

**INDEPENDENT AUDITOR'S REPORT****To The Members of GMR Hospitality Limited****Report on the Audit of Financial Statements****Opinion**

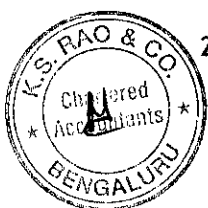
1. We have audited the accompanying financial statements of M/s. **GMR Hospitality Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the material accounting policies and other explanatory information (hereinafter referred to as "financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements for the year ended March 31, 2024 give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at March 31, 2024, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion:

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

Information Other than the Financial Statements and Auditor's Report thereon:

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.



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Head Office: Hyderabad; Branches: New Delhi, Chennai and Vijayawada

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

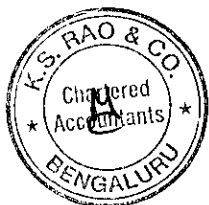
When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements:

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, the management and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered



material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- (i) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - (ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - (iv) 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.
 - (v) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
11. 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.



12. 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:

13. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the company has not paid any remuneration during the year.

14. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013, we give in "Appendix - A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
15. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) On the basis of written representations received from the directors as on March 31, 2024 taken on record by the board of directors, none of the directors are disqualified as on March 31, 2024 from being appointed as directors in terms of section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Appendix-B". Our report expresses an unmodified opinion on the



adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

g) 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. There are no pending litigations having impact on financial statements of the Company as on March 31, 2024.

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

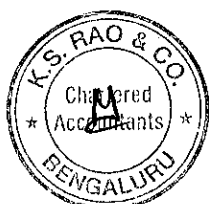
iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024.

iv.

a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

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

c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.



- v. During the year, the Company has not declared any dividend.
- vi. Based on our examination, the Company, has used accounting software's for maintaining its books of account which has a feature of recording audit trail (edit log) facility except for the billing software used by the Company against which the implication of audit trail is in progress. Additionally, the accounting software i.e. Navision software, certain master data creation such as vendor creation, PO creation, and GL creation, does not have audit trail feature enabled.

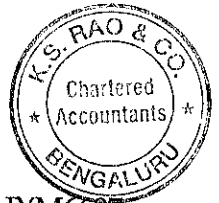
The audit trail facility has been operating throughout the year for all other relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

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

For K.S. Rao & Co.,
Chartered Accountants
ICAI Firm Registration No: 003109S

H. S. Rao

Sudarshana Gupta M S
Partner
Membership No. 223060
UDIN No: 24223060BKAJYM6607



Place: New Delhi
Date: 17 May, 2024

Appendix - A to the Independent Auditor's Report

The Appendix referred to in Independent Auditor's Report to the members of the Company on the financial statements for the year ended March 31, 2024, we report that:

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment ('PPE').
(B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The Company has the program of physical verification of PPE so to cover all the assets once every three years and to deal with material discrepancies identified on such verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, the Company has physically verified certain property, plant and equipment during the year and is in the process of tagging those assets. No material discrepancies were noticed on physical verification which have been dealt with in the books of account.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company doesn't own any immovable properties in the name of the Company other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee.
 - (d) The Company has not revalued any of its Property, Plant and Equipment and intangibles during the year.
 - (e) Accordingly to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
(b) As per the information and explanations provided to us, the Company has not availed loan towards working capital requirements in excess of five Crores on the basis of security of current assets and movable assets. Accordingly, reporting under clause 3(ii)(b) of the order is not applicable.



- (iii) The Company has not made investments in, companies, firms, Limited Liability partnerships, and granted loans and advances in the nature of loans to other parties and Accordingly, reporting under clause 3(iii) (a) to (f) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has no loans, investments, guarantee and security which meets the requirements of section 185 and 186 of the Act and Accordingly, reporting under clause 3(iv) of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted deposits and does not have any unclaimed deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of the clause 3 (v) of the Order are not applicable.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) a) According to the information and explanations given to us and according to the records as produced and examined by us, in our opinion, the Company is regular in depositing with appropriate authorities the undisputed statutory dues including provident fund, employee's state insurance, income tax, goods and service tax, customs duty, cess and other material statutory dues, as applicable, and there are no arrears of outstanding statutory dues as at March 31, 2024 for a period of more than six months from date they become payable.
- b) According to the information and explanations given to us, there are no dues in respect of income tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty, cess which have not been deposited on account of dispute.
- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) According to the information and explanations provided to us, the Company has not defaulted in repayment of dues to the financial institution, banks or any lender.
- (b) According to the information and explanations provided to us, the Company has not been declared wilful defaulter by any bank or financial institution or other lender;
- (c) In our opinion and according to the information and explanations given to us, money raised by the way of term loans were applied for the purposes for which these were obtained, though idle /surplus funds which were not required for immediate utilisation have been invested in readily realisable liquid investments.
- (d) During the year, the Company has not raised funds on short-term basis, accordingly, reporting under clause 3 (ix)(d) is not applicable.
- (e) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting on clause 3(ix)(e) is not applicable.



