

INDEPENDENT AUDITOR'S REPORT

To the Members of OYO Hotels and Homes Private Limited (Formerly known as Alcott Town Planners Private Limited)

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of OYO Hotels and Homes Private Limited (Formerly known as Alcott Town Planners Private Limited) ("the Company"), which comprise the Balance sheet as at March 31 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 47 to the Ind AS financial statement for the year ended 31 March 2020, which describes the uncertainties due to impact of COVID 19 on future projections, carrying value of tangible assets, intangibles, receivables and financial assets as assessed by the management. The actual results may differ from such estimates depending on future developments.

Our opinion is not modified in respect of this matter.

Other Information

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

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



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

Responsibility of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.



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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and 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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;



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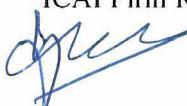
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(g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2020;

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

- i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 32 to the Ind AS financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004



per Yogesh Midha
Partner
Membership Number: 094941
UDIN: 20094941AAAAFJ5426
Place of Signature: New Delhi
Date: December 17, 2020



Annexure 1 referred to in paragraph (1) of report on the other legal & regulatory requirement of our report of even date

Re: OYO Hotels & Homes Private Limited (Formerly known as Alcott Town Planers Private Limited) ("the company")

- i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
c) According to the information and explanations given by the management and audit procedures performed by us, there are no immovable properties, included in property, plant and equipment/ fixed assets of the company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- ii. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at year end and no material discrepancies were noticed in respect of such confirmations.
- iii. According to the information and explanations given to us and audit procedures performed by us, 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. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi. To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- vii. a) Undisputed statutory dues including income tax, sales tax, value added tax, goods and service tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been significant delays in a large number of cases with respect to Provident Fund, Professional Tax and Labour Welfare fund. The provisions relating to duty of custom and duty of excise are not applicable to the Company.
b) According to the information and explanations given to us and audit procedures performed by us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, value added tax, goods and service tax, cess and other statutory



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dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

c) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows

Name of the statute	Nature of the dues	Amount (Rs)	Period to which the amount relates	Forum where the dispute is pending
Income tax	Demand	9,675,057	F.Y.2019-20	CIT(A)

viii. In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

ix. According to the information and explanations given by the management and audit procedures performed by us, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

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

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

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

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

xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

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



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

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/ E300004



per Yogesh Midha

Partner

Membership Number: 94941

UDIN: 20094941AAAAFJ5426

Place of Signature: Gurgaon

Date: December 17, 2020



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF OYO HOTELS AND HOMES PRIVATE LIMITED (FORMERLY KNOWN AS ALCOTT TOWN PLANNERS PRIVATE LIMITED)

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

We have audited the internal financial controls over financial reporting of OYO Hotels and Homes Private Limited (Formerly known as Alcott Town Planners Private Limited) ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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



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Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004



per Yogesh Midha

Partner

Membership Number: 094941

UDIN: 20094941AAAAFJ5426

Place of Signature: New Delhi

Date: December 17, 2020



	Notes	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
Property, plant and equipment	3	985.14	2,126.65
Capital work-in-progress	3	50.92	127.24
Right of use assets	3A	690.17	-
Goodwill	4	-	69.84
Other intangible assets	4	198.73	14.43
Investment in subsidiaries	5	10.00	-
Financial assets			
(i) Other financial assets	7A	39.82	258.08
Non-current tax assets (net)	8	630.89	173.30
Other non-current assets	10A	554.22	190.98
Total Non-current assets		3,159.89	2,960.52
Current assets			
Inventories	9	57.56	141.87
Financial assets			
(i) Investments	6	327.41	176.47
(ii) Trade receivables	11	319.68	784.95
(iii) Cash and cash equivalents	12	403.46	210.55
(iv) Bank balances other than cash and cash equivalents	13	106.03	60.50
(v) Other financial assets	7B	5,972.01	2,381.19
Other current assets	10B	1,870.04	1,456.90
Total current assets		9,056.19	5,212.43
Total assets		12,216.08	8,172.95
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	14	1.86	1.86
Other equity			
Share suspense	14	11.37	11.37
Equity component of convertible preference shares	14	225.65	225.65
Securities premium	15	1,520.02	1,520.02
Retained earning	15	(46,888.00)	(15,888.87)
Other reserve	15	8,498.74	8,473.41
Total equity		(36,630.36)	(5,656.56)
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	16A	-	-
(ii) Lease liabilities	17	306.53	-
(iii) Other financial liabilities	17A	0.00	0.00
Employee defined benefit obligations	18A	70.49	64.87
Other non-current liabilities	20A	-	45.31
Total non-current liabilities		377.02	110.18
Current liabilities			
Financial liabilities			
(i) Borrowings	16B	-	328.26
(ii) Lease liabilities	17	351.69	-
(iii) Trade payables	19	16.79	34.23
(a) total outstanding dues of micro and small enterprises		46,172.82	12,305.59
(b) total outstanding dues of creditors other than micro and small enterprises		659.70	316.28
(iv) Other financial liabilities	17B	28.76	7.68
Employee defined benefit obligations	18B	1,239.66	727.29
Other current liabilities	20B	48,469.42	13,719.33
Total liabilities		48,846.44	13,829.51
Total equity and liabilities		12,216.08	8,172.95

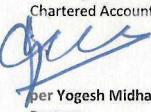
The accompanying notes are an integral part of the financial statements

As per our report of even date

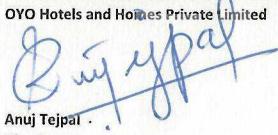
For S.R. Batliboi & Associates LLP

Firm Registration No.: 101049W/E300004

Chartered Accountants



Yogesh Midha
Partner
Membership No. 94941

For and on behalf of the board of directors of
OYO Hotels and Homes Private Limited


Anuj Tejpal
Director
DIN: 07505290



Rakesh Kumar
Director
DIN: 03450221



Shivam Kumar
Company Secretary
M. No: 37514

Place: Gurugram
Date: 17 December 2020Place: Gurugram
Date: 17 December 2020

	Notes	For the year ended 31 March 2020	For the year ended 31 March 2019
INCOME			
Revenue from contracts with customers	21	55,389.81	40,019.16
Other income	22	747.13	81.42
Total income (I)		56,136.94	40,100.58
EXPENSES			
Operating expenses	23	42,661.09	34,074.41
Employee benefits expense	24	9,600.92	4,721.11
Depreciation and amortization expense	25	8,551.60	505.92
Finance costs	26	2,903.89	55.98
Other expenses	27	13,759.67	6,290.56
Total expenses (II)		77,477.17	45,647.98
Loss before exceptional items and tax (I-II)		(21,340.23)	(5,547.41)
Exceptional items	28	9,655.23	-
Loss before tax		(30,995.46)	(5,547.41)
Tax expense		-	-
Total tax expense		-	-
Loss for the year		(30,995.46)	(5,547.41)
Other Comprehensive loss			
Net other comprehensive expense not to be reclassified to profit or loss in subsequent periods			
Remeasurement of losses on defined benefit plans	29	(3.67)	(7.10)
Total other comprehensive loss for the year, net of tax		(3.67)	(7.10)
Total comprehensive loss for the year, net of tax		(30,999.13)	(5,554.51)
Loss per equity share (in INR)			
Face value of share INR 10 (31 March 2019: INR 10)			
Basic loss per share (in INR) computed on the basis of loss for the year attributable to equity holders of the company	30	(1,362.39)	(264.74)
Diluted loss per share (in INR) computed on the basis of loss for the year attributable to equity holders of the company	30	(1,362.39)	(264.74)

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. Batliboi & Associates LLP
Firm Registration No.: 101049W/E300004
Chartered Accountants


Yogesh Midha
Partner
Membership No. 94941



For and on behalf of the board of directors of
OYO Hotels and Homes Private Limited


Anuj Tejpal
Director
DIN: 07505290


Rakesh Kumar
Director
DIN: 03450221


Shivam Kumar
Company Secretary
M. No: 37514

Place: Gurugram
Date: 17 December 2020

Place: Gurugram
Date: 17 December 2020

OPY Hotels and Homes Private Limited (Previously known as Alcott Town Planners Private Limited)
 CIN: U74900GJ2015PTC107035
 Standalone cash flow statement for the year ended 31 March 2020
 (Amount in Indian Rupees Millions, unless stated otherwise)

	For the year ended 31 March 2020	For the year ended 31 March 2019	
A. Cash flow from operating activities:			
Cash flow from operating activities:			
Loss before tax	(30,995.46)	(5,547.41)	
Adjustment to reconcile profit before tax to net cash flows			
Depreciation and amortization expense	8,551.60	505.92	
(Profit) on disposal of fixed assets (net)	(3.83)	(12.49)	
Provision for expected credit loss	1,030.68	103.96	
Advances written off	465.86		
Re-measurement of gains on defined benefit plans	3.67	(7.10)	
Exceptional items	7,304.57	-	
Provision for doubtful advances	377.51	25.86	
Fair value gain on financial instruments at fair value through profit or loss	(11.36)	(7.37)	
Income on sale of mutual funds	(6.17)	(12.21)	
Interest income security deposits	(4.70)	(8.23)	
Loss on diminution in value of investments	69.94	-	
Interest income	(4.60)	(2.60)	
Share based payment expense	25.33	-	
Interest expense	2,884.57	50.00	
Operating loss before working capital changes	(10,312.38)	(4,911.67)	
Movements in working capital :			
Increase in trade payables	29,398.34	9,661.33	
Increase in other non financial liabilities	467.06	482.66	
Increase in employee benefit obligation	26.69	15.66	
Increase in other financial liabilities	366.05	46.86	
(Increase) in other financial assets	(5,615.75)	(1,901.66)	
(Increase) in other non financial assets	(1,663.43)	(1,757.33)	
(Increase) in inventories	(152.58)	(96.22)	
(Increase) in trade receivables	(702.74)	(661.51)	
Cash (used in) operations	11,811.25	878.12	
Direct taxes paid (net of refunds)	(457.60)	(125.48)	
A. Net cash (used in) operating activities	11,353.65	752.64	
Cash flows from investing activities:			
Purchase of fixed assets (including intangibles) and capital work in progress	(5,658.16)	(2,319.76)	
Proceeds from sale of fixed assets	2,751.32	149.63	
Purchase of investments	(1,870.00)	(100.00)	
Proceeds from sale of investments	1,736.59	477.21	
Purchase of investments in subsidiary	(10.00)		
Interest received	4.60	2.55	
Investment in fixed deposits (having maturity more than 12 months)	(57.74)	(39.13)	
B. Net cash (used in) investing activities	(8,103.40)	(1,829.50)	
C. Net cash flow from financing activities			
Proceeds from issuance of preference share capital including securities premium	-	999.50	
Repayment of long term borrowings	(95.44)	(88.35)	
Principal elements of lease payment	(7,593.95)	-	
Proceeds/(repayment) of short term borrowings	(328.26)	305.13	
Interest paid on loan	(39.69)	(50.00)	
C. Net cash flow from financing activities	(8,057.34)	1,166.28	
Net increase in cash and cash equivalents (A+B+C)	192.91	89.42	
Cash and cash equivalents at the beginning of the year	210.55	121.13	
Cash and cash equivalents at the end of the year	403.46	210.55	
Components of cash and cash equivalents			
Cash on hand	8.69	27.43	
With banks:			
on current accounts	394.77	179.49	
Total cash and cash equivalents (refer note 12)	403.46	210.55	
Changes in liabilities arising from financing activities for the year ended 31 March 2020			
Particulars	1 April 2019	Payments (net)	31 March 2020
Long term borrowings (including current maturities of long term loan)	95.44	(95.44)	-
Total	95.44	(95.44)	-
Changes in liabilities arising from financing activities for the year ended 31 March 2019			
Particulars	1 April 2018	Payments (net)	31 March 2019
Long term borrowings (including current maturities of long term loan)	292.71	(197.27)	95.44
Total	292.71	(197.27)	95.44

The accompanying notes are an integral part of the financial statements

As per our report of even date

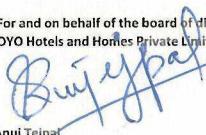
For S.R. Batlibol & Associates LLP
 Firm Registration No.: 101049W/E300004
 Chartered Accountants


 Yogesh Midha
 Partner
 Membership No. 94941



Place: Gurugram
 Date: 17 December 2020

For and on behalf of the board of directors of
 OYO Hotels and Homes Private Limited


 Anuj Tejpal
 Director
 DIN: 07505290


 Shivam Kumar
 Company Secretary
 M. No: 37514


 Rakesh Kumar
 Director
 DIN: 03450221

Place: Gurugram
 Date: 17 December 2020

OYO Hotels and Homes Private Limited (Previously known as Alcott Town Planners Private Limited)
 CIN: U74900GJ2015PTC107035
 Special purpose statement of changes in equity for the year ended 31 March 2020
 (Amount in Indian Rupees Millions, unless stated otherwise)

a. Share capital

Particulars	Equity shares	
	No. of shares	Amount
As at 1 April 2018	186,055	1.86
Issue of share capital (refer note - 14 (a))	-	-
At 31 March 2019	186,055	1.86
Issue of share capital (refer note - 14 (a))	-	-
At 31 March 2020	186,055	1.86

b. Other equity

	Equity component of convertible preference share capital (Note 14)	Reserves & Surplus		Equity contribution from holding company Refer note 15(c)	Total
		Securities premium	Retained earnings including OCI		
As at 31 March 2018	207.63	538.54	(10,334.36)	8,452.68	20.73 (1,114.78)
Loss for the year	-	-	(5,547.41)	-	(5,547.41)
Add: Remeasurement of losses on defined benefit plans	-	-	(7.10)	-	(7.10)
Add: Issued during the year	18.02	-	-	-	18.02
Add: Addition on issue of CCPs during the year	-	981.98	-	-	981.98
Less: Share issue expenses	-	(0.50)	-	-	(0.50)
Less: Preference dividend*	-	(0.00)	(0.00)	-	(0.00)
As at 31 March 2019	225.65	1,520.02	(15,888.87)	8,452.68	20.73 (5,669.79)
Loss for the year including other comprehensive income	-	-	(30,995.46)	-	(30,995.46)
Add: Remeasurement of losses on defined benefit plans	-	-	(3.67)	-	(3.67)
Add: Additional contribution from Holding company (refer note 46)	-	-	-	25.33	25.33
Less: Preference dividend*	-	(0.00)	(0.00)	-	(0.01)
As at 31 March 2020	225.65	1,520.02	(46,888.00)	8,452.68	46.06 (36,643.59)

*Amounts are rounded up in Millions upto 2 decimals.

