets			
(i) Trade receivables	9	27.89	5.88
(ii) Cash and cash equivalents	10	0.64	6.85
(iii) Other financial assets	7	0.00	0.00
Other current assets	11	1.37	6.21
Total current assets		30.04	20.29
Total assets		144.28	137.68
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	12	40.00	40.00
Other equity	13	(50.71)	(37.98)
Total equity		(10.71)	2.02
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
(i) Borrowings	14	80.50	72.69
Deferred tax liabilities (Net)	15	15.89	15.89
Provisions	16A	0.00	0.00
Total non-current liabilities		96.39	88.58
Current liabilities			
Financial Liabilities			
(i) Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	17A	0.20	4.06
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	17A	6.25	17.21
(ii) Other financial liabilities	17B	51.10	24.55
Other current liabilities	18	0.94	1.20
Short Term Provision	16B	0.11	0.06
Total current liabilities		58.60	47.08
Total liabilities		154.99	135.66
Total equity and liabilities		144.28	137.68

The accompanying notes are an integral part of the financial statements

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As per our report of even date attached

For Deloitte Haskins & Sells
 Chartered Accountants


 Vikas Khurana
 Partner



Place: Gurugram
 Date: September 01, 2021

For and on behalf of the Board of Directors


 Abhishek Bhalla
 Director
 DIN: 8190066


 Varun Jairath
 Director
 DIN: 7237038

Place: Gurugram
 Date: August 30, 2021

NEELDEEP DEVELOPERS PRIVATE LIMITED

CIN: U45201GJ2004PTC043615

Statement of profit and loss for the year ended 31 Mar 2021

(Amount in Indian Rupees Millions, unless stated otherwise)

	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
INCOME			
Revenue from operations	19	45.29	37.62
Other income	20	0.08	5.34
Total income (I)		45.37	42.96
EXPENSES			
Cost of food and beverages consumed	21	4.63	4.33
Employee benefits expense	22	25.13	17.32
Depreciation	23	6.48	10.38
Finance cost	24	7.81	15.61
Other expenses	25	14.10	40.53
Total expenses (II)		58.15	88.17
Loss before tax (I-II)		(12.78)	(45.21)
Tax expense	14B		
Current tax			
Deferred tax			19.31
Loss for the year		(12.78)	(64.52)
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
Re-measurement (losses)/gains on defined benefit plans		0.06	-
(ii) Income tax effect		(0.02)	-
		0.04	-
Total comprehensive loss for the year		(12.74)	(64.52)
Earnings per share			
(1) Basic	26	(3.19)	(16.13)
(2) Diluted	26	(3.19)	(16.13)

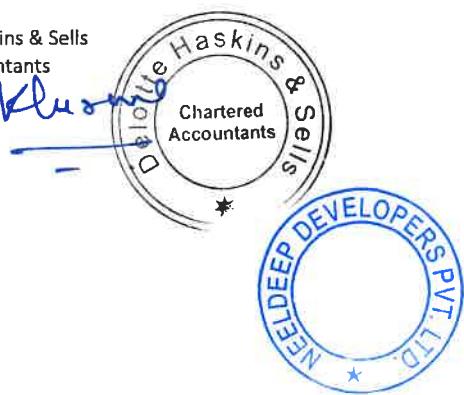
The accompanying notes are an integral part of the financial statements

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As per our report of even date attached

For Deloitte Haskins & Sells
Chartered Accountants

Vikas Khurana
Partner



Place: Gurugram
Date: September 01, 2021

For and on behalf of the Board of Directors

Abhishek Bhalla
Director
DIN: 8190066

Varun Jairath
Director
DIN: 7237038

Place: Gurugram
Date: August 30, 2021

NEELDEEP DEVELOPERS PRIVATE LIMITED

CIN: U45201GJ2004PTC043615

Statement of Cash Flow Statement for the year ended on 31 March 2021

(Amount in Indian Rupees Millions, unless stated otherwise)

	For the year ended 31 March 2021	For the year ended 31 March 2020
A. Cash flow from operating activities:		
Loss before tax	(12.73)	(45.21)
Non- cash adjustments to reconcile profit before tax to net cash flows		
Depreciation and amortization expense	6.48	10.38
Loss on Sale of Assets	-	12.95
Liabilities written back	(0.08)	-
Provision for Inventory	1.12	-
Provision for doubtful advance	0.26	5.23
Interest income	-	(0.09)
Interest expense	7.81	10.21
Operating loss before working capital changes	2.86	(6.53)
Changes in working capital :		
Increase in trade payables	(14.81)	4.42
Increase/(decrease) in provisions	0.05	(0.09)
(Increase)/decrease in other current assets	4.84	(6.21)
Increase/(decrease) in current Liabilities	(0.26)	13.63
(Increase)/decrease in inventories	0.09	(1.35)
(Increase)/decrease in trade receivables	(22.21)	(9.68)
Cash from operations	(29.44)	(5.81)
Direct taxes paid (net of refunds)	(1.08)	0.61
Net cash flow from operating activities (A)	(30.52)	(5.20)
B. Cash flows from investing activities		
Purchase of Property, plant and equipment	(4.97)	(19.75)
Addition in capital work in progress	2.72	(2.72)
Interest received	-	0.09
Net cash flow used in investing activities (B)	(2.25)	(22.38)
C. Cash flow from financing activities		
Equity Contribution of borrowing from Holding Company	-	120.70
Interest paid	-	(10.23)
Proceeds from short Term Borrowings	26.53	16.33
Proceeds from Long Term Borrowings	-	72.69
Repayment of long term borrowing	-	(165.98)
Net cash flow used in financing activities (C)	26.53	33.51
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(6.24)	5.93
Cash and cash equivalents at the beginning of the year	6.87	0.94
Cash and cash equivalents at the end of the year	0.64	6.87
Components of cash and cash equivalents		
Cash on hand	0.04	0.06
With banks:		
on current accounts	0.60	6.81
Total cash and cash equivalents (refer note 10)	0.64	6.87