- (f) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting on clause 3(ix)(f) is not applicable.
- (x) (a) According to the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and hence the reporting under clause 3 (x)(a) is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares. Accordingly, reporting under clause 3(x)(b) is not applicable.
- (xi) (a) 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 fraud on the Company by the officers and employees of the Company has been noticed or reported during the period.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) According to the information and explanations provided to us, during the year, the Company has not received any whistle blower complaints.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, 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, transactions with the related parties are in compliance with section 177 and 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.
- (xiv) According to the information and explanations given to us and on an overall examination of the books of account.
- (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him as referred to in section 192 of companies Act, 2013. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) of the Order is not applicable.

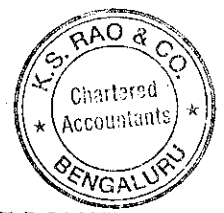


- (b) In our opinion, the Company is not conducting any Non-Banking Financial or Housing Finance activities. Hence, reporting under clause 3(xvi) (b) of the Order is not applicable.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by RBI. Accordingly, the provisions stated in paragraph 3(xvi)(c) of the Order are not applicable to the Company.
- (d) According to the information explanation provided to us, the group has two CIC as a part of its group.
- (xvii) The Company has incurred cash losses amounting to Rs. 327.74 Lakhs during the financial year covered or and also incurred cash losses amounting Rs.107.03 Lakhs in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The provisions with respect to Corporate Social Responsibility (CSR) are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.
- (xxi) The reporting under clause 3(xxi) is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For K.S. Rao & Co.,
Chartered Accountants
ICAI Firm Registration No: 003109S

H.S. 2024

Sudarshana Gupta M S
Partner
Membership No. 223060
UDIN No: 24223060BKAJYM6607



Place: New Delhi
Date: 17 May, 2024

Appendix - B to the Independent Auditors' Report**Independent Auditor's Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statements of M/s. GMR Hospitality Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 ('Act').

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls with reference to financial statements.

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements includes those policies and procedures that,

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

Inherent Limitations of Internal Financial Controls with reference to financial statements.

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

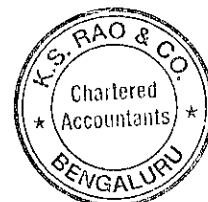
Opinion

In our opinion the best of our information and according to the explanations given to us,, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For K.S. Rao & Co.,
Chartered Accountants
ICAI Firm Registration No: 0031095

H.S. 2024

Sudarshana Gupta M S
Partner
Membership No. 223060
UDIN No: 24223060BKAJYM6607



Place: New Delhi
Date: 17 May, 2024

GMR Hospitality Limited (CIN U55101HR2022PLC105440)
Balance Sheet as at 31st March 2024
(All amounts are in Rs. Lakhs, except for share data and if otherwise stated)

| Particulars | Note No. | As At 31 March 2024 | As At 31 March 2023 |
|--|-----------|------------------------|------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 3 | 1,737.21 | 333.17 |
| Capital work-in-progress | 4 | 68.24 | 142.64 |
| Intangible assets | 3a | 13.25 | 6.98 |
| Financial assets | 5 | 822.28 | 10.00 |
| Deferred tax assets (net) | 6 | 161.62 | 28.81 |
| Other non-current assets | 7 | 695.31 | 146.59 |
| Income tax assets (net) | 6 | 3.41 | 1.18 |
| Total non-current assets | | 3,501.32 | 669.37 |
| Current assets | | | |
| Inventories | 8 | 42.48 | 20.24 |
| Financial assets | | | |
| i. Trade receivables | 9 | 2.93 | 4.47 |
| ii. Cash and cash equivalents | 10 | 2,193.44 | 447.87 |
| iii. Other financial assets | 5 | 10.68 | 23.21 |
| Other current assets | 7 | 68.15 | 12.84 |
| Total current assets | | 2,317.68 | 508.63 |
| Total assets | | 5,819.00 | 1,178.00 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity share capital | 11 | 3,510.00 | 810.00 |
| Other equity | | (402.31) | (85.72) |
| Total equity | | 3,107.69 | 724.28 |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| i. Borrowings | 12 | 1,278.53 | - |
| ii. Other financial liabilities | 13 | 32.24 | - |
| Provisions | 14 | 26.36 | 4.93 |
| Other non-current liabilities | 15 | - | - |
| Total non-current liabilities | | 1,337.13 | 4.93 |
| Current liabilities | | | |
| Financial liabilities | | | |
| i. Borrowings | 12 | 153.42 | - |
| ii. Other financial liabilities | 13 | 717.63 | 171.08 |
| iii. Trade payables | | | |
| (a) total outstanding dues of micro enterprises and small enterprises; and | 16 | 28.98 | 26.56 |
| (b) total outstanding dues of creditors other than micro enterprises and small | 16 | 391.54 | 214.69 |
| Provisions | 14 | 0.22 | 0.12 |
| Other current liabilities | 15 | 82.39 | 26.34 |
| Total current liabilities | | 1,374.18 | 448.79 |
| Total liabilities | | 2,711.31 | 453.72 |
| Total equity and liabilities | | 5,819.00 | 1,178.00 |
| Summary of material accounting policies | 1, 2 & 2b | | |