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. Batliboi & Associates LLP
 Firm Registration No.: 101049W/E300004
 Chartered Accountants


 per Yogesh Midha
 Partner
 Membership No. 94941



Place: Gurugram
 Date: 17 December 2020

For and on behalf of the board of directors of
 OYO Hotels and Homes Private Limited


 Anuj Tepal
 Director
 DIN: 07505290


 Rakesh Kumar
 Director
 DIN: 03450221


 Shivam Kumar
 Company Secretary
 M. No: 37514

Place: Gurugram
 Date: 17 December 2020



Background

OYO Hotels and Homes Private Limited (Formerly known as Alcott Town Planners Private Limited) ("the 'Company") is a private limited company domiciled in India and incorporated under the provisions of Indian Companies Act, 2013, with its registered office situated at Ground Floor-001, Mauryansh Elanza, Shyamal Cross Road, NR. Parekh Hospital, Satellite Ahmedabad, Gujarat-380015. The Company is a wholly owned subsidiary of Oravel Stays Private Limited. The Company is primarily engaged in business of marketing, managing and operating hotels, long term and short term stay homes, guest houses and such other accommodation including ancillary services, providing an affordable and predictable stay experience to customer. Further, the Company is also engaged in providing technical know-how and training in field of operations and management of hotels motels etc. and in marketing and managing hotels and other boarding and/or lodging services.

During the year ended 31 March 2018, the Holding Company entered into composite scheme of arrangement for demerger of India Hotel Business of Holding company into the Company which has been approved by the National Company Law Tribunal (NCLT) Ahmedabad Bench on 1 October 2019 (Refer note 35).

1. Basis of preparation

A. Statement of compliance

These standalone financial statements ('financial statements') have been prepared to comply in all material respects 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 Act and the Composite Scheme of Arrangement approved by NCLT.

These standalone financial statements are approved for issue by the Company's Board of Directors on 17 December 2020.

The standalone financial statements are based on the classification provisions contained in Ind AS 1, 'Presentation of Financial statements' and division II of schedule III of the Companies Act 2013. Further, for the purpose of clarity, various items are aggregated in the statement of profit and loss and balance sheet. Nonetheless, these items are dis-aggregated separately in the notes to the standalone financial statements, where applicable or required.

All the amounts included in the standalone financial statements are reported in millions of Indian Rupee (INR) and are rounded to the nearest million, except per share data and unless stated otherwise. Further, due to rounding off, certain amounts are appearing as '0'.

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 standalone financial statements, except in case of adoption of any new standards during the year.

Details of the Company's accounting policies are included in Note 2.

B. Functional and presentation currency

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



C. Basis of measurement

The standalone financial statements have been prepared on the accrual and going concern basis and the historical cost convention except for the following items:

Items	Measurement basis
Certain 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. Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates.

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

The areas involving critical estimates and judgements are:

- i. Estimation of useful life of property, plant and equipment and intangibles - Useful lives of Property, plant and equipment & Intangible Assets (other than the life prescribed under Schedule II of the Companies Act, 2013) are estimated based on internal technical evaluation, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes. All these evaluations and assessments involve judgements on part of the management.
- ii. Estimation of defined benefit obligation - Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations. Refer note 31 for further disclosures.
- iii. Estimation relating to fair value measurements - When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models and the discount rates are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 39 for further disclosures.
- iv. Expected credit losses on financial assets: The impairment provision of financial assets are based on assumption about risk of default and expected timing of collections. The Company uses judgement in making these assumption and selecting the inputs to be expected credit loss calculation based on the Company's history of collections, customer creditworthiness, and existing market conditions as well as forward looking estimates at the end of each reporting period.



v. Estimation relating to amortisation of launch expense - Launch expenses includes expenditure incurred before active operation/launch of new property. Period of amortisation is estimated based on internal technical evaluation, taking into account the nature of expenditure, the recoverability from property owners and past history of replacement of items required for launch of property. All these evaluations and assessments involve judgements on part of the management.

vi. Estimation in relation to Lease term of contracts with renewal and termination options: Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

Company has several lease contracts that include extension and termination options. Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

E. Measurement of fair values

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

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

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

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

Further information about the assumptions made in measuring fair values is included in the respective notes.



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2. Significant accounting policies

A. Current/ non-current classification

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

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.

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

In preparing the financial statements of Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

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

Exchange differences on monetary items are recognized in profit or loss in the period in which they arise.

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C. Financial instruments

i. Recognition and initial measurement

Financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

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

ii. Classification and subsequent measurement

Financial assets

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

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

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

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

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

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

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

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis.

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



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Financial assets: Subsequent measurement and gains and losses

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

Financial liabilities: Classification, subsequent measurement and gains and losses

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

iii. Derecognition

Financial assets

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

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

Financial liabilities

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

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



iv. Offsetting

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

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 salary cost of transformation employees, duties, taxes and 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.

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.

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

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 calculated on straight-line basis using the rates prescribed under Schedule II to the Companies Act, 2013 as it coincide with useful life of assets.

Asset	Useful life
Plant and machinery	15 years
Hotel on-site equipment	5 years
Board & Signage	2 years
Furniture and fixtures	8-10 years
Computers & computer equipments	3-6 years
Office equipments	5 years
Lease hold improvements	Over the unexpired non-cancellable period of lease or useful lives, whichever is lower

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.



E. Intangible assets

i. Recognition and measurement

Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Amortisation

Intangible assets are amortized on a straight line basis over the estimated economic useful life of 3 years. The estimated useful life of an identifiable intangible asset is dependent on many factors such as effects of obsolescence, demand, competition and other economic factors.

Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

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

F. Business Combination

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Company, liabilities incurred by the Company to the former owners of the acquiree and the equity interests issued by the Company in exchange of control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

G. Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Company's cash-generating units (or Company's of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

H. Inventories

Inventories are valued at the lower of cost and estimated net realizable value. Cost is determined on a weighted average basis. Net realizable value is the estimated selling price in the ordinary course of business, reduced by the estimated costs of completion and costs to effect the sale.



I. Impairment

i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on:

- Financial assets measured at amortised cost; and
- Financial assets measured at FVOCI- debt investments.

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

Loss allowance for trade receivable with no significant financing component is measured at an amount equal to lifetime expected credit losses (ECL). For all other financial assets expected credit losses are measured at an amount equal to the 12 month expected credit losses, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

Presentation of allowance for expected credit losses in the balance sheet

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

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss.

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

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

iii. Investment in subsidiaries

Investment in subsidiaries are measured at cost less impairment loss.

J. 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 contributions to the provident fund administered by the Central Government under the Provident Fund Act, 1952, are charged to the statement of profit and loss for the year in which the contributions are due. The company has no obligation, other than the contribution payable to the provident fund. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to a reduction in future payment.

Gratuity: The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, 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. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

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

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

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

K. Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.



L. Revenue from contract with customers

Effective April 1, 2018, the Company adopted IND AS 115, Revenue from Contracts with Customers, using the retrospective method. In accordance with the retrospective adoption method, the comparatives figures for the year 2017-18 has been adjusted whenever required.

As per new standard's requirement, revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration that we expect to receive in exchange for those products or services.

Judgment is required in determining whether the Company is the principal or agent in transactions with hotel partners and end-users. The Company evaluates the presentation of revenue on a gross or net basis based on whether it controls the service provided to the end-user and is the principal (i.e. "Gross"), or the Company arranges for other parties to provide the service to the end-user and is an agent (i.e. net").

Revenue from sale of accommodation services

Revenue from sale of accommodation services is recognized on gross basis as Company gains "Control" on stay services before providing it to customer. Company consider itself as Principal in arrangement as it assumes obligations towards performance of stay services to end customer including the acceptability of the services, takes a significant amount of risk in the service delivery of the room stays and enjoys latitude in establishing price for stay services. Revenue from sale of accommodation services are recognized on basis of used room nights by end customers, on accrual basis to the extent that it is probable that the economic benefit will flow to the Company and it can be reliably measured.

Revenue is recognized net of cancellations, refunds, discounts, incentives and taxes payable by the Company. ECL Impairment losses pertains to uncertainties in collection at the time of recognition of revenue has been netted off from revenue. The Company collects indirect taxes on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

Cancellation income related to sale of accommodation services are recognized on on cancellation of booking by end customers.

Value added services

Value-added services include services in the nature of marketing and data analytics and preferential performance listing which results in enhanced traffic to hotel partners. It is recognized on basis of actual performance to the extent that it is probable that the economic benefit will flow to the Company and it can be reliably measured. Expected credit Impairment losses pertains to uncertainties in collection at the time of recognition of revenue has been netted off from revenue.

The Company collects indirect taxes on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

Subscription Income (Wizard subscription)

The Company provides wizard membership programs under which participating customers are eligible to earn discounts on qualifying transactions in future bookings. Revenue earned under wizard membership programs is recorded systematically over the period of membership. Invoicing in excess of revenues are classified as contract liabilities (which we refer to as deferred revenue, refer note 19B for further disclosures).

Trade receivables and contractual balances

The Company classifies the right to receive consideration in exchange for services as either trade receivable or unbilled revenue. Accommodation revenue in excess of invoicing are classified as contract assets (which we refer to as unbilled revenue).



Sale of tours, packages and events:

Income from tours, packages and events are accounted on net basis where the Company is not primary obligor/ not assuming inventory risk for performance of services and hence acting as an agent. In case the Company is primary obligor and assuming inventory risk, acting as a principal in the arrangements income is booked on gross basis.

In case the company acts as an agent, it recognizes revenue on booking of packages and events. In case, the company acts as principal, it recognizes revenue on completion of tours, packages or event as it assumes services promised as a single performance obligation.

The Company collects indirect taxes on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

Revenue from sale of foods and beverages

Revenue from sale of food items is recognized on gross basis as Company consider itself as Principal in arrangement as it assumes obligations towards supplying food items to end customer. Revenue from food services are recognized post supply of food items to end customer.

The Company collects taxes such as Goods & Service Tax on behalf of Government and, therefore, these are not economic benefits to the Company. Hence, they are excluded from revenue.

Rental Income

Rental income and allied services is recognized on gross basis as Company gains control before providing it on rent to customer. Company consider itself as Principal in arrangement as it assumes obligations towards performance of services to end customer including the acceptability of the services, takes a significant amount of risk in the service delivery of the space due to committed rental and investment made in improvement of properties and finally enjoys latitude in establishing price for stay services and renting of office spaces. Revenue from renting are recognized, on accrual basis to the extent that it is probable that the economic benefit will flow to the Company and it can be reliably measured.

The Company collects indirect taxes on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

Interest

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. 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.



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M. Leases

Ind AS 116 Leases, mandatory for reporting periods beginning on or after April 1, 2019, replaces existing lease requirements under Ind AS 17. This standard is applicable to all contracts existing as on, or entered into, on or after 1 April 2019.

As a lessee

Identifying a lease

At the inception of the contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The company assesses whether:

- The contract involves the use of an identified asset, specified explicitly or implicitly.
- The Company has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use, and
- The Company has right to direct the use of the asset.

Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Initial recognition of Right of use asset (ROU)

The Company recognises a ROU asset at the lease commencement date (i.e., the date the underlying asset is available for use). ROU assets are initially measured at cost less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or site on which it is located, less any lease incentives received.

Subsequent measurement of Right of use asset (ROU)

ROU assets are subsequently amortized using the straight-line method from the commencement date to the earlier of the end of the useful life of ROU asset or the end of the lease term. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurement of the lease liability. Refer to the accounting policies in section, I (ii), Impairment of non-financial assets.

Initial recognition of lease liability

Lease liabilities are initially measured at the present value of the lease payments to be paid over the lease term. Lease payments included in the measurement of the lease liabilities comprise of the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option, extension option and penalties for early termination only if the Company is reasonably certain to exercise those options.

Subsequent measurement of lease liability

Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.



Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables and finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

N. Income tax

Income tax comprises current 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 tax

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

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

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

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



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

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

O. **Borrowing cost**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the year they occur.

P. **Launch expenses**

Launch expenses includes expenditure incurred before active operation/launch of new property. Launch expenses are generally associated with one time activity which is amortized over the period of two years.

Q. **Earnings per share**

Basic earnings per share are 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 and equity shares that will be issued upon the conversion of mandatorily convertible instruments. 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.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

R. **Common control business combination**

Business combination involving entities that are controlled by the group are accounted for using the pooling of interest method as follows;

- i. The assets and liabilities of the combining entities are reflected at their carrying amounts
- ii. The identity of the reserves are preserved and the reserves of the demerged undertaking become the reserves of resulting entity.
- iii. The difference, if any, between consideration and net assets taken over is transferred to capital reserve.

S. **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.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.



T. New or amended standards

IndAS 116 supersedes IndAS 17 "Leases", including Appendix A of Ind AS 17 Operating Leases-Incentives, Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease and Appendix C of Ind AS 17, determining whether an Arrangement contains a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor.

The Company adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application of 1 April 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Company has applied Ind AS 116 to all outstanding contracts as at 1 April 2019.

The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases') and lease contracts for which the underlying asset is of low value (low-value assets).

U. Exceptional items

Exceptional items refer to items of income or expense within the statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the company.

V. Standard issued but not yet effective

Ministry of Corporate Affairs ("MCA) through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Accounting Standard) Second Amendments Rules, 2019 notifies new standards. There is no such new notification which would be applicable from 1 April 2020.



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OYO Hotels and Homes Private Limited (Previously known as Alcott Town Planners Private Limited)
 CIN: U74900GJ2015PTC107035
 Notes to standalone financial statements for the year ended 31 March 2020
 (Amount in Indian Rupees Millions, unless stated otherwise)

3. Property, plant & equipment

	Leasehold Improvements	Boards & Signage	Plant and machinery	Computers	Hotel on-site equipments	Furniture and fixtures	Total	Capital work in progress
Gross carrying amount								
At 1 April 2018	362.65	65.61	2.24	126.97	146.67	68.63	772.77	17.58
Additions	631.26	355.26	0.87	520.76	523.77	162.13	2,194.05	127.24
Disposals	(113.22)	(1.10)	(0.82)	(38.64)	(19.66)	(20.89)	(194.33)	-
Capitalized during the year	-	-	-	-	-	-	-	(17.58)
At 31 March 2019	850.69	419.77	2.29	609.09	650.78	209.87	2,772.49	127.24
Additions	1,141.55	705.69	1.06	266.56	1,025.85	329.02	3,469.73	1,983.22
Disposals	(1,265.03)	(67.84)	(2.86)	(148.85)	(1,250.53)	(395.56)	(3,130.67)	-
Capitalized during the year	-	-	-	-	-	-	-	(127.24)
At 31 March 2020	757.21	1,057.62	0.49	726.80	426.10	143.33	3,111.55	1,983.22
Accumulated Depreciation								
At 1 April 2018	102.25	10.41	0.12	52.95	26.20	8.20	200.12	-
Charged for the year	182.01	103.50	0.12	93.22	108.99	15.08	502.92	-
Disposals	(24.74)	(0.25)	(0.05)	(29.32)	(1.86)	(0.98)	(57.20)	-
At 31 March 2019	259.52	113.66	0.19	116.85	133.33	22.30	645.84	-
Charged for the year	261.97	371.63	0.46	215.54	192.31	26.14	1,068.05	-
Disposals	(205.49)	(7.84)	(0.16)	(16.56)	(136.07)	(17.06)	(383.18)	-
Impairment loss (refer note 47)	433.39	10.78	-	23.34	226.04	102.15	795.70	1,932.30
At 31 March 2020	749.39	488.23	0.49	339.17	415.61	133.53	2,126.41	1,932.30
Net carrying amount								
At 31 March 2019	621.18	306.11	2.11	492.24	517.45	187.57	2,126.65	127.24
At 31 March 2020	7.82	569.39	0.00	387.63	10.49	9.80	985.14	50.92

3A. Right to use assets

	ROU assets	Total
Gross carrying amount		
At 1 April 2019*	11,595.03	11,595.03
Reclassified on account of adoption of Ind AS 116	24,524.93	24,524.93
Addition	(29,438.69)	(29,438.69)
Disposals	-	-
At 31 March 2020	6,681.27	6,681.27
Accumulated Depreciation		
At 1 April 2019*	7,462.64	7,462.64
Reclassified on account of adoption of Ind AS 116	(1,471.54)	(1,471.54)
Depreciation charged during the year	-	-
Disposals	-	-
At 31 March 2020	5,991.10	5,991.10
Net carrying amount		
At 31 March 2020	690.17	690.17

*As at April 01, 2019 the Company adopted Ind AS 116 and applied the standard to all lease contracts existing on April 01, 2019 using the modified retrospective approach and has taken the cumulative adjustment to right of use of assets, on the date of initial application (Refer note 45).

4. Intangible assets

	Goodwill	Software	Total
Gross carrying amount			
At 1 April 2018	69.84	2.74	72.58
Purchase	-	16.05	16.05
Disposals	-	-	-
At 31 March 2019	69.84	18.79	88.63
Purchase	-	205.21	205.21
Disposals	-	-	-
At 31 March 2020	69.84	224.00	293.84
Accumulated Amortization			
At 1 April 2018	-	1.36	1.36
Charged for the year	-	3.00	3.00
Disposals	-	-	-
At 31 March 2019	-	4.36	4.36
Charged for the year	-	20.91	20.91
Disposals	-	-	-
Impairment loss*	69.84	-	69.84
At 31 March 2020	69.84	25.27	95.11
Net carrying amount			
At 31 March 2019	69.84	14.43	84.27
At 31 March 2020	-	198.73	198.73
Net book value			
Goodwill		31 March 2020	31 March 2019
Other intangible assets		69.84	69.84
Total		198.73	14.43
			198.73
			84.27

*Impairment testing of goodwill

For impairment testing, goodwill is allocated to a Cash Generating Unit (CGU) representing the lowest level within the Company at which goodwill is monitored for internal management purposes, and which is not higher than the Company's operating segment. Goodwill is tested for impairment at least annually in accordance with the Company's procedure for determining the recoverable value of each CGU.

The recoverable amount of the CGU is determined on the basis of Fair Value less Cost of Disposal (FVLCD). The FVLCD of the CGU is determined based on the market capitalization approach, using the turnover and earnings multiples derived from observable market data.

Based on the above testing, impairment amounting to INR 69.84 million identified as on 31 March 2020 (31 March 2019: Nil), as the recoverable amount of CGU (silverkey) is less than its carrying value.



5. Investment in subsidiaries

	As at 31 March 2020	As at 31 March 2019
Non-trade, Unquoted investments		
Investment in equity shares of subsidiaries measured at cost (fully paid up)		
9,999 (31 March 2019: Nil) equity shares @ INR 10 each fully paid up in OYO Kitchen India Private Limited	0.10	-
99,999 (31 March 2019: Nil) equity shares @ INR 10 each fully paid up in OYO Workspaces India Private Limited	10.00	-
Less: Provision for diminution in value of investments	(0.10)	-
Total	10.00	-
Aggregate value of unquoted investments	10.10	-
Aggregate amount of provision recognised**	(0.10)	-

** The recoverable amount of the investments in OYO Kitchen India Private Limited (subsidiary company) been computed based on value in use calculation of the underlying properties. The value in use calculation is based on discounted cash flow model. As at 31 March 2020, an amount of INR 0.10 million (31 March 2019: Nil) has been provided as impairment of investment in OYO Kitchen India Private Limited which is in the business of providing food and beverages to consumer through online ordering. The impairment charge arose in subsidiary company mainly due to impact on online ordering given the current economic conditions due to Covid-19 pandemic. The financial projections basis which the future cash flows have been estimated consider the increase in economic uncertainties due to COVID-19, revisiting the key operating assumptions as well as growth rates factored while arriving at terminal value and subjecting these variables to sensitivity analysis.

6. Current investments

	As at 31 March 2020	As at 31 March 2019
Quoted investments		
Investment- measured at fair value through profit and loss		
Investment in Mutual funds		
90,312 (31 March 2019: 90,312) units of Aditya Birla Sun life Savings Fund-Growth-Direct*	36.20	33.57
295,388 (31 March 2019: 334,053) units of ICICI Prudential Liquid Direct Plan Growth*	86.78	92.34
11,082 (31 March 2019: 11,082) units of Reliance Liquid Fund - Treasury Plan - Growth Option*	53.76	50.56
36,886 (31 March 2019: Nil) units of L&T Liquid Fund Direct Growth*	100.39	-
16,174 (31 March 2019: Nil) units of SBI Liquid Fund Direct Growth	50.28	-
Total	327.41	176.47
Aggregate book value of quoted investments	327.41	176.47
Aggregate market value of quoted investments	327.41	176.47

*Lien of INR 31.37 millions (31 March 2019: INR 29.10 millions) given in favour of SREI Equipment Private Limited for laptops taken on lease and INR 140.21 millions (31 March 2019: 132.10 millions) against the bank guarantee taken from Kotak Bank.

7A. Other non-current financial assets

	As at 31 March 2020	As at 31 March 2019
Non-current bank balances (refer note 13)	12.38	0.16
Security deposits		
- Unsecured, considered good		
- Unsecured, considered doubtful	27.44	257.92
	456.35	-
	483.79	257.92
Less: Allowance of expected credit loss (refer note 47)*	(456.35)	-
	27.44	257.92
	39.82	258.08

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7B. Other current financial assets

	As at 31 March 2020	As at 31 March 2019
Security deposits		
- Unsecured, considered good	20.28	36.68
- Unsecured, considered doubtful	45.84	4.99
	<u>66.12</u>	<u>41.67</u>
Less: Allowance of expected credit loss (refer note 47)*	(45.84)	(4.99)
	<u>20.28</u>	<u>36.68</u>
Receivables from related parties (refer note 33)		
-Unsecured, considered good	5,625.64	764.22
-Unsecured, considered doubtful	285.55	-
	<u>5,911.19</u>	<u>764.22</u>
Less: Allowance of expected credit loss	(285.55)	-
	<u>5,625.64</u>	<u>764.22</u>
Other receivable		
-Unsecured, considered good	312.57	1,391.24
-Unsecured, considered doubtful	2,139.37	144.58
	<u>2,451.94</u>	<u>1,535.82</u>
Less: Allowance of expected credit loss (refer note 27 and 47)**	(2,139.37)	(144.58)
	<u>312.57</u>	<u>1,391.24</u>
Unbilled revenue	12.41	188.29
Interest accrued on bank deposit	1.11	0.76
Total	13.52	189.05
	5,972.01	2,381.19

*includes allowance for expected credit loss amounting to INR 497.19 million in respect of COVID 19 and restructuring expenses

**includes allowance for expected credit loss amounting to INR 1,073.44 million in respect of COVID 19 and restructuring expenses (exceptional) and balance INR 921.35 million is in accordance with possible default events over the expected life of a financial instrument in normal course of business included in provision for expected credit loss (refer Note 27).

8. Non current tax assets (net)

	As at 31 March 2020	As at 31 March 2019
Advance income tax	630.89	173.30
Total	630.89	173.30

9. Inventory

	As at 31 March 2020	As at 31 March 2019
Hotel consumables (at lower of cost or net realizable value)	294.46	141.87
Less: Provision for obsolete inventories (refer note 47)	(236.90)	-
	<u>57.56</u>	<u>141.87</u>

10A. Other non current assets

	As at 31 March 2020	As at 31 March 2019
Prepaid expenses		
Unsecured and considered good	554.22	190.98
Unsecured and considered doubtful	877.58	-
	<u>1,431.80</u>	<u>190.98</u>
Less: Provision for doubtful advances*	(877.58)	-
	<u>554.22</u>	<u>190.98</u>

*includes provision related to purge properties

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10B. Other current assets

	As at 31 March 2020	As at 31 March 2019
Prepaid expenses		
Unsecured and considered good	483.41	1,200.12
Unsecured and considered doubtful	292.24	-
	775.65	1,200.12
Less: Provision for doubtful advances (refer note 47)*	(292.24)	-
	483.41	1,200.12
Other recoverable		
Unsecured and considered good	1,163.30	171.24
Unsecured and considered doubtful	156.01	-
	1,319.31	171.24
Less: Provision for doubtful advances (refer note 27 and 47)**	(156.01)	-
	1,163.30	171.24
Balance with government authorities	223.33	85.54
Total	1,870.04	1,456.90

* This pertains to provision towards COVID 19 and restructuring expenses

**includes allowance for expected credit loss amounting to INR 64.05 million in respect of COVID 19 and restructuring expenses and INR 91.96 million for doubt in recovery in normal course of business included in provision for doubtful advances (Note 27).

11. Trade receivables

	As at 31 March 2020	As at 31 March 2019
Trade receivables	319.68	784.95
	319.68	784.95
Break-up for security details:		
Considered good - secured	319.68	784.95
Considered good - unsecured	998.55	107.23
Trade receivables which have significant increase in credit risk	1,318.23	892.18
Provision for impairment (allowance for bad and doubtful debts)		
Trade receivables which have significant increase in credit risk*	(998.55)	(107.23)
	(998.55)	(107.23)
	319.68	784.95

* Provision of INR 781.98 million towards COVID 19 and INR 109.34 million in accordance with possible default events over the expected life of a financial instrument (in normal course of business).