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

As per our report of even date attached

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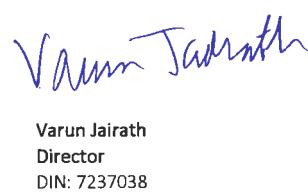


Place: Gurugram
Date: September 01, 2021



Abhishek Bhalla
Director
DIN: 8190066

Place: Gurugram
Date: August 30, 2021



Varun Jairath
Director
DIN: 7237038

NEELDEEP DEVELOPERS PRIVATE LIMITED
 CIN: U45201GJ2004PTC043615
 STATEMENT OF CHANGE IN EQUITY AS ON 31.03.2021
 (Amount in Indian Rupees Millions, unless stated otherwise)

a. Share capital

Particulars	Equity shares No. of shares	Amount
As at 31 March 2019	4,000,000	40.00
Issued during the year	-	-
As at 31 March 2020	4,000,000	40.00
Issued during the year	-	-
As at 31 March 2021	4,000,000	40.00

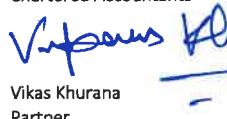
b. Other equity

	Reserve & Surplus		Equity contribution from holding company	Total Equity
	Retained earnings	Other Comprehensive Income (OCI)		
As at April 01, 2019	(94.16)	-	120.70	26.54
Loss for the year	(64.51)	-	-	(64.51)
As at 31 March 2020	(158.67)	-	120.70	(37.97)
Loss for the year	(12.78)	0.04	-	(12.74)
As at 31 March 2021	(171.45)	0.04	120.70	(50.71)

The accompanying notes are an integral part of the financial statements
 As per our report of even date attached

1 to 41

For Deloitte Haskins & Sells
 Chartered Accountants


 Vikas Khurana
 Partner



For and on behalf of the board of directors of


 Abhishek Bhalla
 Director
 DIN: 8190066


 Varun Jairath
 Director
 DIN: 7237038

Place: Gurugram
 Date: September 01, 2021

Place: Gurugram
 Date: August 30, 2021



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1. Corporate Information

NEELDEEP DEVELOPERS PRIVATE LIMITED ("the 'Company") is a private limited company domiciled in in India and incorporated under the provisions of Indian Companies Act, 2013, with its registered office situated at 80A/303A, CHHADAWAD, MADALPUR, OPP. V. S. HOSPITAL, ELLISBRIDGE, AHMEDABAD GJ 380006 IN.

The Company is a wholly owned subsidiary of Mountainia Developers and Hospitality Pvt Limited. The Company is primarily engaged in business of managing and operating hotels, long term and short term stay homes, guest houses and such other accommodations including ancillary services providing an affordable and predictable stay experience to customer.

The financial statements are approved for issue by the Company's Board of Directors on August 30, 2021.

2. Basis of preparation of financial statements

A. Statement of compliance

These financial statements ('financial statements') have been prepared in accordance with the Indian Accounting Standard ('IndAS') as notified by the Ministry of Corporate Affairs ('MCA') under section 133 of the Companies Act, 2013 ('Act'), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Companies Act, 2013 ("the Act").

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, by the Company, to all the periods presented in the said financial statements, 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.

Details of the Company's accounting policies are included in Note 3.

B. Functional and presentation currency

The Company's financial statements are presented in Indian Rupees (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) have been rounded to the nearest millions, unless otherwise stated.

C. Basis of measurement

The financial statements have been prepared on going concern basis using historical cost convention and on an accrual method of accounting, except for the following items:

Items	Measurement basis
Financial assets and liabilities – Refer accounting policy regarding financial instrument	Fair Value/ Amortised cost
Net defined benefit (asset)/ liability	Present value of defined benefit obligations



Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on this basis.

D. Measurement of fair values

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 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 37)
- Quantitative disclosures of fair value measurement hierarchy (note 35)
- Financial instruments (including those carried at amortised cost) (note 35)

3. Significant accounting policies

A. Current/ non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

Assets

An asset is classified as current when:

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

All other assets are classified as non-current.

Liabilities

A liability is classified as current when:

- i. it is expected to be settled in the Company's normal operating cycle;
- ii. it is due to be settled within twelve months from the reporting date;
- iii. it is held primarily for the purposes of being traded; or
- iv. the Company does not have an unconditional right to defer settlement of the liability for at least twelve months from the reporting date

All other liabilities are classified as non-current.

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



Operating cycle

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

B. Foreign currency transactions

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.

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. 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.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method, less impairment. 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 Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss. The category applies to the Company's trade receivables, unbilled revenue, cash and cash equivalents, other bank balances, security deposits, etc.

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). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit & 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'). 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.

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 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.

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.

D. Property, plant and equipment

i. Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use.

The cost comprises purchase price, freight, expenditure incurred towards transformation of hotel including any attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. 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.

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

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.

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.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

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

Property, plant and equipment	Useful life considered (SLM)
Building	60 years
Plant and Machinery	10 years
Office Equipment	5 years
Electrical Installation	5-10 years



Furniture and Fixtures	5-8 years
Computers	3-6 years

The Company, based on management estimates, depreciates certain items of building, plant and machinery, electrical installation, furniture and fixtures & computers over estimated useful lives which are lower than the useful life prescribed in Schedule II of 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. The useful life considered by management are as follows:

Property, plant and equipment	Useful life considered
Building (Interior work)	20 years
Plant & Machinery	10 years
Furniture & Fixtures	5-8 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 plant, property and equipment (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.