The accompanying notes are an integral part of the audited financial Statements.
This is the audited balance sheet referred to in our report of even date.

As per our report of even date
For K.S. Rao & Co.
ICAI Firm Registration No. : 003109S
Chartered Accountants

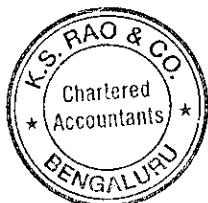
For and on behalf of the Board of Directors of
GMR Hospitality Limited

M.S.S. Gupta

Sudarshana Gupta M S
Partner
Membership no.: 223060
Place: New Delhi
Date: 17th May 2024

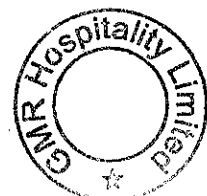
Gadi Radha Krishna Babu
Director
DIN: 02390866
Place: New Delhi
Date: 17th May 2024

Rajesh Kumar Arora
Director
DIN: 03174536
Place: New Delhi
Date: 17th May 2024



Sahil Mittal
CFO
PAN: BDJPM5649A
Place: New Delhi
Date: 17th May 2024

NVK Rao
Company Secretary
PAN: AVOPR7153C
Place: New Delhi
Date: 17th May 2024



GMR Hospitality Limited (CIN U55101HR2022PLC105440)
Statement of Profit and Loss for the year ended 31st March 2024.
(All amounts are in Rs. Lakhs, except for share data and if otherwise stated)

| Particulars | Note No. | For the year ended 31 March 2024 | For the period from 25th July 2022 to 31st March 2023 |
|--|----------|-------------------------------------|--|
| Income | | | |
| Revenue from operations | 17 | 3,203.70 | 450.85 |
| Other income | 18 | 47.11 | 12.94 |
| Total income | | 3,250.81 | 463.79 |
| EXPENSES | | | |
| Cost of materials consumed | 19 | 705.78 | 134.41 |
| Employee benefits expense | 20 | 1,170.20 | 175.33 |
| Concession fees | 21 | 739.74 | 101.08 |
| Other expenses | 22 | 850.06 | 159.97 |
| Total expenses | | 3,465.78 | 570.79 |
| Earnings/(loss) before finance cost, tax, depreciation and amortisation expenses (EBITDA) and exceptional items | | (214.97) | (107.00) |
| Finance costs | 23 | 116.32 | 0.03 |
| Depreciation and amortisation expense | 24 | 116.36 | 7.50 |
| | | 232.68 | 7.53 |
| Profit/(Loss) before tax and exceptional items | | (447.65) | (114.53) |
| Tax expense | | | |
| Current tax | | | |
| Deferred tax | | (132.37) | (28.81) |
| Total tax | | (132.37) | (28.81) |
| (Loss) for the period | | (315.28) | (85.72) |
| Other comprehensive income | | | |
| Other comprehensive income not to be reclassified to profit or loss: | | | |
| Re-measurement loss on defined benefit plans | | (1.74) | - |
| Income tax effect | | (0.44) | - |
| Other comprehensive income for the period, net of tax | | (1.30) | - |
| Total comprehensive income for the period, net of tax | | (316.58) | (85.72) |
| Earnings per equity share [nominal value of Rs. 10 each] | | | |
| Basic, computed on the basis of (loss) for the period attributable to equity holders of the Company | 25 | (1.96) | (1.78) |
| Diluted, computed on the basis of (loss) for the period attributable to equity holders of the Company | 25 | (1.96) | (1.78) |
| Summary of material accounting policies | 1,7 & 2b | | |

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

This is the audited statement of profit and loss referred to in our report of even date.