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.

12. Cash and cash equivalents

	As at 31 March 2020	As at 31 March 2019
Cash on hand	8.69	27.43
Balances with banks		
- in current accounts	394.77	179.49
- in deposit accounts with original maturity of 3 months or less*	-	3.63
Total	403.46	210.55

*Short-term deposits are made for short term ranging between one day to three months, depending on the immediate cash requirements of the Group, and earn interest at the rate prescribed at the time of deposit. These deposit can be withdrawn by the Company at any time without prior notice and penalty on the principal.

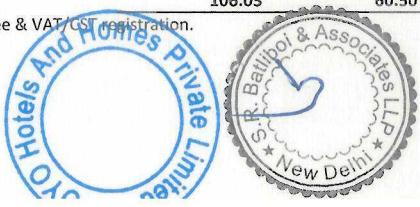
For the purpose of cash flow statement cash and cash equivalents comprise the following

	As at 31 March 2020	As at 31 March 2019
Cash on hand	8.69	27.43
Balances with banks		
- in current accounts	394.77	179.49
- in deposit accounts with original maturity of 3 months or less	-	3.63
	403.46	210.55

13. Bank balances other than cash and cash equivalents

	As at 31 March 2020	As at 31 March 2019
Deposits with original maturity more than 3 months to less than 12 months*	106.03	60.50
Deposits with remaining maturity more than 12 months*	12.38	0.16
Total	118.41	60.67
Less: amount disclosed under non - current financial assets (refer note 7A)	(12.38)	(0.16)
	106.03	60.50

* Fixed deposits of INR 68.41 million (31 March 2019: INR 60.66 million) are provided by way of lien against bank guarantee & VAT/GST registration.



14. Equity share capital

	As at 31 March 2020	As at 31 March 2019
Authorised capital		
Equity shares		
500,000 (31 March 2019: 500,000) equity shares of INR 10 each	5.00	5.00
Preference shares		
17,500,000 (31 March 2019: 17,500,000) 0.001% Series A compulsorily convertible cumulative preference shares (CCCPs) of INR 10 each	175.00	175.00
3,500,000 (31 March 2019: 3,500,000) 0.001% Series A1 compulsorily convertible cumulative preference shares (CCCPs) of INR 10 each	35.00	35.00
1,810,000 (31 March 2019: Nil) 0.001% Series B compulsorily convertible cumulative preference shares (CCCPs) of INR 10 each	18.10	18.10
Total authorised share capital	233.10	233.10

Issued, subscribed and fully paid-up

Equity shares		
186,055 (31 March 2019: 186,055) equity shares of INR 10 each	1.86	1.86
Total issued, subscribed and fully paid equity share capital	1.86	1.86

Equity component of convertible preference shares of INR 10 each issued and fully paid

17,429,578 (31 March 2019: 17,429,578) 0.001% Series A compulsorily convertible cumulative preference shares (CCCPs) of INR 10 each	174.30	174.30
3,333,333 (31 March 2019: 3,333,333) 0.001% Series A1 compulsorily convertible cumulative preference shares (CCCPs) of INR 10 each	33.33	33.33
1,801,801 (31 March 2019: Nil) 0.001% Series B compulsorily convertible cumulative preference shares (CCCPs) of INR 10 each	18.02	18.02
Total issued, subscribed and fully paid compulsorily convertible cumulative preference share capital	225.65	225.65

Share suspense*

(Pursuant to the Composite Scheme of Arrangement of the Company with Oravel Stays Private Limited, 27,674 equity shares of INR 10 each, 8,016 compulsorily convertible preference shares of INR 10 each and 110,172 compulsorily convertible cumulative preference shares of INR 100 each are to be issued to the shareholders of Oravel Stays Private Limited.)

11.37

11.37

11.37

11.37

*Shares have been issued to shareholders of Oravel Stays Private Limited on 21 May 2020.

Also, refer note 35 for further details.

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 1 April 2018	186,055	1.86
Issued during the year	-	-
As at 31 March 2019	186,055	1.86
Issued during the year	-	-
As at 31 March 2020	186,055	1.86

Preference shares

Series A compulsorily convertible cumulative preference shares (CCCPs) of INR 10 each	No. of shares	Amount
As at 1 April 2018	17,429,578	174.30
Issued during the year	-	-
As at 31 March 2019	17,429,578	174.30
Issued during the year	-	-
As at 31 March 2020	17,429,578	174.30

Series A1 compulsorily convertible cumulative preference shares (CCCPs) of INR 10 each	No. of shares	Amount
As at 1 April 2018	3,333,333	33.33
Issued during the year	-	-
As at 31 March 2019	3,333,333	33.33
Issued during the year	-	-
As at 31 March 2020	3,333,333	33.33

Series B compulsorily convertible cumulative preference shares (CCCPs) of INR 10 each	No. of shares	Amount
As at 1 April 2018	-	-
Issued during the year	-	-
As at 31 March 2019	1,801,801	18.02
Issued during the year	-	-
As at 31 March 2020	1,801,801	18.02

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.



c) Terms/rights attached to Series A compulsorily convertible cumulative preference shares (CCCPs)

(i) During the financial year 2016-17, the Company issued 17,429,578 Series A CCCPS, of INR 10 each fully paid-up at a premium of INR 4.2 per share. CCCPS carry cumulative dividend @ 0.001% p.a. The Company declares and pays dividends in Indian rupees. The preferential dividend is cumulative and shall accrue from year to year whether or not paid.

(ii) Each holder of CCCPS are entitled to convert the CCCPS into equity shares on a 1:1 basis at any time at the option of the holder of the CCCPS or subject to the compliance of applicable laws. Each CCCPS shall automatically be converted into equity share, upon the earlier of (a) one day prior to the expiry of 20 years from the closing date or (b) in connection with an IPO, prior to the filing of a prospectus (or equivalent document by whatever name called) by the Company to the competent authority or such later date as may be permitted under applicable laws. The Series A CCCPS shall be converted into equity shares at the conversion price which shall be initial subscription price of Series A CCCPS and subject to the adjustment from time to time as provided herein. Subject to the applicable laws, the CCCPS holder shall not be entitled to vote on all matters that are submitted to the vote of the shareholders of the Company (including the equity shares).

(iii) In the event of the liquidation of the Company, total proceeds from such liquidation, shall be distributed prior to and in preference to any other shareholder the higher of following amount (a) liquidation proceeds pro rata to their respective equity securities liquidated (upon conversion) or (b) an amount equal to the amount paid by the respective investors for subscription of their respective equity securities (on an as-if-converted basis) liquidated pursuant to a liquidation event plus any arrear of declared and accrued/due dividend in respect of such equity securities. If the amount available for distribution to the shareholders are in-sufficient to pay the amount as stated above, the entire available proceed would be allocated and distributed among the shareholder in proportion to the amount entitled to each such shareholder.

d) Terms/rights attached to Series A1 compulsorily convertible cumulative preference shares (CCCPs)

(i) During the financial year 2017-18, the Company issued 33,33,333 Series A1 CCCPS, of INR 10 each fully paid-up at a premium of INR 140 per share. CCCPS carry cumulative dividend @ 0.001% p.a. The Company declares and pays dividends in Indian rupees. The preferential dividend is cumulative and shall accrue from year to year whether or not paid.

(ii) Each holder of CCCPS are entitled to convert the CCCPS into equity shares on a 1:1 basis at any time at the option of the holder of the CCCPS or subject to the compliance of applicable laws. Each CCCPS shall automatically be converted into equity share, upon the earlier of (a) one day prior to the expiry of 20 years from the closing date or (b) in connection with an IPO, prior to the filing of a prospectus (or equivalent document by whatever name called) by the Company to the competent authority or such later date as may be permitted under applicable laws. The Series A1 CCCPS shall be converted into equity shares at the conversion price which shall be initial subscription price of Series A1 CCCPS and subject to the adjustment from time to time as provided herein. Subject to the applicable laws, the CCCPS holder shall not be entitled to vote on all matters that are submitted to the vote of the shareholders of the Company (including the equity shares).

(iii) In the event of the liquidation of the Company, total proceeds from such liquidation, shall be distributed prior to and in preference to any other shareholder the higher of following amount (a) liquidation proceeds pro rata to their respective equity securities liquidated (upon conversion) or (b) an amount equal to the amount paid by the respective investors for subscription of their respective equity securities (on an as-if-converted basis) liquidated pursuant to a liquidation event plus any arrear of declared and accrued/due dividend in respect of such equity securities. If the amount available for distribution to the shareholders are in-sufficient to pay the amount as stated above, the entire available proceed would be allocated and distributed among the shareholder in proportion to the amount entitled to each such shareholder.

e) Terms/rights attached to Series B compulsorily convertible cumulative preference shares (CCCPs)

(i) During the financial year 2018-19, the Company issued 1,801,801 Series B CCCPS, of INR 10 each fully paid-up at a premium of INR 545 per share. CCCPS carry cumulative dividend @ 0.001% p.a. The Company declares and pays dividends in Indian rupees. The preferential dividend is cumulative and shall accrue from year to year whether or not paid.

(ii) Each holder of CCCPS are entitled to convert the CCCPS into equity shares on a 1:1 basis at any time at the option of the holder of the CCCPS or subject to the compliance of applicable laws. Each CCCPS shall automatically be converted into equity share, upon the earlier of (a) one day prior to the expiry of 20 years from the closing date or (b) in connection with an IPO, prior to the filing of a prospectus (or equivalent document by whatever name called) by the Company to the competent authority or such later date as may be permitted under applicable laws. The Series B CCCPS shall be converted into equity shares at the conversion price which shall be initial subscription price of Series A1 CCCPS and subject to the adjustment from time to time as provided herein. Subject to the applicable laws, the CCCPS holder shall not be entitled to vote on all matters that are submitted to the vote of the shareholders of the Company (including the equity shares).

(iii) In the event of the liquidation of the Company, total proceeds from such liquidation, shall be distributed prior to and in preference to any other shareholder the higher of following amount (a) liquidation proceeds pro rata to their respective equity securities liquidated (upon conversion) or (b) an amount equal to the amount paid by the respective investors for subscription of their respective equity securities (on an as-if-converted basis) liquidated pursuant to a liquidation event plus any arrear of declared and accrued/due dividend in respect of such equity securities. If the amount available for distribution to the shareholders are in-sufficient to pay the amount as stated above, the entire available proceed would be allocated and distributed among the shareholder in proportion to the amount entitled to each such shareholder.

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

Equity shares		As at 31 March 2020		As at 31 March 2019	
Name of shareholders		No of shares	% holding	No of shares	% holding
Oravel Stays Private Limited*		186,055	100%	186,055	100%

* 1 share held by Mr. Abhishek Gupta as nominee of the Holding Company.

Series A compulsorily convertible preference shares of INR 10 each fully paid up (CCCPs)

Name of shareholders		As at 31 March 2020		As at 31 March 2019	
		No of shares	% holding	No of shares	% holding
Oravel Stays Private Limited		17,429,578	100%	17,429,578	100%

Series A1 compulsorily convertible cumulative preference shares of INR 10 each fully paid up (CCCPs)

Name of shareholders		As at 31 March 2020		As at 31 March 2019	
		No of shares	% holding	No of shares	% holding
Oravel Stays Private Limited		3,333,333	100%	3,333,333	100%



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Series B compulsorily convertible cumulative preference shares of INR 10 each fully paid up (CCPS)

Name of shareholders	As at 31 March 2020		As at 31 March 2019	
	No of shares	% holding	No of shares	% holding
Oravel Stays Private Limited	1,801,801	100%	1,801,801	100%

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

(g) Shares held by Holding Company

Name of shareholder	31 March 2020		31 March 2019	
	(Amount in INR)	(Amount in INR)	(Amount in INR)	(Amount in INR)
Oravel Stays Private Limited*				
186,055 (31 March 2018: 186,055) equity shares of INR 10 each fully paid up		1.86		1.86
17,429,578 (31 March 2018: 17,429,578) Series A preference shares of INR 10 each fully paid up		174.30		174.30
3,333,333 (31 March 2018: 3,333,333) Series A1 preference shares of INR 10 each fully paid up		33.33		33.33
1,801,801 (31 March 2018: Nil) Series B preference shares of INR 10 each		18.02		18.02

* 1 share held by Mr. Abhishek Gupta as nominee of the Holding Company.

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Notes to special purpose financial statements for the year ended 31 March 2020

(Amount in Indian Rupees Millions, unless stated otherwise)

15. Other equity

	As at 31 March 2020	As at 31 March 2019
A. Retained earnings	(46,888.00)	(15,888.87)
B. Securities premium account	1,520.02	1,520.02
Other reserves		
C. Equity contribution from holding company	46.06	20.73
D. Capital reserve	8,452.68	8,452.68
Total	(36,869.24)	(5,895.44)

A. Retained earnings

	As at 31 March 2020	As at 31 March 2019
Balance at the beginning of year	(15,888.87)	(10,334.36)
Add: loss for the year	(30,995.46)	(5,547.41)
Add: items of other comprehensive income recognized directly in retained earnings		
-Remeasurement of post employment benefit obligation, net of tax (Refer note 31)	(3.67)	(7.10)
Less: Cumulative dividend on preference shares*	(0.00)	(0.00)
Balance at the end of year	(46,888.00)	(15,888.87)

*Amounts are rounded up in Millions upto 2 decimals.