E. 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.

F. Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. 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 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.

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.

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

G. Employee benefits

i. Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

ii. Post-employment benefits and other long term employee benefits

Provident Fund: 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. The contribution amount is paid by the Company to Employee Provident Fund Organisation (EPFO).

Gratuity: 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. The Company provides for the liability in the books of accounts based on the actuarial valuation and the gratuity expense is recognised in statement of profit and loss.

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

H. Provisions (other than for employee benefits)

i. 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.

ii. 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.

I. Revenue recognition

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

Revenue of hotel operations from room revenue, sale of foods and beverages and other services

Revenue is recognised at the transaction prices that is allocated to the performance obligation. Revenue comprises room revenue, sale of food and beverages and other services relating to the hotel operations. Revenue is recognised upon rendering of the services and sale of food and beverages.

Operator assumes rights to sell room nights and assumes major responsibilities towards performance obligation of service delivery, including but not limited to, setting the pricing, performance management and maintenance of quality standard of the hotel properties and the operator is contractually liable to



pay upon services being availed by the customer. Hence, revenue is presented on net basis in profit & loss statement after reduction of commission paid to the Operator.

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 gross carrying amount of the financial asset or liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Dividends

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

J. Taxes

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

i. 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. 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.

ii. 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.

K. Goods and Services Tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of goods and services 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.



L. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and taxes applicable) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue that have changed the number of outstanding, without a corresponding change in resources.

Diluted earnings per share 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.

M. 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.

N. 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.

O. Events occurring after the balance sheet date

Based on the nature of the event, the Company identifies the events occurring between the balance sheet date and the date on which the financial statements are approved as 'Adjusting Event' and 'Non-adjusting event'. Adjustments to assets and liabilities are made for events occurring after the balance sheet date that provide additional information materially affecting the determination of the amounts relating to conditions existing at the balance sheet date or because of statutory requirements or because of their special nature. For non-adjusting events, the Company may provide a disclosure in the financial statements considering the nature of the transaction.

P. Recent Indian Accounting Standards (Ind AS)

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:



Balance Sheet:

Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.

Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

Specified format for disclosure of shareholding of promoters.

Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.



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4. Property, plant & equipment

	Land	Building	Furniture And Fixtures	Plant And Machinery	Office Equipments	Computers	Total	Capital work in progress
Gross carrying cost								
At 31 March 2019	4.57	91.02	9.16	11.88	8.19	0.01	29.23	-
Additions			7.07		12.68		115.34	2.72
Disposals			2.56	7.93	2.49		12.99	-
At 31 March 2020	4.57	91.02	13.67	3.95	18.38	0.01	131.58	2.72
Additions			2.41	0.35	2.08	0.13	4.97	-
Disposals			3.28	(0.59)	(4.15)	(0.65)	(2.12)	2.72
At 31 March 2021	4.57	91.02	12.80	4.89	24.61	0.79	138.67	-
Accumulated Depreciation								
At 31 March 2019			5.98	1.39	2.53	0.01	9.92	-
Changed for the year			0.90	1.62	2.59		10.38	-
Disposals								-
At 31 March 2020	5.28	6.88	3.01	5.12	0.01	20.30	-	-
Changed for the year								-
Disposals								-
At 31 March 2021	6.93	4.97	4.09	12.20	0.70	28.90	-	-
Net carrying amount								
At 31 March 2020	4.57	85.75	6.79	0.94	13.26	-	111.28	2.72
At 31 March 2021	4.57	84.09	7.83	0.80	12.41	0.09	109.77	-

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NEELDEEP DEVELOPERS PRIVATE LIMITED

CIN: U45201GJ2004PTC043615

Notes to financial statements for the year ended 31 Mar 2021

(Amount in Indian Rupees Millions, unless stated otherwise)

5. Other financial assets- Non current

	As at 31 Mar 2021	As at 31 March 2020
Security deposits	0.58	0.58
Total non current financial assets	0.58	0.58

6. Non-current tax assets

	As at 31 Mar 2021	As at 31 March 2020
Advance income tax (net)	3.89	2.81
Non-current tax assets	3.89	2.81

7. Other financial assets- Current

	As at 31 Mar 2021	As at 31 March 2020
Unsecured and considered good		
Unbilled Revenue*	0.00	0.00
Total	0.00	0.00

* the absolute amount of unbilled revenue as on March 2021: INR 1,429 (March 2020: INR 1,625)

8. Inventories

	As at 31 Mar 2021	As at 31 March 2020
Hotel consumables (at lower of cost or net realizable value)	0.14	1.35
Total	0.14	1.35

9. Trade receivables

	As at 31 Mar 2021	As at 31 March 2020
Trade receivables	27.89	5.88
Total	27.89	5.88

Break-up for security details:

Trade receivables

Considered good - secured	27.89	5.88
Considered good - unsecured		
Trade receivables which have significant increase in credit risk	5.48	5.23

33.37 11.11

Allowance for receivables having significant increase in credit risk

Doubtful	5.48	5.23
Net receivables	27.89	5.88

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 60 days.