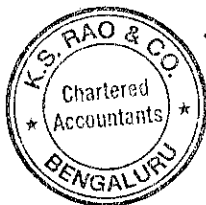
As per our report of even date
For K.S. Rao & Co.
Firm Registration Number : 0031095
Chartered Accountants

For and on behalf of the Board of Directors of
GMR Hospitality Limited

Sudarshana Gupta M S
Partner
Membership no.: 223060
Place: New Delhi
Date: 17th May 2024

Gadi Rudra Krishna Babu
Director
DIN: 02390866
Place: New Delhi
Date: 17th May 2024

Rajesh Kumar Arora
Director
DIN: 03174536
Place: New Delhi
Date: 17th May 2024



Sahil Mittal
CFO
PAN: BDJPM5649A
Place: New Delhi
Date: 17th May 2024

SVK Rao
Company Secretary
PAN: AVOPR7153C
Place: New Delhi
Date: 17th May 2024



GMR Hospitality Limited (CIN U55101HR2022PLC105440)
Statement Cash Flows for the year ended 31st March 2024.

| Particulars | (in Rs. Lakhs) | |
|---|---|--|
| | For the year ended 31 March 2024 | For the period from 25th July 2022 to 31st March 2023 |
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| (Loss) before tax | (447.65) | (114.53) |
| Adjustment to reconcile profit before tax to net cash flows | | |
| Depreciation and amortisation expense | 116.36 | 7.50 |
| Interest costs | 116.32 | - |
| Interest income on Security Deposit | (3.74) | - |
| Interest income from bank deposits | (14.31) | (12.00) |
| Fair Value gain on current investments realised | (1.63) | - |
| Fair Value gain on current investments | (25.71) | - |
| Interest Expenses on Security Deposit | 7.30 | - |
| Operating (loss) before working capital changes | (253.06) | (119.03) |
| Movements in working capital : | | |
| (Increase) in trade receivables | 0.49 | (4.47) |
| (Increase) in inventories | (22.24) | (20.24) |
| Increase in other financial assets and other assets | (1,138.32) | (46.05) |
| Increase in trade payables, other financial liabilities and other liabilities | 830.87 | 285.93 |
| Movements in working capital | (329.20) | 215.17 |
| Cash in operations | (581.22) | 96.14 |
| Direct taxes paid (net of refunds) | (2.23) | (1.18) |
| Net cash from operating activities (A) | (583.45) | 94.96 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment (including capital work in progress and capital advances) | (1,736.88) | (468.91) |
| Movement in bank deposits (with maturity more than three months) | (1.38) | - |
| Interest received | 14.06 | 11.82 |
| Net Gain on Sale of Investment | 27.34 | - |
| Net cash from investing activities (B) | (1,696.85) | (457.09) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from term loans | 1,431.95 | - |
| Repayment of borrowings (including current maturities) | - | - |
| Interest paid | (55.44) | - |
| Other finance costs | (50.62) | - |
| Interim dividend paid on equity shares (including tax on dividend) | - | - |
| Proceeds from issue of shares | 2,700.00 | 810.00 |
| Net cash flow generated from financing activities (C) | 4,025.89 | 810.00 |
| Net increase in cash and cash equivalents (A+B+C) | 1,745.59 | 447.87 |
| Cash and cash equivalents at beginning of the period | 447.88 | - |
| Cash and cash equivalents at end of the period | 2,193.44 | 447.88 |
| Components of cash and cash equivalents | For the year ended 31 March 2024 | For the period from 25th July 2022 to 31st March 2023 |
| Cash and cash equivalents as at the end of the period | | |
| Cash on hand | 18.85 | 3.00 |
| Balance with banks: | | |
| - On current accounts | 475.61 | 44.87 |
| - Deposit with original maturity of less than 3 months | 1,698.98 | 400.00 |
| Total cash and cash equivalents at the end of the period | 2,193.44 | 447.88 |
| Summary of material accounting policies | 1,2 & 26 | |

This is the audited Statement of Cash Flows referred to in our report of even date.

As per our report of even date
For K.S. Rao & Co.
Firm Registration Number : 003109S
Chartered Accountants

H.S. 2024
Sudarshana Gupta M S
Partner
Membership no.: 223060
Place: New Delhi
Date: 17th May 2024



For and on behalf of the Board of Directors of
GMR Hospitality Limited

Gadi Radha Krishna Babu
Director
DIN: 02390866
Place: New Delhi
Date: 17th May 2024

Sahil Mittal
CFO
PAN: BDJPM5649A
Place: New Delhi
Date: 17th May 2024

Rajesh Kumar Arora
Director
DIN: 03174536
Place: New Delhi
Date: 17th May 2024

NVK Rao
Company Secretary
PAN: AVOPR7153C
Place: New Delhi
Date: 17th May 2024



GMR Hospitality Limited (CIN U55101HR2022PLC105440)
Notes to financial statements for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, except for share data and if otherwise stated)