B. Securities premium

	As at 31 March 2020	As at 31 March 2019
Balance at the beginning of the year	1,520.02	538.54
Add: premium on issue of CCCPS	-	981.98
Less: Share issue expenses	-	(0.50)
	1,520.02	1,520.02

C. Equity contribution from holding company

	As at 31 March 2020	As at 31 March 2019
Balance at the beginning of the year	20.73	20.73
Add: additional contribution during the year (refer note 46)	25.33	-

D. Capital reserve

	As at 31 March 2020	As at 31 March 2019
Balance at the beginning of year	8,452.68	8,452.68
Add: addition during the year	-	-

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

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

c. Equity contribution from holding company: Equity contribution represent the amount of additional capital contribution by way of share warrants.

d. Capital reserve: Capital reserve represent reserve arising pursuant to the Composite Scheme of Arrangement. Refer note 35 for further details.

16A. Borrowings-non current

	As at 31 March 2020	As at 31 March 2019
Term Loan		
-from financial institutions (refer note below)	-	95.44
Less: Amount clubbed under other current financial liabilities (refer note 17B)	-	95.44
	-	(95.44)

During the year 2016-17, the Company had taken term loan from Innoven Capital India Private Limited amounting to INR 550 million in two tranches as per details below. The loan was secured against existing and future fixed assets, current and non-current assets including all brand, intellectual property and intellectual property rights with respect to these movables, present and future accounts, cash flows, receivables, book debts, revenues, equipment, inventory, contract rights or rights to payment of money, leases, license agreements, franchisee agreements, goodwill, uncalled capital, general intangibles, documents, instruments (including any promissory notes), chattel paper, cash, deposit accounts, fixtures, letter of credit rights, securities and all other investment properties, supporting obligations and financial assets etc. The loan was further fully secured by way of corporate guarantee of the Holding Company. Refer table below for rate of interest, tenure and terms of repayment:

Also, Innoven Capital India Private Limited also has right to subscribe such number of Series C2 compulsorily convertible cumulative preference shares of Oravel Stays Private Limited (i.e. the Holding Company) that amounts to INR 36 million to be issued by the Holding Company at subscription price of INR 394,887.97 per share. The right to subscribe is exercisable in whole or in part at any time and from time to time on or before the expiration date of 8 years. The loan were repaid in full during the year.



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(Amount in Indian Rupees Millions, unless stated otherwise)

	Term loan 1	Term loan 2
Amount of the sanctioned facility	INR. 300 Mn	INR 250 Mn
Amount outstanding as at 31 March 2019	INR. 1.50 Mn	INR 93.94Mn
Loan tenure	31 months	36months
Rate of interest	15%	15%
Repayment installments and amount	31 equal monthly installments of Rs. 9.68 Mn starting from Oct 2016	34 equal monthly instalment of INR 7.35Mn starting from July 2017

16B. Borrowings- Current

	As at 31 March 2020	As at 31 March 2019
Secured		
Liability towards bill discounting	-	135.83
Bank overdraft*	-	192.43
	-	328.26

*Pledge of Nil (31 March 2019: INR 91.97 million) mutual funds of Holding company against the bank overdraft limit taken by the Company.

17. Lease liabilities

	As at 31 March 2020	As at 31 March 2019
Balance as at 1 April 2019	11,473.90	-
Additions during the year	23,229.27	-
Interest accrued during the year	2,844.88	-
Payment during the year	(7,593.95)	-
Reversal of lease liabilities	(29,295.88)	-
Balance as at 31 March 2020	658.22	-
Non-current portion	306.53	-
Current portion	351.69	-

17A. Other non-current financial liabilities

	As at 31 March 2020	As at 31 March 2019
Provision for preference dividend*	0.00	0.00
	0.00	0.00

*Amounts are rounded up in millions upto 2 decimals.

17B. Other current financial liabilities

	As at 31 March 2020	As at 31 March 2019
Current maturity of long term loan (refer note 16A)	-	95.44
Security deposits received	138.49	-
Employee related payables	448.39	220.83
Other financial liabilities (refer note 47)*	72.82	-
	659.70	316.28

*This pertains to provision due to COVID 19

18A. Employee defined benefit obligations- Non current

	As at 31 March 2020	As at 31 March 2019
Employee benefit obligations		
- Gratuity (refer note 31)	70.49	64.87
	70.49	64.87

18B. Employee defined benefit obligations- Current

	As at 31 March 2020	As at 31 March 2019
Employee benefit obligations		
- Gratuity (refer note 31)	8.29	1.24
Other employees benefit obligations		
- Compensated absences	20.47	6.44
	28.76	7.68



19. Trade payables

	As at 31 March 2020	As at 31 March 2019
-total outstanding dues of micro enterprises and small enterprises (refer note 36)	16.79	34.23
-total outstanding dues of creditors other than micro enterprises and small enterprises (refer note 47)*	4,795.07	12,305.59
Payable to related party (refer note 33)	41,377.76	-
	46,189.62	12,339.82

*comprises of provision amounting to INR 3,733.45, INR 566.97 millions, INR 180 million and INR 151.28 millions towards onerous contracts, termination/exit of lease contract with hotel partners, rental payment for the month of March and other vendor payments due to contract cancellations respectively due to COVID 19.

20A. Other non-current liabilities

	As at 31 March 2020	As at 31 March 2019
Lease equalization reserve	-	45.31
	-	45.31

20B. Other current liabilities

	As at 31 March 2020	As at 31 March 2019
Advances from customers	505.87	389.67
Lease equalisation reserve	-	63.64
Deferred revenue	339.98	59.69
Statutory liabilities	393.81	214.29
	1,239.66	727.29

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Notes to standalone financial statements for the year ended 31 March 2020

(Amount in Indian Rupees Millions, unless stated otherwise)

21. Revenue from contracts with customers

	For the year ended 31 March 2020	For the year ended 31 March 2019
Sale of accommodation services	49,990.53	37,622.27
Commission from booking	-	38.13
Value added services	1,397.14	382.03
Rental income	148.96	-
Cancellation income	555.99	244.54
Food and beverages	1,179.58	610.64
Sale of packages and event	1,687.99	975.02
Income from wizard subscription	183.49	30.43
Other operational revenue	246.14	116.11
Total	55,389.81	40,019.16
India	55,389.81	40,019.16
Outside India	-	-
Total	55,389.81	40,019.16
Timing of revenue recognition		
Services transferred over time	183.49	30.43
Services transferred at a point in time	55,206.32	39,988.73
	55,389.81	40,019.16

21.1 Contract balances

	For the year ended 31 March 2020	For the year ended 31 March 2019
Contract assets	12.41	188.29
Contract liabilities	845.85	449.36

Contract assets are recognised when there is excess of revenue earned over billings on contracts with customers. Unbilled receivables are classified as contract assets (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract liabilities are recognised when there is excess of invoicing over revenue earned on contracts with customers. Deferred revenue are classified as contract liabilities where invoicing was made in advance or the advance received from the customers while performance of services is pending. Right of return assets and refund liabilities are not present in contracts with customers.

22 Other income

	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest income on fixed deposits	4.60	2.60
Profit on sale of mutual funds (net)	6.17	12.21
Fair value gain on financial instruments at fair value through profit or loss	11.36	7.37
Profit on sale of property, plant and equipment (net)	3.83	12.49
Management fee (refer note 33)	688.85	28.86
Exchange difference (net)	26.11	-
Interest income on security deposits	4.70	8.23
Miscellaneous income	1.51	9.66
	747.13	81.42

23. Operating expenses

	For the year ended 31 March 2020	For the year ended 31 March 2019
Cost of revenue	32,539.60	30,006.66
Property consumables*	1,175.09	646.98
Lease rentals	282.30	832.41
Electricity and power cost	1,408.48	447.97
Food expense	1,195.52	551.89
Loss from bookings	574.86	621.16
Other direct expenses	5,485.24	967.33
	42,661.09	34,074.41

*includes inventory write off of Rs. 131.96 million



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Notes to standalone financial statements for the year ended 31 March 2020

(Amount in Indian Rupees Millions, unless stated otherwise)

24. Employee benefits expense

	For the year ended 31 March 2020	For the year ended 31 March 2019
Salaries, wages and bonus*	8,851.04	4,341.04
Contribution to provident and other funds (refer note 31)*	371.76	151.67
Gratuity expense (refer note 31)*	10.21	31.86
Share based payment expense (refer note 46)	25.33	49.80
Staff welfare expenses	342.58	146.74
	9,600.92	4,721.11

* includes severance and other payments of INR 575.41 million due to COVID 19 (refer note 47)

25. Depreciation and amortization expense

	For the year ended 31 March 2020	For the year ended 31 March 2019
Depreciation of property, plant and equipment (note 3)	1,068.05	502.92
Depreciation of right to use assets (note 3A)	7,462.64	-
Amortization of intangible assets (note 4)	20.91	3.00
	8,551.60	505.92

26. Finance cost

	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest on tem loans	21.40	36.09
Interest on short term loan	18.29	13.92
Interest on lease liabilities	2,844.88	-
Bank charges	19.32	5.97
	2,903.89	55.98

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Notes to standalone financial statements for the year ended 31 March 2020

(Amount in Indian Rupees Millions, unless stated otherwise)

27. Other expenses

	For the year ended 31 March 2020	For the year ended 31 March 2019
Power and fuel	37.88	14.79
Rent for office and equipments	568.23	189.01
Office expenses	67.66	34.91
Rates and taxes	512.82	81.09
Repairs and maintenance		
- Building	66.98	186.78
- Computer and others	244.88	30.41
Advertising and sales promotion	365.67	149.43
Insurance expenses	13.00	1.79
Business development expenses	169.01	75.98
Commission and brokerage	2,851.26	2,085.07
Travelling and conveyance	959.46	468.75
Communication costs	339.93	83.86
Legal and professional fees	1,186.79	597.59
Royalty expenses	29.02	-
Customer support	1,444.04	1,064.98
Outsourced manpower	1,741.96	532.97
Payment to auditors (refer detail below)	12.00	12.29
Exchange difference (net)	-	3.60
Impairment of loss	69.94	-
Provision for expected credit loss	1,030.68	103.96
Provision for doubtful advances	377.51	25.86
Advances written off	465.86	-
Information technology expenses	874.26	278.76
Subscription charges	6.43	4.47
Recruitment & training expenses	290.78	157.64
Freight, postage and courier	28.79	104.22
Miscellaneous expenses	4.82	2.34
	13,759.67	6,290.56

Payments to auditors

	For the year ended 31 March 2020	For the year ended 31 March 2019
As auditor		
-Audit fee	12.00	12.29
-Tax audit fee	-	-
Reimbursement of expenses	-	-
	12.00	12.29

28. Exceptional items

	For the year ended 31 March 2020	For the year ended 31 March 2019
Exceptional Items (Refer note 47)	9,655.23	-
	9,655.23	-

29. Other Comprehensive Income

	For the year ended 31 March 2020	For the year ended 31 March 2019
Component of retained earnings		
Items that will not be reclassified to profit or loss		
Remeasurement of defined benefit liability/ (assets)	(3.67)	(7.10)
	(3.67)	(7.10)

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30. Earning per share

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

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

	For the year ended 31 March 2020	For the year ended 31 March 2019
Loss attributable to equity holders for basic loss	(30,995.46)	(5,547.41)
Less: dividends on convertible preference shares & tax thereon	(0.00)	(0.00)
Loss attributable to equity holders	(30,995.46)	(5,547.41)
Weighted average number of equity shares at the year for the calculation of basic loss per share	22,750,767	20,953,902
Loss per share		
Basic	(1,362.39)	(264.74)
Diluted*	(1,362.39)	(264.74)

*There are potential equity shares as on 31 March 2020 and 31 March 2019 in the form of employee stock options and share warrants. As these are anti-dilutive, they are ignored in the calculation of diluted earnings per share and accordingly, the diluted earnings per share is same as basic earnings per share.

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31. Employee benefits**Defined Contribution Plan : Provident fund**

During the year, the Company has recognized INR 334.40 millions (31 March 2019: INR 136.12 million) as contribution to Employee Provident Fund in the statement of profit and loss.

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:

	As at 31 March 2020	As at 31 March 2019
Defined benefit obligations as at the beginning of the year	66.10	27.14
Current service cost	9.37	29.88
Interest expense	0.84	1.98
Remeasurement (gain)/ loss - OCI	3.67	7.10
Benefit paid	(1.20)	-
Defined benefit obligations as at 31 March 2020	78.78	66.10

Amount recognized in Statement of Profit and Loss:

	As at 31 March 2020	As at 31 March 2019
Current service cost	9.37	29.88
Net interest expense	0.84	1.98
Amount recognized in Statement of Profit and Loss	10.21	31.86

Amount recognized in Other Comprehensive Income:

	As at 31 March 2020	As at 31 March 2019
Remeasurement of Net Benefit Liability/ Asset	3.67	7.10
Total	3.67	7.10

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

	As at 31 March 2020	As at 31 March 2019
Discount rate (in %)*	5.66%	7.05%-7.43%
Salary Escalation (in %)	5%-10%	8.1%-10%
Withdrawal rate (in %)	42.00%	30%-36%
Mortality rate of IALM 2012-14/2006-08	100.00%	100.00%
Retirement age	58 years	58 years

*Discount rate is based on the prevailing market yields on government securities as at the above periods for estimates of defined benefit obligations.