* includes receivables from related party INR 24.82 Mn (March 31, 2020: 3.16 Mn)- Refer note 29



NEELDEEP DEVELOPERS PRIVATE LIMITED

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Notes to financial statements for the year ended 31 Mar 2021

(Amount in Indian Rupees Millions, unless stated otherwise)

10. Cash and cash equivalent

	As at 31 Mar 2021	As at 31 March 2020
Cash on hand	0.04	0.06
Balances with banks		
- In current accounts	0.60	6.79
Total	0.64	6.85

11. Other current assets

	As at 31 Mar 2021	As at 31 March 2020
Unsecured and considered good		
Prepaid expenses	0.48	0.73
Advance to supplier	0.09	-
Balance with govt authorities	0.80	5.48
Total	1.37	6.21

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NEELDEEP DEVELOPERS PRIVATE LIMITED

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Notes to financial statements for the year ended 31 March 2021

(Amount in Indian Rupees Millions, unless stated otherwise)

12. Share capital

	As at 31 March 2021	As at 31 March 2020
Authorized capital		
Equity shares		
50,00,000 (31 March 2020: 50,00,000) equity shares of INR 10 each	50.00	50.00
Total authorized share capital	<hr/> 50.00	<hr/> 50.00
 Issued, subscribed and fully paid-up		
Equity shares		
40,00,000 (31 March 2020: 40,00,000) equity shares of INR 10 each	<hr/> 40.00	<hr/> 40.00
Total issued, subscribed and fully paid equity share capital	<hr/> 40.00	<hr/> 40.00

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

Equity shares

	No. of shares	Amount
As at 31 March 2019	4.00	40.00
Issued during the year	-	-
As at 31 March 2020	4.00	40.00
Issued during the year	-	-
As at 31 March 2021	4.00	40.00

b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share and equal rights in distribution of profit/surplus in proportionate to the equity share held by shareholder. 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.



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Notes to financial statements for the year ended 31 March 2021

(Amount in Indian Rupees Millions, unless stated otherwise)

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

Equity shares

Name of shareholders	As at 31 March 2021		As at 31 March 2020	
	No of shares	% holding	No of shares	% holding
Mountainia Developers and Hospitality Private Limited	3,999,900	99.9975%	3,999,900	99.9975%

(d) Shares held by Holding Company

Name of shareholder	As at 31 March 2021	As at 31 March 2020
*Mountainia Developers and Hospitality Private Limited	40.00	40.00

* 100 shares of INR 10/- each are held by Mr. Rakesh Kumar Prusti as a Nominee of Mountainia Developers and Hospitality Private Limited

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NEELDEEP DEVELOPERS PRIVATE LIMITED
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 Notes to financial statements for the year ended 31 Mar 2021
 (Amount in Indian Rupees Millions, unless stated otherwise)

13. Other equity

	As at 31 Mar 2021	As at 31 March 2020
a. Retained earnings	(171.40)	(158.68)
b. Equity contribution from holding company	120.70	120.70
Total	(50.70)	(37.98)

a. Retained earnings

	As at 31 Mar 2021	As at 31 March 2020
Balance at the beginning of the year	(158.66)	(94.16)
Add: Loss for the year	(12.74)	(64.52)
Balance at the closing of the year	(171.40)	(158.68)

b. Equity contribution from holding company

	As at 31 Mar 2021	As at 31 March 2020
Balance at the beginning of the year	120.70	120.70
Add: Addition during the year	-	-
Balance at the end of year	120.70	120.70

a. Retained earnings: Retained earnings represent the amount of accumulated earnings of the Company.

b. Equity contribution from holding company: Equity contribution represent the amount of equity component of Loan from Holding company

14. Borrowings- Non current

	As at 31 Mar 2021	As at 31 March 2020
-Loan from parent Company	80.50	72.69
Total	80.50	72.69

15. Income Taxes

(a) Income tax expenses

	As at March 31, 2021	As at March 31, 2020
Current tax	-	-
Deferred tax	-	0.00
Total	-	0.00

(b) Deferred tax liabilities/ (assets)

The components that gave rise to deferred tax assets and liabilities are as follows:

	As at March 31, 2021	As at March 31, 2020
Deferred tax liabilities in relation to:	-	-
Property, Plant and Equipment	15.89	15.89
Net Deferred tax liabilities	15.89	15.89



The reconciliation of net deferred tax liability/ (asset) is as follows:

	As at 31 Mar 2021	As at 31 March 2020
Opening Balance of DTL	15.89	(3.41)
Less:	-	-
Reversal of Deferred tax liability on accumulated depreciation	-	-
Deferred Tax Asset created	-	-
Total	15.89	(3.41)

As on March 31, 2020, the Company had taken a charge of Rs. 19.31 Mn towards deferred tax and reported a closing deferred tax liability of Rs. 15.89 Mn as on March 31, 2020. The previous shareholder had classified this asset as investment property, hence tax depreciation was not considered. Further, since there was change in shareholding, brought forward losses were not considered. Due to these uncertainties, DTL of Rs. 15.89 Mn was recognized. Any change if required, will be accounted for only after the assessment is completed by the tax authorities.

16A. Provisions- Non current

	As at 31 Mar 2021	As at 31 March 2020
Employee benefit obligations		
- Gratuity (refer note 27)*	0.00	0.00

* the absolute amount of gratuity as on March 2021: INR 567 (March 2020: INR 345)

16B. Short Term Provisions

	As at 31 Mar 2021	As at 31 March 2020
Employee benefit obligations		
Gratuity (refer note 27)	0.11	0.06
Total	0.11	0.06

17A. Trade payables

	As at 31 Mar 2021	As at 31 March 2020
-total outstanding dues of micro enterprises and small enterprises (refer note 30)	0.20	4.06
-total outstanding dues of creditors other than micro enterprises and small enterprises*	6.25	17.21
	6.45	21.27

Terms and conditions of the above financial liabilities:

Trade payables are interest bearing and are normally settled on 30 day terms.