A. Equity share capital
1. As at March 31, 2024

| Balance as at April 2023 | Changes during the current period | Balance as at March 31, 2024 |
|--------------------------|-----------------------------------|------------------------------|
| 8,100,000 | 27,000,000 | 35,100,000 |

2. As at March 31, 2023

| July 25, 2022 (Date of incorporation) | Changes during the current period | Balance as at March 31, 2023 |
|---------------------------------------|-----------------------------------|------------------------------|
| - | 8,100,000 | 8,100,000 |

B. Other equity

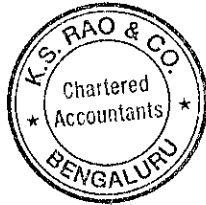
| Particulars | Reserve and Surplus Retained Earnings |
|---|--|
| At 1 April 2023 | (85.72) |
| (Loss) for the period | (315.28) |
| Other comprehensive income for the period, net of income tax * | (1.30) |
| Total comprehensive income for the period | (316.58) |
| At 31 March 2024 | (402.31) |

| Particulars | Reserve and Surplus Retained Earnings |
|---|--|
| 25th July 2022 (Date of incorporation) | - |
| (Loss) for the period | (85.72) |
| Total comprehensive income for the period | (85.72) |
| At 31 March 2023 | (85.72) |

* Other comprehensive income represents remeasurement of the defined benefit plans (net of tax).
This is the audited statement of changes in equity referred to in our report of even date.

As per our report of even date
For K.S. Rao & Co.
Firm Registration Number : 003109S
Chartered Accountants

H.S. 20
Sudarshana Gupta M S
Partner
Membership no.: 223060
Place: New Delhi
Date: 17th May 2024



For and on behalf of the Board of Directors of
GMR Hospitality Limited

Gadi Radha Krishna Babu
Director
DIN: 02390866
Place: New Delhi
Date: 17th May 2024

Satish Mittal
CFO
PAN: BDJPM5649A
Place: New Delhi
Date: 17th May 2024

Rajesh Kumar Arora
Director
DIN: 03174536
Place: New Delhi
Date: 17th May 2024

NVK Rao
Company Secretary
PAN: AVOPR7153C
Place: New Delhi
Date: 17th May 2024



GMR Hospitality Limited (CIN U55101HR2022PLC105440)
Notes to financial statements for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, except for share data and if otherwise stated)

3 Property, plant and equipment

As at 31 March 2024

| Particulars | Leasehold improvements | Equipment | Furniture and fixtures | Computers | Vehicles | Smallware | Total | Capital Work In progress |
|--|------------------------|-----------|------------------------|-----------|----------|-----------|----------|--------------------------|
| Cost or valuation | | | | | | | | |
| At 1 April 2023 | 205.69 | 116.79 | 0.67 | 7.96 | - | 9.47 | 340.58 | 142.64 |
| Additions | 973.09 | 488.86 | 61.53 | 103.24 | - | 47.82 | 1,674.54 | 572.80 |
| Disposal | - | - | - | - | - | - | - | - |
| Disposal/Adjustment | (139.55) | (8.45) | - | (5.08) | - | (2.14) | (155.22) | (5.85) |
| Capitalised/ Transfer to Property, plant and equipment | - | - | - | - | - | - | - | (641.36) |
| As at 31 March 2024 | 1,039.23 | 597.20 | 62.20 | 106.12 | - | 55.15 | 1,859.90 | 68.24 |
| Accumulated depreciation | | | | | | | | |
| At 1 April 2023 | 4.45 | 2.02 | 0.00 | 0.18 | - | 0.76 | 7.42 | - |
| Charge for the period | 55.20 | 35.83 | 2.93 | 12.86 | - | 8.45 | 115.27 | - |
| Disposal | - | - | - | - | - | - | - | - |
| Capitalised/ Transfer to Property, plant and equipment | - | - | - | - | - | - | - | - |
| As at 31 March 2024 | 59.66 | 37.85 | 2.93 | 13.04 | - | 9.21 | 122.69 | - |
| Net book value as at 31 March 2024 | 979.58 | 559.35 | 59.27 | 93.08 | - | 45.94 | 1,737.21 | 68.24 |
| Net book value as at 31 March 2023 | 201.24 | 114.77 | 0.67 | 7.78 | - | 8.71 | 333.17 | 142.64 |