Due to its defined benefit plans, the company is exposed to following significant risk

Change in Discount Rate: A decrease in discount rate will increase plan liability.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of the plan participants. As such, an increase in the salary of the plan participants will increase the plans liability.

Withdrawal Rate: A decrease in withdrawal rate will increase plan liability.

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

	For the year ended 31 March 2020	For the year ended 31 March 2019
Discount rate		
- Increase by 0.50%	(0.84)	(1.58)
- Decrease by 0.50%	0.86	1.65
Salary escalation rate		
- Increase by 1%	1.69	3.10
- Decrease by 1%	(1.62)	(2.93)
Attrition rate		
- Increase by 5%	(8.05)	(9.55)
- Decrease by 5%	10.01	11.63

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

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

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Year 1	8.29	1.20
Year 2	8.09	6.52
Year 3	8.11	8.78
Year 4	9.68	10.03
Year 5	11.93	13.03
After 5th Year	20.94	57.65
Total expected payments	67.04	97.21

The average duration of the defined benefit plan obligation at the end of the reporting period is 6 years (31 March 2019: 7 years).



32. Contingent Liabilities and commitments

A. Contingent liabilities

	As at 31 March 2020	As at 31 March 2019
a) Tax matters in appeal: Income tax (refer below)	9.68	-
b) Bank guarantees	66.57	61.47

TDS survey proceedings were carried on the Company in January 2020. Pursuant to survey proceedings, demand of INR 9.68 million was raised on the Company on account of non-deduction and payment of tax deducted at source (TDS) on minimum guarantee paid to hotels partner during the period April to December 2019. The Company has filed an appeal before CIT(A) against the demand order as the Company believes that TDS is not applicable on minimum guarantee amount. The management believes that ultimate outcome this proceedings will not have any significant impact on the company's financial position.

B. Capital commitments

	As at 31 March 2020	As at 31 March 2019
Property, plant & equipment	268.71	781.26
Total	268.71	781.26

(This space has been intentionally left blank)



33 Related party transactions

a) Names of related parties and related party relationship
 (with whom transactions have taken place)

Holding company

Subsidiaries

Fellow subsidiaries

Oravel Stays Private Limited

OPY Kitchen India Private Limited

OPY Apartment Investments LLP

OPY OTH Investments LLP

OPY Midmarket Investments LLP

Supreme Sri Construction and Developers LLP

Gurukul Infra Solutions Private Limited

OPY Workspaces India Private Limited

Oravel Stays Welfare Trust

Oravel Stays India Ltd

Oravel Stays Singapore Pte Ltd

Oravel Technology and Hospitality Linka (Pvt) Limited

Oravel Hotels Mexico S De R.L De C.V.

OPY Brazil Services De Turismo Ltda

OPY Financial and Technology Services Private Limited

OPY Hospitality & Information Technology (Shenzhen) Co Limited

OPY Hospitality Co Spc

OPY Hospitality Netherlands B.V.

OPY Hospitality UK Limited

OPY Technology & Hospitality (Shanghai) Co. Ltd

OPY Hotels Canada Inc

OPY Hotels France Sarl

OPY Hotels Germany GmbH

OPY Hotels India Pvt Ltd

OPY Hotels Japan Grl

OPY Hotels Inc USA

OPY Hotels Netherlands B.V

OPY Hotels Singapore Pte Limited

OPY Hotels & Estates LLC

OPY Oravel Hospitality Co (Saudi)

OPY Projects LLC

OPY Rooms & Technology LLC

OPY Rooms and Hospitality US Limited

OPY Technology & Hospitality (Shenzhen) Co Limited

OPY Technology & Hospitality (Vietnam) LLC

OPY Technology & Hospitality Japan KK

OPY Technology & Hospitality Llc (Oman)

OPY Technology & Hospitality Philippines Inc

OPY Technology & Hospitality (Spain) Srl

OPY Technology and Hospitality (United) Limited

OPY Technology and Hospitality Fz Llc

OPY Vacation Homes Rental LLC

PT. OYO Rooms (Indonesia)

Neelam Developers Private Limited

MyPreferred Transformation & Hospitality Pvt Ltd

Multitude Infrastructures Private Limited

Mountaine Developers and Hospitality Private Limited

Other related party*

Mr. Abhishek Gupta (Director till 5 September, 2019)

Mr. Anu Tejal (Director)

Mr. Rakesh Kumar (Director w.e.f 5 September, 19)

Key Management Personnel

*Other related parties are joint venture of Holding company (Oravel Stays Private Limited)

b) Related party transactions:

	Holding company		Fellow subsidiary		Other related party		Key Management Personnel		Total	
	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019
Preference share capital allotted during the year										18.02
Oravel Stays Private Limited	-	18.02	-	-	-	-	-	-	-	-
Premium received on share capital										981.98
Oravel Stays Private Limited	-	981.98	-	-	-	-	-	-	-	-
Purchase of service (Item)										647.31
Oravel Stays Private Limited	647.31	-	-	-	-	-	-	-	-	-
OPY OTH Investments LLP	-	-	177.62	49.50	-	-	-	-	-	177.62
OPY Midmarket Investments LLP	-	-	109.58	-	-	-	-	-	-	109.58
MyPreferred Transformation & Hospitality Private Limited	-	-	-	-	826.64	-	-	-	-	826.64
Payment made by group companies on behalf of us										497.18
Oravel Stays Private Limited	497.18	-	-	-	-	-	-	-	-	-
OPY Kitchen India Private Limited	-	-	0.36	-	-	-	-	-	-	0.36
Oravel Stays Singapore Pte Limited	-	-	7.27	-	-	-	-	-	-	7.27
Oravel Technology and Hospitality Linka (Pvt) Limited	-	-	0.10	-	-	-	-	-	-	0.10
OPY Financial and Technology Ser. Pl	-	-	0.39	-	-	-	-	-	-	0.39
OPY Technology & Hospitality Japan KK	-	-	5.64	-	-	-	-	-	-	5.64
Mountainina Developers And Hospitality Private Limited	-	-	-	-	60.99	-	-	-	-	60.99
Neelam Developers Private Limited	-	-	-	-	2.98	-	-	-	-	2.98
MyPreferred Transformation & Hospitality Private Limited	-	-	-	-	8,361.13	-	-	-	-	8,361.13
Multitude Infrastructures Private Limited	-	-	-	-	3.76	-	-	-	-	3.76
Accruement fees charged										497.18
Oravel Stays Private Limited	-	-	-	-	-	-	-	-	-	-
OPY Kitchen India Private Limited	-	-	-	-	-	-	-	-	-	-
OPY OTH Investments LLP	-	-	-	-	2.50	-	-	-	-	2.50
OPY Apartment Investments LLP	-	-	-	-	5.00	-	-	-	-	5.00
Payment made on behalf of group companies										110.77
Oravel Stays Private Limited	110.77	-	-	-	-	-	-	-	-	-
OPY OTH Investments LLP	-	-	-	-	-	-	-	-	-	-
OPY Midmarket Investments LLP	-	-	5.15	0.27	-	-	-	-	-	5.15
OPY Apartment Investments LLP	-	-	147.44	10.67	-	-	-	-	-	147.44
OPY Stays & Leasing Private Limited	-	-	1.08	-	-	-	-	-	-	1.08
OPY Workspaces India Private Limited	-	-	17.31	-	-	-	-	-	-	17.31
OPY Financial and Technology Services Private Limited	-	-	203.41	-	-	-	-	-	-	203.41
OPY Hotels Inc USA	-	-	0.19	-	-	-	-	-	-	0.19
OPY Technology & Leasing LLC	-	-	3.05	-	-	-	-	-	-	3.05
OPY Technology & Hospitality Philippines Inc	-	-	18.65	-	-	-	-	-	-	18.65
OPY Hotels Japan Grl	-	-	0.18	-	-	-	-	-	-	0.18
OPY Technology And Hospitality (EIR) Limited	-	-	5.45	-	-	-	-	-	-	5.45
OPY Hotels Canada Inc	-	-	1.28	-	-	-	-	-	-	1.28
Mountainina Developers and Hospitality Private Limited	-	-	2.29	-	-	-	-	-	-	2.29
Neelam Developers Private Limited	-	-	-	-	60.70	-	-	-	-	60.70
MyPreferred Transformation & Hospitality Private Limited	-	-	-	-	0.10	-	-	-	-	0.10
Payment of personel, plant and equipment (including capital work in progress)										3.52
Oravel Stays Private Limited	-	-	-	-	-	-	-	-	-	3.52
Supreme Sri Construction and Developers LLP	-	-	0.24	-	-	-	-	-	-	0.24
MyPreferred Transformation & Hospitality Private Limited	-	-	-	-	2,278.22	-	-	-	-	2,278.22
Purchase of inventories										4.92
OPY Apartment Investments LLP	-	-	-	-	-	-	-	-	-	4.92
OPY Kitchen India Private Limited	-	-	4.92	-	-	-	-	-	-	4.92
MyPreferred Transformation & Hospitality Private Limited	-	-	3.37	-	-	-	-	-	-	3.37
	-	-	-	-	6.23	-	-	-	-	6.23



Sale of property, plant and equipment (including capital work in progress)																				
OYO OTH Investments LLP	-	-	-	-	20.82	281.50	-	-	-	-	-	-	-	-	-	-	20.82	281.50	-	
OYO Midmarket Investments LLP	-	-	-	-	116.66	141.10	-	-	-	-	-	-	-	-	-	-	116.66	141.10	-	
OYO Apartment Investments LLP	-	-	-	-	0.14	0.45	-	-	-	-	-	-	-	-	-	-	0.14	0.45	-	
Guerrilla Infra Solution Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,292.64	3,292.64	-	
Rendering of services*																				
OYO OTH Investments LLP	-	-	-	-	255.60	-	-	-	-	-	-	-	-	-	-	-	255.60	-	-	
OYO OTH Investments LLP	-	-	-	-	100.21	-	-	-	-	-	-	-	-	-	-	-	100.21	-	-	
OYO Kitchen India Private Limited	-	-	-	-	6.48	-	-	-	-	-	-	-	-	-	-	-	6.48	-	-	
OYO Apartment Investments LLP	-	-	-	-	315.95	-	-	-	-	-	-	-	-	-	-	-	315.95	-	-	
Guerrilla Infra Solution Private Limited	-	-	-	-	5.53	-	-	-	-	-	-	-	-	-	-	-	5.53	-	-	
OYO Hotel Solutions Private Limited	-	-	-	-	80.47	-	-	-	-	-	-	-	-	-	-	-	80.47	-	-	
OYO Stays Singapore Pte Ltd	-	-	-	-	93.32	77.83	-	-	-	-	-	-	-	-	-	82.32	77.83	-		
OYO Travel Technology and Hospitality Lanka (Pvt) Limited	-	-	-	-	56.84	-	-	-	-	-	-	-	-	-	-	16.36	-	-		
OYO Hotels Mexico S. de R.L. de C.V.	-	-	-	-	76.34	2.94	-	-	-	-	-	-	-	-	-	76.34	2.94	-		
OYO Hotels Canada Inc	-	-	-	-	1.78	-	-	-	-	-	-	-	-	-	-	1.78	-	-		
OYO Hotels Japan Co.	-	-	-	-	0.06	-	-	-	-	-	-	-	-	-	-	0.06	-	-		
OYO Hotels in USA	-	-	-	-	123.81	9.81	-	-	-	-	-	-	-	-	-	128.03	9.81	-		
OYO Hotels B.V.	-	-	-	-	365.15	43.69	-	-	-	-	-	-	-	-	-	355.15	43.69	-		
OYO Travel Technology Co. (Saudi)	-	-	-	-	330.54	-	-	-	-	-	-	-	-	-	-	330.54	-	-		
OYO Travel Technology LLC	-	-	-	-	152.78	28.51	-	-	-	-	-	-	-	-	-	152.78	28.51	-		
OYO Rooms & Technology LLC	-	-	-	-	5.64	-	-	-	-	-	-	-	-	-	-	5.64	-	-		
OYO Rooms and Hospitality UK Limited	-	-	-	-	244.84	-	-	-	-	-	-	-	-	-	-	244.84	-	-		
OYO Technology and Hospitality UK Limited	-	-	-	-	320.47	-	-	-	-	-	-	-	-	-	-	320.47	-	-		
OYO Hotels Hospitality Sdn Bhd	-	-	-	-	-	69.51	-	-	-	-	-	-	-	-	-	69.51	-	-		
OYO Technology & Hospitality (Vietnam) LLC	-	-	-	-	275.43	21.32	-	-	-	-	-	-	-	-	-	275.43	21.32	-		
OYO Technology & Hospitality Japan K.K.	-	-	-	-	55.16	-	-	-	-	-	-	-	-	-	-	55.16	-	-		
OYO Technology & Hospitality LLC (Oman)	-	-	-	-	65.02	13.26	-	-	-	-	-	-	-	-	-	65.02	13.26	-		
OYO Technology & Hospitality Philippines Inc	-	-	-	-	0.51	-	-	-	-	-	-	-	-	-	-	0.51	-	-		
OYO Technology & Hospitality S.L. (Spain)	-	-	-	-	127.69	34.49	-	-	-	-	-	-	-	-	-	127.69	34.49	-		
OYO Technology & Hospitality (Thailand) Limited	-	-	-	-	81.17	8.01	-	-	-	-	-	-	-	-	-	81.17	8.01	-		
Pt. OYO Rooms (Indonesia)	-	-	-	-	24.24	15.06	-	-	-	-	-	-	-	-	-	24.24	15.06	-		
Mountains Developers and Hospitality Private Limited	-	-	-	-	347.67	64.70	-	-	-	-	-	-	-	-	-	347.67	64.70	-		
Heeldeep Developers Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	46.29	-	-		
Mountains Infrastructures Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7.91	-	-		
OYO Brasil Servicos De Turismo Ltda	-	-	-	-	-	4.83	-	-	-	-	-	-	-	-	-	4.83	-	-		
OYO Hospitality & Information Technology (Shenzhen) Co Limited	-	-	-	-	123.48	6.26	-	-	-	-	-	-	-	-	-	123.48	6.26	-		
OYO Technology and Hospitality LLC	-	-	-	-	110.31	66.36	-	-	-	-	-	-	-	-	-	110.31	66.36	-		
OYO Location Solutions LLC	-	-	-	-	118.14	35.02	-	-	-	-	-	-	-	-	-	118.14	35.02	-		
OYO Life Real Estate LLC	-	-	-	-	3.60	-	-	-	-	-	-	-	-	-	-	3.60	-	-		
OYO Hotels France Sarl	-	-	-	-	0.14	-	-	-	-	-	-	-	-	-	-	0.14	-	-		
OYO Hotels Germany GmbH	-	-	-	-	5.97	-	-	-	-	-	-	-	-	-	-	5.97	-	-		
Purchase of service																				
OYO Stays Private Limited	274.75	262.03	-	-	-	-	-	-	-	-	-	-	-	-	-	274.75	262.03	-		
OYO Technology and Hospitality (Thailand) Limited	-	-	-	-	-	1.44	-	-	-	-	-	-	-	-	-	1.44	-	-		
OYO Business Services DE Turismo LTDa	-	-	-	-	-	0.90	-	-	-	-	-	-	-	-	-	0.90	-	-		
OYO Stays Private Limited	-	-	-	-	-	7.06	-	-	-	-	-	-	-	-	-	7.06	-	-		
OYO Technology and Hospitality FZ LLC	-	-	-	-	-	3.45	-	-	-	-	-	-	-	-	-	3.45	-	-		
Pt. OYO Rooms (Indonesia)	-	-	-	-	-	5.78	-	-	-	-	-	-	-	-	-	5.78	-	-		
OYO Technology & Hospitality Philippines INC	-	-	-	-	-	3.60	-	-	-	-	-	-	-	-	-	3.60	-	-		
OYO Travel Technology Co	-	-	-	-	-	2.71	-	-	-	-	-	-	-	-	-	2.71	-	-		
OYO Technology and Hospitality UK Limited	-	-	-	-	-	3.48	-	-	-	-	-	-	-	-	-	3.48	-	-		
OYO Hotels Mexico S. de R.L. de C.V.	-	-	-	-	-	0.44	-	-	-	-	-	-	-	-	-	0.44	-	-		
Remuneration to KMP																				
Rakesh Kumar	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.40	-	-		
Shivam Kumar	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.91	-	-		