17B. Other financial liabilities

	As at 31 Mar 2021	As at 31 March 2020
(a) Current maturities of vehicle loan	-	0.08
(c) Loan from Parent Company	51.10	24.47
	51.10	24.55

18. Other current liabilities

	As at 31 Mar 2021	As at 31 March 2020
Statutory dues payable	0.94	1.20



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Notes to financial statements for the year ended 31 Mar 2021

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19. Revenue from operations

	For the year ended 31 March 2021	For the year ended 31 March 2020
Sale of products and services		
- Room rental	21.50	21.14
- Banquet rental	3.48	6.99
- Food and beverages	6.77	2.67
Other Operating income	17.62	11.28
	<u>49.37</u>	<u>42.08</u>
Less : Operators commission	(4.08)	(4.46)
	<u>45.29</u>	<u>37.62</u>

* Revenue from operations is net off operator commission to OYO Hotels and Homes Private Limited amounting to INR 4.08 Mn (March 2020: INR 4.46 Mn)

20. Other income

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest income	-	0.09
Rent Income	-	5.25
Miscellaneous Income	<u>0.08</u>	-
	<u>0.08</u>	<u>5.34</u>

21. Cost of food and beverages consumed

	For the year ended 31 March 2021	For the year ended 31 March 2020
Inventory at the beginning of the year	1.35	-
Add: Purchases	4.18	5.68
	<u>5.53</u>	<u>5.68</u>
Less: Inventory at the end of the year (refer note 8)	0.14	1.35
Cost of food and beverages consumed	<u>4.63</u>	<u>4.33</u>

22. Employee benefits expense

	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries, wages and bonus	22.75	15.34
Contribution to provident and other funds	2.10	1.39
Gratuity expense (refer note 27)	0.11	0.06
Staff welfare expenses	<u>0.17</u>	<u>0.53</u>
	<u>25.13</u>	<u>17.32</u>

23. Depreciation

	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation of property, plant & equipment (refer note 4)	<u>6.48</u>	<u>10.38</u>



NEELDEEP DEVELOPERS PRIVATE LIMITED

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Notes to financial statements for the year ended 31 Mar 2021

(Amount in Indian Rupees Millions, unless stated otherwise)

24. Finance cost

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest on loan	-	0.01
Interest on loan from parent company	7.81	10.20
Loan Settlement Charges	-	5.40
	<u>7.81</u>	<u>15.61</u>

25. Other expenses

	For the year ended 31 March 2021	For the year ended 31 March 2020
Consumption of Stores, Cutlery, linen , provision and others	1.88	0.89
Rent Expense	0.74	0.69
Commission	-	0.05
Rates and taxes	1.12	5.27
Payment to auditor (refer detail below)	0.75	0.12
Legal and Professional Fees	0.94	3.64
Bad Debts	0.26	5.23
Electricity and power cost	4.62	3.25
Bank charges	0.11	0.08
Outsourced manpower	-	0.04
Loss on disposal of assets (net)	-	12.95
Provision for Inventory	1.12	-
Miscellaneous expenses	<u>2.56</u>	<u>8.32</u>
	<u>14.10</u>	<u>40.53</u>
Payment to auditor		
As auditor:		
- Statutory audit fee (excluding GST)	0.75	0.09
	<u>0.75</u>	<u>0.09</u>

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NEELDEEP DEVELOPERS PRIVATE LIMITED

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Notes to financial statements for the year ended 31 Mar 2021

(Amount in Indian Rupees Millions, unless stated otherwise)

26. Earning per share

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 loss attributable to 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.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Loss attributable to equity holders for basic loss	(12.78)	(64.51)
Weighted average number of equity shares at the year for the calculation of basic loss per share	4,000,000	4,000,000
Loss Per Share		
EPS (Basic & Diluted)	(3.19)	(16.13)

Face value of share is INR 10

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Notes to financial statements for the year ended 31 March 2021

(Amount in Indian Rupees Millions, unless stated otherwise)

27. Employee benefits

(A) Defined Contribution Plan : Provident fund

The Company makes contributions towards employees provident fund scheme. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs, as specified in the rules of the scheme, to these defined contribution plan. During the year, the Company has recognised the following amount in the statement of profit and loss:

Particulars	As at 31 March 2021	As at 31 March 2020
Provident fund	1.67	1.04
Total	1.67	1.04

(B) Defined Benefit Plans - Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Each employee rendering continuous service of 5 years or more is entitled to receive gratuity amount equal to 15/26 of the monthly emoluments for every completed year of service subject to maximum of INR 2 million at the time of separation from the Company.

The following tables summarise the components of net benefit expense recognized in the statement of profit or loss and the funded status and amounts recognized in the balance sheet for the respective plans:

Changes in the present value of the defined benefit obligation (unfunded gratuity) is, as follows:

Particulars	As at 31 March 2021	As at 31 March 2020
Defined benefit obligations as at the beginning of the year	0.06	-
Current service cost	0.11	0.06
Interest expense	0.00	-
Remeasurement (gain)/ loss - OCI	(0.06)	-
Defined benefit obligations as at 31 March 2021	0.11	0.06

Amount recognized in Statement of Profit and Loss:

Particulars	As at 31 March 2021	As at 31 March 2020
Current service cost	0.11	0.06
Net interest expense	0.00	-
Amount recognized in Statement of Profit and Loss	0.11	0.06

Amount recognized in Other Comprehensive Income:

Particulars	As at 31 March 2021	As at 31 March 2020
Remeasurement of Net Benefit Liability/ Asset	(0.06)	-
Total	(0.06)	-

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

Particulars	As at 31 March 2021	As at 31 March 2020
Discount rate (in %)*	6.41%	6.65%
Salary Escalation (in %)	8.00%	0.00%
Withdrawal rate (in %)	35.00%	32.00%
Mortality rate of IALM 2012-14	100.00%	100.00%
Retirement age	58 years	58 years

*The discount rate as at 31 March 2021 is based on 7 years government bond yields as at 31 March 2021



The impact of sensitivity due to changes in the significant actuarial assumptions on the defined benefit obligations is as follows:

Particulars	As at 31 March 2021	As at 31 March 2020
Discount rate		
- Increase by 0.50%	(2.70)	(0.00)
- Decrease by 0.50%	2.80	0.00
Salary escalation rate		
- Increase by 1%	5.57	0.00
- Decrease by 1%	(5.28)	(0.00)
Withdrawal rate		
- Increase by 5%	(27.56)	(0.02)
- Decrease by 5%	35.16	0.02

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

Particulars	As at 31 March 2021	As at 31 March 2020
Year 1	0.00	0.00
Year 2	0.00	0.00
Year 3	0.00	0.00
Year 4	0.00	0.00
Year 5	0.05	0.00
After 5th Year	0.11	0.09
Total expected payments	0.16	0.09

The approximate duration of the defined benefit plan obligation at the end of the reporting period is 10 years.



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(Amount in Indian Rupees Millions, unless stated otherwise)

28. Commitments and Contingencies

A. Contingent liabilities

There are no pending litigation/ contingent liabilities as at March 31, 2021.

B. Commitments

Capital commitments:

There are no pending capital commitments as at March 31, 2021.

Other commitments

The Company has other commitments for services which are issued after considering requirements per operating cycle for services, employee benefits. The Company does not have any long term commitment or material non-cancellable contractual commitments/ contracts which might have a material impact on the financial statements.

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NEELDEEP DEVELOPERS PRIVATE LIMITED

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Notes to the Financial Statements for the year ended 31 March 2021

(Amount in Indian Rupees, unless stated otherwise)

29. Related party transactions

a) Names of related parties and related party relationship

Nature of relationship	Name of the party
Joint Venturer of Mountainia Developers and Hospitality Private Limited	Oravel Stays Private Limited SB Topaz (Cayman) Limited
Holding Company	Mountainia Developers and Hospitality Private Limited
Fellow Subsidiary	Multitude Infrastructure Private Limited
Others	Narita Hotels Oyo Hotels and Homes Private Limited
	Directors: Abhishek Bhalla Varun Jairath Karthik Balasubramanian AmrutBhai Patel (upto August 07, 2019) Narmadaben Patel (upto August 07, 2019) Binalben Patel (upto August 07, 2019)
Key management personnel of the Company	

b) Related party transactions:

	Holding Company		Fellow Subsidiary		Others		Total	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Supply of Manpower Services (Income) MOUNTAINIA DEVELOPERS AND HOSPITALITY PRIVATE LIMITED	17.53	9.47	-	-	-	-	17.53	9.47
Deemed Investment by Holding Company MOUNTAINIA DEVELOPERS AND HOSPITALITY PRIVATE LIMITED	-	120.70	-	-	-	-	-	120.70
Loans (Received) MOUNTAINIA DEVELOPERS AND HOSPITALITY PRIVATE LIMITED	25.53	102.36	-	-	-	-	25.53	102.36
Interest Expenses MOUNTAINIA DEVELOPERS AND HOSPITALITY PRIVATE LIMITED	7.81	4.73	-	-	-	-	7.81	4.73
Expenses incurred by Company on behalf of Related Party MOUNTAINIA DEVELOPERS AND HOSPITALITY PRIVATE LIMITED	-	0.16	-	-	-	-	-	0.16
MULTITUDE INFRASTRUCTURES PRIVATE LIMITED	-	-	-	0.05	-	-	-	0.05
Management Fee Expense MOUNTAINIA DEVELOPERS AND HOSPITALITY PRIVATE LIMITED	0.96	0.97	-	-	-	-	0.96	0.97
Reimbursement of Collections MULTITUDE INFRASTRUCTURES PRIVATE LIMITED	-	-	0.34	0.42	-	-	0.34	0.42
Outsourced Employee Cost OYO HOTELS AND HOMES PRIVATE LIMITED	-	-	-	-	0.94	1.40	0.94	1.40



Operator Management Fee OYO HOTELS AND HOMES PRIVATE LIMITED	-	-	-	-	4.08	5.94	4.08	5.94
Employee travel Reimbursements OYO HOTELS AND HOMES PRIVATE LIMITED	-	-	-	-	0.5	-	-	-
Sale of services OYO HOTELS AND HOMES PRIVATE LIMITED	-	-	-	-	22.49	10.10	22.49	10.10
Unsecured loan Taken DIRECTORS NARITA HOTEL	-	-	-	-	-	3.12 3.50	-	3.12 3.50
Payment of Unsecured Loan DIRECTORS NARITA HOTEL	-	-	-	-	-	58.17 3.50	-	58.17 3.50

(c) Balance outstanding at the year end

Particulars	Holding Company		Fellow Subsidiary		Others		Total	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Payable to Related Parties MOUNTAINIA DEVELOPERS AND HOSPITALITY PRIVATE LIMITED	131.60	108.14	-	-	-	-	131.60	108.14
MULTITUDE INFRASTRUCTURES PRIVATE LIMITED OYO HOTELS AND HOMES PRIVATE LIMITED	-	-	0.05	-	6.13	7.93	0.05 6.13	- 7.93
Recoverable from Related Parties MULTITUDE INFRASTRUCTURES PRIVATE LIMITED MOUNTAINIA DEVELOPERS AND HOSPITALITY PRIVATE LIMITED OYO HOTELS AND HOMES PRIVATE LIMITED	-	-	-	0.47	-	-	-	0.47
	20.41	10.98	-	-	10.48	3.14	20.41 10.48	10.98 3.14

(d) Commitments with related parties

Based on confirmation/arrangement between the Company and OYO Hotels and Homes Private Limited (OHHPL), OHHPL is acting in the capacity of the principal and the Company is acting in the capacity of the agent in accordance with Ind AS 115. Further, OHHPL retains full control over pricing.