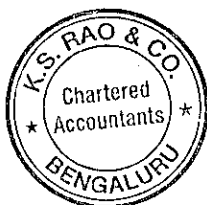
As at 31 March 2023

| Particulars | Leasehold improvements | Equipment | Furniture and fixtures | Computers | Vehicles | Smallware | Total | Capital Work In progress |
|------------------------------------|------------------------|-----------|------------------------|-----------|----------|-----------|--------|--------------------------|
| Cost or valuation | | | | | | | | |
| At 01 April 2022 | - | - | - | - | - | - | - | - |
| Addition | 205.69 | 116.79 | 0.67 | 7.96 | - | 9.47 | 340.58 | 142.64 |
| Disposal / Adjustment | - | - | - | - | - | - | - | - |
| At 31 March 2023 | 205.69 | 116.79 | 0.67 | 7.96 | - | 9.47 | 340.58 | 142.64 |
| Accumulated depreciation | | | | | | | | |
| At 01 April 2022 | - | - | - | - | - | - | - | - |
| Charge for the year | 4.45 | 2.02 | 0.00 | 0.18 | - | 0.76 | 7.42 | - |
| Disposal | - | - | - | - | - | - | - | - |
| At 31 March 2023 | 4.45 | 2.02 | 0.00 | 0.18 | - | 0.76 | 7.42 | - |
| Net book value as at 31 March 2023 | 201.24 | 114.77 | 0.67 | 7.78 | - | 8.71 | 333.17 | 142.64 |

3a. Intangible assets

| Particulars | Franchisee Rights | Software | Total |
|------------------------------------|-------------------|----------|-------|
| Cost or valuation | | | |
| At 1 April 2023 | 5.02 | 2.04 | 7.06 |
| Additions | 4.90 | 2.47 | 7.37 |
| As at 31 March 2024 | 9.92 | 4.51 | 14.43 |
| Accumulated depreciation | | | |
| At 1 April 2023 | - | 0.08 | 0.08 |
| Charge for the period | 0.64 | 0.45 | 1.09 |
| Disposal | - | - | - |
| As at 31 March 2024 | 0.64 | 0.53 | 1.17 |
| Net book value as at 31 March 2024 | 9.28 | 3.98 | 13.25 |
| Net book value as at 31 March 2023 | 5.02 | 1.96 | 6.98 |

| Particulars | Franchisee Rights | Software | Total |
|------------------------------------|-------------------|----------|-------|
| Cost or valuation | | | |
| At 1 April 2022 | | | |
| Additions | 5.02 | 2.04 | 7.06 |
| Disposal | - | - | - |
| At 31 March 2023 | 5.02 | 2.04 | 7.06 |
| At 1 April 2022 | - | - | - |
| Charge for the year | - | 0.08 | 0.08 |
| Disposal / Adjustment | - | - | - |
| At 31 March 2023 | - | 0.08 | 0.08 |
| Net book value as at 31 March 2023 | 5.02 | 1.96 | 6.98 |



GMR Hospitality Limited (CIN U55101HR2022PLC105440)
Notes to financial statements for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, except for share data and if otherwise stated)

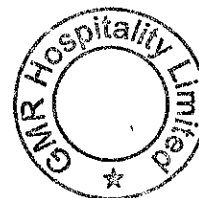
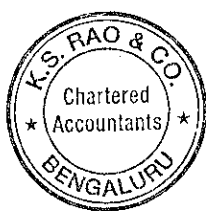
4. Capital Work in Progress (CWIP) ageing schedule

For Capital work in progress, following ageing schedule shall be given:

CWIP ageing schedule

| Particulars | Amount in CWIP for a period of | | | | Total |
|-----------------------------|--------------------------------|-----------|-----------|-------------------|---------------|
| | Less than 1 year | 1-2 years | 2-3 years | fore than 3 years | |
| FY 2023-2024 | | | | | |
| Project in progress | 68.24 | - | - | - | 68.24 |
| Project temporary suspended | - | - | - | - | - |
| Total | 68.24 | - | - | - | 68.24 |
| FY 2022-2023 | | | | | |
| Project in progress | 142.64 | - | - | - | 142.64 |
| Project temporary suspended | - | - | - | - | - |
| Total | 142.64 | - | - | - | 142.64 |

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5. Financial assets & Other financial assets

| Particulars | As at 31 March 2024 | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2023 |
|--|------------------------|------------------------|------------------------|------------------------|
| | Non-current | Current | Non-current | Current |
| Unsecured, considered good unless stated otherwise | | | | |
| Non-current bank balances | 1.38 | - | - | - |
| Interest accrued but not due on bank deposits | - | 0.04 | - | 0.18 |
| Credit card collection receivable | - | 10.54 | - | 1.68 |
| Security deposit | | | | |
| -Related party | 807.36 | - | - | 19.00 |
| -Other than related party | 13.55 | 0.10 | 10.00 | 2.35 |
| Total other financial assets | 822.28 | 10.68 | 10.00 | 23.21 |