(e) Balance outstanding at the year end

	Holding company	Fellow subsidiary	Other related party		Key Management Personnel		Total
	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020
Trade payable							
OYO Stays Private Limited	34,075.22	9,592.03	-	-	-	-	34,075.22
Supreme Sun Construction and Developers LLP	-	-	0.29	-	-	-	0.29
Guerrilla Infra Solution Private Limited	-	-	4.05	-	-	-	4.05
Guerrilla Infra Solution Private Limited	-	-	-	7,298.20	-	-	7,298.20
Advance receivables							
OYO Stays Singapore Pte Ltd	-	-	-	-	-	-	-
OYO Rooms Hospitality Sdn Bhd	-	-	116.69	84.89	-	-	116.69
OYO OTH Investments LLP	-	-	162.47	21.32	-	-	162.47
OYO Midmarket Investments LLP	-	-	1,316.00	15.95	-	-	1,376.00
OYO OTH Investments LLP	-	-	131.00	32.79	-	-	83.02
OYO Midmarket Investments LLP	-	-	154.83	161.75	-	-	154.83
Pt. OYO Rooms (Indonesia)	-	-	347.62	70.48	-	-	347.62
OYO Technology & Hospitality FZ LLC (Dubai)	-	-	74.73	39.37	-	-	74.73
OYO Location Solutions LLC	-	-	2.67	-	-	-	2.67
OYO Life Real Estate LLC	-	-	0.05	-	-	-	0.05
OYO Technology & Hospitality (Thailand) Limited	-	-	65.23	16.50	-	-	65.23
OYO Hospitality & Information Technology (Shenzhen) Co Limited	-	-	249.55	66.36	-	-	249.55
OYO Technology & Hospitality Japan KK	-	-	32.35	8.01	-	-	32.35
OYO Retail Services (S) (Hunton) LTD	-	-	132.62	71.6	-	-	132.62
OYO Technology & Hospitality Philippines INC	-	-	118.80	30.35	-	-	118.80
OYO Technology and Hospitality (UAE) Limited	-	-	74.26	72.99	-	-	74.26
OYO Rooms and Hospitality UK Limited	-	-	117.07	-	-	-	117.07
OYO Stays Private S. de R.L. de C.V.	-	-	79.94	3.39	-	-	79.94
OYO Hotels Canada Inc	-	-	4.07	-	-	-	4.07
OYO Hotels Inc (USA)	-	-	418.61	43.09	-	-	418.61
OYO Rooms & Technology LLC	-	-	1.16	-	-	-	1.16
OYO Hotels Italy S.p.A.	-	-	0.06	-	-	-	0.06
OYO Technology & Hospitality Japan KK	-	-	79.50	13.26	-	-	79.50
OYO Hotels Japan KK	-	-	143.30	9.81	-	-	143.30
OYO Hospitality UZ Limited	-	-	26.66	-	-	-	26.66
OYO Hotels Germany GmbH	-	-	3.05	-	-	-	3.05
Guerrilla Infra Solution Private Limited	-	-	519.51	-	-	-	519.51
OYO Workspac India Private Limited	-	-	213.67	-	-	-	213.67
OYO Workspac India Private Limited	-	-	705.50	-	-	-	705.50
OYO Hotels Netherlands B.V.	-	-	255.65	-	-	-	255.65
OYO Technology & Hospitality LLC (Oman)	-	-	0.53	-	-	-	0.53
OYO Technology & Hospitality (Vietnam) LLC	-	-	55.16	-	-	-	55.16
OYO Hotels France SARL	-	-	0.04	-	-	-	0.04
OYO Travel Technology Co. (Saudi Arabia)	-	-	228.28	31.21	-	-	228.28
OYO Preco LLC	-	-	5.64	-	46.03	-	5.64
Mountains Developers and Hospitality Private Limited	-	-	-	-	1.07	-	1.07
Mountains Infrastructures Private Limited	-	-	-	-	5.05	-	5.05
Heeldeep Developers Private Limited	-	-	-	-	-	-	-

*inclusive of management fee amounting to INR 658.85 millions (refer note 22)

(d) Terms and conditions

Goods and services were sold to the related parties during the year based on the price lists in force / other appropriate basis, as applicable, and terms that would be available to third parties. Management fees were charged to subsidiary on cost basis.

All other transactions were made on normal commercial terms and conditions and at market rates.

All outstanding balances are unsecured and settled in cash, which are settled on receipt or provision of service by the parties



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.

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 non-financial asset

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model which are based on the budget for five years. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. Also, refer note 47(ii) for the impact of COVID-19 on non-financial assets.

b) Defined benefit liabilities (gratuity benefits)

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. For plans operated outside India, the management considers the interest rates of high quality corporate bonds in currencies consistent with the currencies of the post-employment benefit obligation with at least an 'AA' rating or above, as set by an internationally acknowledged rating agency, and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations is given in Note 31.

c) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values.

d) Determining the lease term with renewal and termination option:

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease and if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset) (Refer note 45).

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OYO Hotels and Homes Private Limited (Previously known as Alcott Town Planners Private Limited)

CIN: U74900GJ2015PTC107035

Notes to special purpose financial statements for the year ended 31 March 2020

(Amount in Indian Rupees Millions, unless stated otherwise)

35. Composite scheme of arrangement

The Board of Directors of the Holding company (Demerged Company) at its meeting held on 21 February 2019 had approved a Composite Scheme of Arrangement and subsequently filed with National Company Law Tribunal, Ahmedabad (NCLT) for demerger of its India Hotel Business (Demerged business) into the Company ("OYO Hotels and Homes Private Limited" or "Resulting Company"). The Composite Scheme of Arrangement approved by NCLT vide order dated 26 September 2019 with effective date as 1 November 2019, pronounced by NCLT. The said order was noted by the Board of Directors in their meeting held on 20 December 2019. The Hotel Business of the Holding company was demerged from the Demerged company and was transferred to OYO Homes and Hotels Private Limited (Resulting Company) with appointed date as 1 January 2018.

The Board of Directors of the Demerged Company and Resulting Company have determined the share entitlement ratio which is as follows:

- a. 1 (One) Equity Share of INR 10 each fully paid-up of OYO Hotels and Homes Private Limited for every 1 (One) Equity Share of INR 10 each fully paid up held in Demerged Company
- b. 1 (One) Compulsorily Convertible Preference share of INR 10 each fully paid-up of OYO Hotels and Homes Private Limited having terms mutatis mutandis with the term of Compulsorily Convertible Preference share issued by Oravel Stays Private Limited for every 1 (One) Preference Share of Class A of INR 10 each fully paid up held in Demerged Company
- c. 1 (One) Compulsorily Convertible Preference share of INR 100 each fully paid-up of OYO Hotels and Homes Private Limited having terms mutatis mutandis with the term of Compulsorily Convertible Preference share issued by Oravel Stays Private Limited for every 1 (One) Preference Share of Class A1 to E of INR 100 each fully paid up held in Demerged Company.

As per the Composite Scheme of Arrangement, all assets and liabilities of Demerged Business stand transferred to the Resulting Company from the appointed date. The employees of the Demerged Business were also moved to the Resulting Company and consequently the employee related benefits and all contracts and agreements in relation to them have been taken over by the Resulting Company. The Composite Scheme has accordingly been given effect to in the financial statements as on the appointed date.

Accounting of Merger as per Court approved scheme

Pursuant to the approved Composite Scheme, the Resulting Company shall account for merger in its books as per the applicable accounting principles prescribed under relevant Indian Accounting Standards (IndAS). It would inter alia include the following;

- a. Assets, Liabilities and Reserves of the Demerged company transferred to and vested in the Resulting Company shall be recorded at their carrying values as appearing in books of the Demerged company at the time of the merger effective date and in accordance with the requirements of relevant IndAS.
- b. The Resulting Company shall credit its share capital account in its books of account with the new shares issued pursuant to Composite Scheme to the shareholders of Demerged company.
- c. The difference, if any, between assets, liabilities and reserves transferred and the value of the new shares issued on merger by the Resulting Company shall be transferred to the capital reserve of Resulting Company.
- d. The Resulting Company is in the process of transferring the title of the assets and liabilities received under the Composite Scheme as on reporting date.

i) Consideration transferred (at the acquisition date book values)

Particulars	Amount
Cash	-
Share capital	11.37
	11.37

ii) Value of assets acquired and liabilities taken over from Demerged company as at the date of demerger (i.e. 1 January 2018) were:

Particulars	Amount
ASSETS	
Non-current assets	
Property, plant and equipment	105.67
Capital work in progress	0.01
Other intangible assets	1.53
Financial assets	
(i) Other financial assets	41.23
Other non-current assets	13.59
Total Non-current assets	162.03
 Current assets	
Inventories	18.68
Financial assets	
(i) Trade receivables	184.37
(ii) Cash and cash equivalents	159.77
(iii) Other financial assets	354.47
Other current assets	109.73
Total current assets	827.02
Total assets	989.05



OYO Hotels and Homes Private Limited (Previously known as Alcott Town Planners Private Limited)

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Notes to special purpose financial statements for the year ended 31 March 2020

(Amount in Indian Rupees Millions, unless stated otherwise)

EQUITY AND LIABILITIES

Equity
Other equity
Retained earnings
Total equity

(8,623.49)
(8,623.49)

LIABILITIES

Non-current liabilities
Long term provisions
Total non-current liabilities

26.86
26.86

Current liabilities

Financial liabilities
(i) Borrowings
(ii) Trade payables
(iii) Other financial liabilities
Short term provisions
Other current liabilities
Total current liabilities
Total liabilities
Total equity and liabilities

43.48
854.37
50.63
16.00
157.16
1,121.64
1,148.50
(7,474.99)

Total net identifiable assets at book value

8,464.05

iii] Capital reserve arising on demerger

Particulars	Amount
Purchase consideration	11.37
Less: Book value of net identifiable assets acquired	<u>(8,464.05)</u>
	<u>(8,452.68)</u>

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36. 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 2020	As at 31 March 2019
Amount due and payable at the year end		
- Principal	15.26	34.00
- Interest on above principal	0.23	0.01
Payments made during the year after the due date		
- Principal	116.95	106.89
- Interest	1.30	-
Interest due and payable for principals already paid	1.30	1.11
Total Interest accrued and remained unpaid at year end	1.53	0.23

37. Transfer of property, plant and equipment

During the previous year ended 31 March 2019, the Company had entered into agreement with OYO OTH Investment I LLP and OYO Midmarket Investment LLP (the fellow subsidiary companies) for transfer of certain property, plant and equipments. However, the Company was not able to transfer all assets before the previous year end, which has been transferred during the current year.