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Notes to financial statements for the year ended 31 March 2021

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30. Dues to Micro, Small and Medium Enterprises

The dues to Micro, Small and Medium Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the company is given below:

	As at 31 March 2021	As at 31 March 2020
(i) Amount remaining unpaid to suppliers under MSMED as at the end of the year		
-Principal amount	0.20	4.06
-Interest amount due thereon	-	-
(ii) Amount of payments made to suppliers beyond the appointed day during the year		4.06
-Principal amount	-	-
-Interest actually paid under section 16 of MSMED	-	-
(iii) Amount of interest due and payable for delay in payment (which has been paid but beyond the appointed day during the year) but without adding interest under MSMED	-	-
(iv) The amount of interest	-	-
- Accrued at the end of accounting year	-	-
- Remaining unpaid at the end of accounting Year	-	-
(v) Interest remaining due and payable to suppliers disallowable as deductible expenditure under the Income- Tax Act, 1961	-	0.24

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(Amount in Indian Rupees Millions, unless stated otherwise)

31. Fair values

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet.

The carrying value of financial instruments through categories as of March 31, 2021 and March 31, 2020 is as follows:

a. Financial Assets (other than equity investment/ deemed investment in subsidiaries carried at cost)

	Amortized Cost		Fair value through profit & loss	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Trade receivables	27.89	5.88	-	-
Cash and cash equivalents	0.64	6.85	-	-
Other financial assets	0.58	0.58	-	-
Total	29.11	13.31	-	-

b. Financial Liabilities

	Amortized Cost		Fair value through profit & loss	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Trade payables	6.45	21.27	-	-
Borrowings	80.50	72.69	-	-
Other financial liabilities	51.10	24.55	-	-
Total	138.05	118.51	-	-

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32. Fair value hierarchy

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.

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2021:

Particulars	March 31, 2021			
	Level 1	Level 2	Level 3	Total
Financial assets and liabilities measured at fair value				
				March 31, 2020
Financial assets and liabilities measured at fair value				

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Notes to financial statements for the year ended 31 March 2021

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33. Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade payables and employee liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include 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.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk includes trade payables and trade receivables

Interest 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, company does not have fixed rate interest bearing long term and short term debts. A change in interest rates at the reporting date would not affect significantly on profit or loss and equity.

Foreign Currency risk

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

At March 31, 2021 and March 31, 2020, 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).

Trade receivables

The Company does not have significant risks from the customers. However, 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.

Ageing (Net of Provision)	As at 31 March 2021	As at 31 March 2020
Not due	-	-
0-60 days past due	3.28	4.36
60-120 days past due	1.39	0.21
120-180 days past due	0.17	0.00
More than 180 days	2.75	0.10
	7.59	4.67

Provision for doubtful debts

Ageing	As at 31 March 2021	As at 31 March 2020
Not due	-	-
0-60 days past due	0.02	-
60-120 days past due	-	-
120-180 days past due	-	-
More than 180 days	5.46	-
	5.48	-

Reconciliation of provision for doubtful debts - Trade receivables

	As at 31 March 2021	As at 31 March 2020
Provision at beginning	5.23	-
Addition during the year	0.25	-
Reversal during the year	-	-
Utilised during the year	-	-
Provision at closing	5.48	5.23



(b) Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company's treasury department. 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, 2021 and March 31, 2020 is the carrying amount as given in Note 9.

Liquidity risk

The Company monitors its risk of a shortage of funds doing a liquidity planning exercise.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of short term and long term loans and borrowings. The Company's treasury function reviews the liquidity position on an ongoing basis. 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 summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

	On demand	Less than 3 months	3 to 12 months	More than 12 months	Total
As at 31 March 2021					
Borrowings	-	-	-	80.5	80.5
Trade payables	6.5	-	-	-	6.5
	6.5	-	-	80.5	87.0
As at 31 March 2020					
Borrowings	-	-	-	72.7	72.7
Trade payables	21.3	-	-	-	21.3
	21.3	-	-	72.7	94.0



34. 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.

(i) Estimation of uncertainties related to global health pandemic on COVID 19

The operations of the Company have been severely impacted due to the COVID -19 pandemic and management has undertaken/is undertaking various cost savings initiatives to conserve cash. The Lockdown was lifted in a phased manner across various state in the country, post which hotels and restaurants were allowed to resume operations from June 8, 2020 in phases. Domestic airlines in India were allowed to commence operations from May 25, 2020 and several 'Air Bubble' flights were allowed to operate between India and other specified countries effective July 18, 2020. Company has a strong cash position as of 31 March 2021.

During the lockdown, business at the Company's hotel was mainly limited to standard guests and accommodation requirements of guests rendering essential services allowed under government orders. Post lifting of the lockdown, business at hotel and restaurants have gradually started picking up. With respect to business in the financial year ending March 31, 2022 the revenue could be impacted due to further travel restrictions, if any resulting from a surge of COVID 19 cases that could influence travel decisions of guests or guests postponing discretionary spending.

In evaluating the impact of COVID-19 the possible impact on its financial position, the management has assessed the impact of macro-economic conditions on its business and the carrying value of its major assets comprising of Property, plant and equipment (PPE) as at the balance sheet date. In this regard, the management has carefully considered the circumstances and risk exposures arising from the COVID-19 situation for developing estimates on the basis of all available information in its assessment of impact thereof on its financial reporting.

While assessing the recoverable amount of PPE, the Company has used significant assumptions such as hotel occupancy rates, average room rate, terminal growth rate and weighted average cost of capital.

Management believes that it has considered all the possible effects that may result from the pandemic relating to COVID 19 and has made detailed assessment of its going concern assumption, liquidity position and the recoverability of its assets comprising property, plant and equipment (PPE) as at the balance sheet date.