6. Income tax

Amounts recognized in the Statement of Profit and Loss comprises:

| Particulars | For the Year ended 31st March 2024 | For the period from 25th July 2022 to 31st March 2023 |
|--|---------------------------------------|---|
| Income tax expenses: | | |
| -Current tax | - | - |
| -Adjustment of tax relating to earlier periods | - | - |
| Deferred tax expense | | |
| Attributable to- | | |
| -Deferred tax (credit) | (132.37) | (28.81) |
| Total income tax (credit) | (132.37) | (28.81) |

Tax recognised in other comprehensive income

| Particulars | For the Year ended 31st March 2024 | For the period from 25th July 2022 to 31st March 2023 |
|--|---------------------------------------|---|
| Deferred tax related to items recognized in OCI during the year | | |
| Remeasurement of defined benefit plans | (0.44) | - |
| Income tax charged to OCI | (0.44) | - |

Reconciliation of taxes to the amount computed by applying the statutory income tax rate to the income before taxes is summarized below:

| Particulars | For the Year Ended 31 March 2024 | For the period from 25th July 2022 to 31st March 2023 |
|--|-------------------------------------|---|
| (loss) before tax | (447.65) | (114.53) |
| Tax using the Company's domestic applicable tax rate - 25.167% | (132.37) | (28.82) |
| Tax effect of: | | |
| Adjustment of tax relating to earlier periods | - | - |
| Others | - | 0.01 |
| Income tax expense for the year | (132.37) | (28.81) |

Income tax assets (net):

| Particulars | For the Year Ended 31 March 2024 | For the period from 25th July 2022 to 31st March 2023 |
|--------------------------------------|-------------------------------------|---|
| Tax assets | | |
| Income Tax paid | 3.41 | 1.18 |
| | 3.41 | 1.18 |
| Current tax liabilities | | |
| Provision for income tax | - | - |
| Total income tax assets (net) | 3.41 | 1.18 |

Deferred tax assets (net)

a. The tax effect of deferred tax assets and liabilities comprises of:

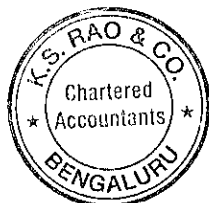
| Particulars | For the Year Ended 31 March 2024 | For the period from 25th July 2022 to 31st March 2023 |
|---|-------------------------------------|---|
| Property, plant and equipment and intangible assets | (19.52) | (3.72) |
| Employee related provisions and liabilities | 23.62 | 1.27 |
| Recognised in OCI | 0.44 | - |
| Losses as per books carryforward | 157.08 | 31.26 |
| Deferred tax assets (net) | 161.62 | 28.81 |

b. Movement in deferred tax assets/ (liabilities) balances

| Particulars | 01 April 2023 | Recognised in Statement of Profit and Loss credit/(charge) | Recognised in OCI | 31 March 2024 |
|---|---------------|--|-------------------|---------------|
| Property, plant and equipment and intangible assets | (3.72) | (15.80) | - | (19.52) |
| Trade receivables | - | - | - | - |
| Employee related provisions and liabilities | 1.27 | 22.35 | - | 23.62 |
| Recognised in OCI | - | - | 0.44 | 0.44 |
| Losses as per books carryforward | 31.26 | 125.82 | - | 157.08 |
| Deferred tax assets / (liabilities) (net) | 28.81 | 132.37 | 0.44 | 161.62 |

| Particulars | 01 April 2022 | Recognised in Statement of Profit and Loss credit/(charge) | Recognised in OCI | 31 March 2023 |
|---|---------------|--|-------------------|---------------|
| Property, plant and equipment and intangible assets | - | (3.72) | - | (3.72) |
| Trade receivables | - | - | - | - |
| Employee related provisions and liabilities | - | 1.27 | - | 1.27 |
| Others | - | - | - | - |
| Losses as per books carryforward | - | 31.26 | - | 31.26 |
| Deferred tax assets / (liabilities) (net) | - | 28.81 | - | 28.81 |

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GMR Hospitality Limited (CIN U55101HR2022PLC105440)
Notes to financial statements for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, except for share data and if otherwise stated)