38. Unhedged foreign currency exposure

The Company does not use derivative financial instruments such as forward exchange contracts or options to hedge its risks associated with foreign currency fluctuations or for trading/speculation purpose.

The amount of foreign currency exposure not hedged by derivative instruments or otherwise is as under:

	As at 31 March 2020	As at 31 March 2019
Loan & advances		EURO 5,940 @ INR 77.75 per Euro (INR 0.46 Mn)
Trade payable	USD 7,177,526 @ INR 74.35 per USD (INR 533.65 Mn)	

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OYO Hotels and Homes Private Limited (Previously known as Alcott Town Planners Private Limited)

CIN: U74900GJ2015PTC107035

Notes to special purpose financial statements for the year ended 31 March 2020

(Amount in Indian Rupees Millions, unless stated otherwise)

39. Fair values

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

	Carrying value		Fair value	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Financial assets measured at fair value through profit and loss				
Investment in mutual funds	327.41	176.47	327.41	176.47
Other financial assets measured at amortized cost				
Security deposits	47.71	36.68	47.71	36.68
Total	375.13	213.15	375.13	213.15

	Carrying value		Fair value	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Financial liabilities measured at amortized cost				
Borrowings	-	328.26	-	328.26
Lease liabilities	658.22	-	658.22	-
Total	658.22	328.26	658.22	328.26

The management assessed that cash and cash equivalents, long term deposits with banks, unbilled revenue, recoverable from group companies, trade receivables, employee related payables, trade payables and borrowings approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Receivables/Borrowings are evaluated by the company based on parameters such as interest Rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

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40. Fair value hierarchy

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 2020:

	Date of valuation	Total	Fair value measurement using				
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)		
Financial assets							
Financial assets and liabilities measured at fair value through profit or loss (FVTPL)							
Investment in mutual funds	31 March 2020	327.41	327.41	-	-		

There are no transfers between levels 1, 2 and 3 during the year.

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2019:

	Date of valuation	Total	Fair value measurement using				
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)		
Financial assets							
Financial assets and liabilities measured at fair value through profit or loss (FVTPL)							
Investment in mutual funds	31 March 2019	176.47	176.47	-	-		

There are no transfers between levels 1, 2 and 3 during the year.

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

Specific valuation techniques used to value financial instrument include:

The different level has been defined as follows:

Specific valuation techniques used to value financial instrument include:

- (i) Quoted prices (unadjusted) in active market for identical assets and liabilities
- (ii) Input other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices)
- (iii) Input for the assets or liabilities that are not based on observable market data (unobservable input)

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41. Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade payables, employee liabilities and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include trade and other receivables and cash and short-term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is responsible to ensure that Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

Market risk

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

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 31 March 2020 and 31 March 2019, foreign currency exposure is not hedged by a derivative instrument.

Foreign currency sensitivity

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

	Impact on profit and loss		
	Change in Exchange rate	For the year ended 31 March 2020	For the year ended 31 March 2019
USD sensitivity	+5%	26.68	-
	-5%	(26.68)	-
EURO sensitivity	+5%	-	0.02
	-5%	-	(0.02)

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

Trade receivables

Customer credit risk is managed as per the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed below. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions.

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Finance Committee. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

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.

	0 to 1 year	More than 1 year	Total
As at 31 March 2020			
Trade payables	46,189.61	-	46,189.61
Lease liabilities	351.69	306.53	658.22
Other financial liabilities	659.70	-	659.70
	47,200.99	306.53	47,507.53
As at 31 March 2019			
Borrowings	328.26	-	328.26
Trade payables	12,339.82	-	12,339.82
Other financial liabilities	316.28	-	316.28
	12,984.36	-	12,984.36

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. The Company is not exposed to excessive concentration since the customers of the Company are not engaged in similar business activities. The Company derives its revenues and corresponding trade receivables from a large number of customers scattered in different geographical locations.



42. 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. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, financial liabilities, interest bearing loans and borrowings, less cash and cash equivalents. There are no financial covenants attached to interest-bearing loans and borrowings that define capital structure requirements.

	As at 31 March 2020	As at 31 March 2019
Total financial liabilities	47,507.53	12,984.35
Less: cash and cash equivalents	403.46	210.55
Net debt	<u>47,104.08</u>	<u>12,773.80</u>
Total equity	(36,630.36)	(5,656.56)
Gearing ratio	450%	179%

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.

43. During the year ended 31 March 2020, the Company changed its name from Alcott Town Planners Private Limited to OYO Hotels and Homes Private Limited w.e.f. 15 July 2019 post approval of the Board of Directors and the Shareholder through Extra Ordinary General Meeting (EOGM) conducted on 5 July 2019.

44. Segment reporting

Ind AS 108 establishes standards for the way that companies report information about operating segments and related disclosures about products and services and major customers. The Company's operations predominantly relate to providing of accommodation service. Although the Company's segments as reviewed by Chief Operating Decision Maker (CODM) are accommodation services and food services, the food services is not capable of generating revenue on its own and is only incidental to the accommodation revenue. Hence, the food segment does not meet the criteria for operating segment under which an entity that engages in business activities from which it may earn revenues and incur expenses since its revenue is entirely dependent only if the Company earns accommodation revenue. Accordingly, the amounts appearing in the financial statements relate to the Company's single business segment. Further, as 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.

45. Leases

The Company has lease contracts for buildings and hotel properties. Leases of buildings generally have lease terms between 1 and 4 years, while hotel properties generally have lease terms between 1 and 4 years. Generally, the Company is restricted from assigning and subleasing the leased assets and some contracts require the Company to maintain certain financial ratios. The Company also has certain leases with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

Amount recognised in Balance sheet

Particulars	31 March 2020
Right-of-use asset	690.17

Maturity analysis of lease liabilities as on 31 March 2020

	Minimum lease payment	Present value of minimum lease payment
Not later than one year	325.65	306.53
Later than one year but not later than five years	354.70	351.69
Total minimum lease payment	680.35	658.22
Less: amount representing interest	22.13	
Present value of minimum lease payment payable	<u>658.22</u>	<u>658.22</u>

Included in balance sheet as follows:

-Long term maturities of lease obligation	306.53
-Current maturities of lease obligation	351.69

Amount recognised in profit & loss account

Particulars	31 March 2020
Depreciation charge on right-of-use assets	7,462.64
Interest expense	2,844.88
Expense related to short term leases	1,211.41
Total	11,518.93

The Company has lease contracts for Hotel properties that contains variable payments based on the monthly used room nights (URN). The following provides information on the Company's variable lease payments, including the magnitude in relation to fixed payments:

Particulars	Fixed payment	Variable payment	Total
Fixed rent	1,583.13	-	1,583.13
Variable rent with minimum payment	-	-	-
Variable rent only	<u>1,583.13</u>	<u>34,209.38</u>	<u>35,792.51</u>

46. The Parent company provides share-based payment schemes to its own employees and employees of subsidiary companies, pursuant to which, employee stock options has been granted to some of the employee of the Company.

The management is of the opinion that the stock option scheme of Parent Company is managed and administered for its own benefit and do not have any settlement obligations on the Company. Further, the aforesaid scheme pertain to shares of the parent company and the impact of compensation benefits in respect of such schemes is assessed and accounted for in the books of the respective company. During the year ended 31 March 2020, the Company has recognised expenses amounting to INR 25.33 million (31 March 2019: Nil) in accordance with the said arrangement.



47. Exceptional items**(i) Restructuring cost**

During January 2020, the Company announced its plan to restructure certain operations ('the plan') of its self operating hotels. The plan is expected to deliver cost efficiencies in long term and entails reduction of certain operating cost, termination of employees, realignment of corporate resources and terminations of lease / other contracts.

Due to implementation of this plan, certain additional costs relating to early exit/termination of contracts, write down of inventory/ other assets and employee related severance/other costs of INR 3,589 million have been recorded as exceptional cost (refer table below) which is based on management estimates from the date of announcement through approval of these financial statements.

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

The spread of the new coronavirus has caused an unprecedented health and economic crisis across the world. In the beginning of year 2020, governments globally implemented some form of lockdowns, and placed various restrictions for businesses relating to inter and intra country travel. These restrictions and requirements of social distancing have impacted various types of businesses worldwide including Company's businesses. The government orders caused hotels associated with the Company to suspend their businesses for a certain period of time.

The Company has responded to the crisis with agility and has taken several strategic and decisive actions including cost reduction and restructuring initiatives. Based on current progress, the management does not foresee any stress on the Company's liquidity, as the Company either have access to sufficient unutilised sanctioned borrowing facilities for working capital requirements or have sufficient cash and cash equivalents and other bank balances as on 31 March 2020.

The management has also assessed the potential impact of COVID-19 on the carrying value of property, plant & equipment, right of use assets, intangible assets, investment property, investments, trade receivables, inventories, and other current assets appearing in the financial statements of the Company as on 31 March 2020. Based on current indicators of future economic conditions, the carrying amounts of these assets have been adjusted and the remaining carrying value is fully realisable.

Below table summarises the exceptional losses due to re-structuring and Covid 19:

	Note	Restructuring	COVID 19	For the year ended 31 March 2020 (in millions)
Impairment of property, plant and equipment	Note 3	2,097.34	630.65	2,727.99
Other financial assets*	Note 7A and 7B	685.21	1,655.64	2,340.85
Inventories**	Note 9	175.46	193.39	368.85
Trade receivable	Note 11	-	781.98	781.98
Other assets***	Note 10B	55.58	725.71	781.29
Trade payable****	Note 19	-	4,631.70	4,631.70
Other financial liabilities	Note 17B	-	72.82	72.82
Severance and employee related costs	Note 24	575.41	-	575.41
Gain on derecognition of finance lease liabilities		-	(2,625.67)	(2,625.67)
Total		3,589.00	6,066.23	9,655.23

*Includes write off of other financial assets amounting to INR 770.22 million

**Includes write off of inventory amounting to INR 131.96 million

***Includes write off of other assets amounting to INR 425.00 million

****comprises of provision amounting to INR 3,733.45 million, INR 566.97 million, INR 180.00 million and INR 151.28 millions towards onerous contracts, termination/exit of lease contract with hotel partners, rental payment for the month of March'20 and Other vendor accruals due to contract cancellations respectively due to COVID 19.

The management does not anticipate any further significant adjustment in carrying values of assets and liabilities in these financial statements. However, these evaluations are based on scenario based analysis carried out by the management and internal and external information available up to the date of approval of these results. The impact of COVID 19 may differ from that estimated as at the date of approval of these financial statements. The company will continue to monitor any future changes to the business and financial statements due to COVID-19.

48. Transfer pricing

The company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulation under section 92-92F of the Income tax Act 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documentation for the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by its due date. The management is of the opinion that its international/domestic transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

49. The social security 2020 (Code), which received the President Assent on September 28, 2020 subsumes nine laws relating to social security retirement and employee benefits, including the Employee Provident Fund and Miscellaneous Provisions Act, 1952 and Payment of Gratuity Act, 1972. The effective date of the code is yet to be notified. The Company will assess and record the impact of the Code, if any, when it comes into effect.

50. Subsequent events

Subsequent to year end, there are no events requiring adjustments or disclosures in these financial statements.

51. The Company has significant accumulated losses aggregating to INR 46,888 million (31 March 2019: INR 15,888.87 million) as at the year-end against shareholder's fund of INR 10,257.63 million (31 March 2019: INR 10,232.3 million). The management is meeting its short term funding requirements through operational inflows and fund support from the parent. Accordingly, management considered it appropriate to prepare these accounts on a going concern basis.

52. Previous year

The previous year's figures have been re-grouped/reclassified, where necessary to conform to current year's classification.

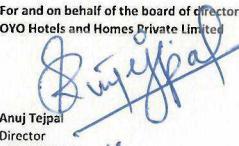
For S.R. Batliboi & Associates LLP
Firm Registration No.: 101049W/E300004
Chartered Accountants


per Yogesh Midha
Partner
Membership No. 94941



Place: Gurugram
Date: 17 December 2020

For and on behalf of the board of directors of
OYO Hotels and Homes Private Limited


Anuj Tejpal
Director
DIN: 07505290


Shivam Kumar
Company Secretary
M. No: 37514


Rakesh Kumar
Director
DIN: 03450221

Place: Gurugram
Date: 17 December 2020