The Company has received a letter of support from Mountainia Developers and Hospitality Private Limited, the holding Company to assure that it has the ability and will provide continuous unconditional financial support to the Company enabling it to meet its operating, capital and financing requirements for at least 12 months from the date of signing of the financial statements.

Management believes that it has taken into account all the possible impact of known events arising from COVID- 19 pandemic in the preparation of these financial statements. The associated economic impact of the pandemic is highly dependent on variables that are difficult to predict. The impact assessment of COVID 19 is a continuing process given the uncertainties associated with its nature and duration and actual results may differ materially from these estimates. The Company will continue to monitor any material changes to future economic conditions and any significant impact of these changes would be recognized in the financial statements as and when these material changes to economic conditions arise.

(ii) Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

a) Impairment of property, plant and equipment and right of use assets

The Company has one hotel property named "3 by OYO" (Nami Residency) which is an identifiable asset that generates cash inflows, hence identified as cash generating unit. The Company assesses the carrying amount of hotel property (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 has computed free cash flow to the firm (FCFF) and 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, 2021
Discount Rate (pre tax rate of WACC)	11.07%
Long Term Growth Rate	5.00%

As at March 31, 2021, the estimated recoverable amount of the CGU is more than its carrying amount.



b) Loss Allowance on trade receivables

An impairment analysis of trade receivables is performed at each reporting period based on the customer's creditworthiness and existing market conditions as well as forward looking estimates. In calculating impairment loss, the Company has also considered the likelihood of consequential default considering emerging situations due to COVID-19 and has taken into account estimates of possible effect from the pandemic relating to COVID-19. Basis this assessment, the allowance for doubtful trade receivables as at March 31, 2021 is considered adequate.

c) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in future. These include the determination of discount rate, future salary increment rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

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NEELDEEP DEVELOPERS PRIVATE LIMITED

CIN: U45201GJ2004PTC043615

Notes to financial statements for the year ended 31 March 2021

(Amount in Indian Rupees Millions, unless stated otherwise)

35. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, preference shares, securities 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 maximize 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 return capital to shareholders or issue new shares. There are no financial covenants attached to interest-bearing loans and borrowings that define capital structure requirements.

	As at 31 March 2021	As at 31 March 2020
Total financial liabilities	138.06	118.51
Less: cash and cash equivalents	0.64	6.85
Net debt	137.42	111.65
Total equity	(10.71)	2.02
Gearing ratio	100%	98%

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2021 and 31 March 2020.

36. In accordance with the provisions of sections 92 and 137 of the Companies Act, 2013 (Companies Act) and pursuant to Circular no. F 2/4/2020-CV-V dated 17 August 2020 read with the Order no. ROC/Delhi/AGM Ext./2020/11538 dated September 8, 2020 issued by the Ministry of Corporate Affairs (MCA), in view of the Covid-19 pandemic, the MCA had extended the timeline for companies to holding their Annual General Meetings (AGM) for the year ended March 31, 2020 by up to December 31, 2020. The AGMs of the Company for the year ended March 31, 2020 was conducted on December 11, 2020 in compliance circulars as aforesaid.

Also, the Company has filed the relevant annual filings forms on August 27, 2021 with the additional fees as prescribed in the relevant provision of the Companies Act, 2013, the Company has made the default good. The provision of section 92 and section 137, respectively of companies Act, 2013 are complied with and henceforth, the default is not in continuity, from the date when the company has filed the relevant forms with the Registrar. Based on the legal opinion obtained by the Company, reporting on the adequacy of Internal Financial Control over Financial Reporting of the Company and the operating effectiveness of such controls, under section 143(3)(i) of the Act is not applicable to the Company in view of the exemption available to the Company in terms of the notification no. G.S.R. 583(E) dated June 13, 2017 issued by the Ministry of Corporate Affairs, Government of India, read with general circular No. 08/2017 dated July 25, 2017 for the financial year 2020-21.

37. Segment reporting

The Company is into Hospitality business. The Board of Directors of the Company functions in a supervisory capacity. The management of the Company which has been identified as being the chief operating decision maker (CODM), evaluates the Company performance, advises on resource allocation and monitor 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". Further, the Company has only domestic operations. Therefore, the Company does not operate in more than one geographical segment hence the relevant disclosures as per Ind AS 108 are not applicable to the Company.

38. The Company has accumulated losses of Rs. 171.45 Mn as on March 31, 2021. Further, the Company's current liabilities exceed current assets by Rs. 28.57 Mn. Current liabilities include amount payable to Mountainia Developers and Hospitality Private Limited (the parent company) of Rs. 51.10 Mn as on March 31, 2021. The parent company has given a support letter to the Company about confirming their financial commitments and intention to provide financial and operational support to the Company for a period 12 months from the date of approval of financial statements. The Company has considered possible effects that may result from the pandemic relating to COVID 19 and has made detailed assessment of its going concern assumption, liquidity position for next one year and believes that they can meet all their obligations with the support of the parent company. Also, the parent company confirm that they will provide unconditional and irrevocable financial support by way of continuous investment in the Company in the form of equity investment and unsecured loan, as and when required. In view of the above, these accounts have been prepared on a going concern basis.



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

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

41. The financial statements of the Company for the year ended March 31 2020, were audited by Darshan Bakul & Associates, Chartered Accountants, the predecessor auditor. The previous year's figures have been re-grouped/reclassified, where necessary to conform to current year's classification.

For and on behalf of the board of directors of




Abhishek Bhalla
Director
DIN: 8190066


Varun Jairath
Director
DIN: 7237038

Place: Gurugram
Date: August 30, 2021