7. Other assets

| Particulars | | As at | | As at | | As at | | As at | |
|---------------------------------------|-----------|---------------|-------|---------------|--------|---------------|---|---------------|---|
| | | 31 March 2024 | | 31 March 2024 | | 31 March 2023 | | 31 March 2023 | |
| | | Non-current | | Current | | Non-current | | Current | |
| Capital advances | | | | | | | | | |
| Capital advances to others | | 410.34 | - | - | 146.41 | - | - | - | - |
| | (A) | 410.34 | - | - | 146.41 | - | - | - | - |
| Advances other than capital advances | | | | | | | | | |
| Advances to suppliers | | - | 4.54 | - | 11.88 | - | - | - | - |
| | (B) | - | 4.54 | - | 11.88 | - | - | - | - |
| Others | | | | | | | | | |
| Prepaid Exp Non Current | | 284.97 | - | - | - | - | - | - | - |
| Prepaid Exp Current | | - | 21.28 | - | - | - | - | - | - |
| Prepaid expenses | | - | 42.33 | - | 0.18 | - | - | - | - |
| | (C) | 284.97 | 63.61 | - | 0.18 | - | - | - | - |
| Less: Provision for doubtful balances | (D) | - | - | - | - | - | - | - | - |
| Total other assets | (A+B+C+E) | 695.31 | 68.15 | - | 146.59 | - | - | - | - |

8. Inventories

| Particulars | | As at | |
|--|--|---------------|---------------|
| | | 31 March 2024 | 31 March 2023 |
| (At cost or net realizable value whichever is lower) | | | |
| Raw materials and packing materials | | 42.48 | 20.24 |
| | | 42.48 | 20.24 |

9. Trade receivables

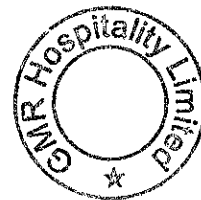
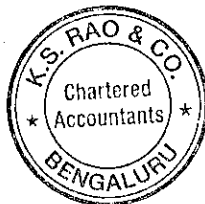
| Particulars | | As at | |
|---|--|---------------|---------------|
| | | 31 March 2024 | 31 March 2023 |
| Unsecured, considered good, unless stated otherwise | | 3.98 | 4.47 |
| Considered doubtful | | - | - |
| | | 3.98 | 4.47 |
| Less: Allowance for doubtful receivables (expected credit loss allowance) | | (1.05) | - |
| | | 2.93 | 4.47 |

The carrying amount of trade receivables approximates their fair value is included in Note 32.
The Company's exposure to credit risk, and other allowances related to trade receivables is disclosed in Note 33.
No trade receivable are due from directors or other officers of the company either severally or jointly with any other person.

Note:

Trade Receivables Ageing Schedule

| Particulars | Outstanding for following periods from due date of payment | | | | | | | Total |
|--|--|----------|--------------------|-------------------|------------|------------|-------------|--------|
| | Unbilled* | Note due | Less than 6 months | 6 months - 1 year | 1- 2 years | 2- 3 years | More than 3 | |
| At 31st March 2024 | | | | | | | | |
| i) Undisputed Trade receivables - considered good | - | - | 2.93 | 1.05 | - | - | - | 3.98 |
| ii) Undisputed Trade receivables - with have significant increase in credit risk | - | - | - | - | - | - | - | - |
| iii) Undisputed Trade receivables - credit impaired | - | - | - | - | - | - | - | - |
| iv) Disputed Trade receivables - considered good | - | - | - | - | - | - | - | - |
| v) Disputed Trade receivables - with have significant increase in credit risk | - | - | - | - | - | - | - | - |
| vi) Disputed Trade receivables - credit impaired | - | - | - | - | - | - | - | - |
| Less: Allowance for doubtful receivables (expected credit loss allowance) | - | - | - | (1.05) | - | - | - | (1.05) |
| Less: Allowances for credit impaired trade receivables | - | - | - | - | - | - | - | - |
| Total | - | - | 2.93 | - | - | - | - | 2.93 |



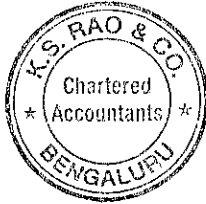
GMR Hospitality Limited (CIN U55101HR2022PLC105440)
Notes to financial statements for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, except for share data and if otherwise stated)

| Particulars | Outstanding for following periods from due date of payment | | | | | | | Total |
|--|--|----------|--------------------|-------------------|------------|------------|-------------|-------|
| | Unbilled* | Note due | Less than 6 months | 6 months - 1 year | 1- 2 years | 2- 3 years | More than 3 | |
| At 31st March 2023 | | | | | | | | |
| i) Undisputed Trade receivables - considered good | - | 4.47 | - | - | - | - | - | 4.47 |
| ii) Undisputed Trade receivables - with have significant increase in credit risk | - | - | - | - | - | - | - | - |
| iii) Undisputed Trade receivables - credit impaired | - | - | - | - | - | - | - | - |
| iv) Disputed Trade receivables - considered good | - | - | - | - | - | - | - | - |
| v) Disputed Trade receivables - with have significant increase in credit risk | - | - | - | - | - | - | - | - |
| vi) Disputed Trade receivables - credit impaired | - | - | - | - | - | - | - | - |
| Less: Allowance for doubtful receivables (expected credit loss allowance) | - | - | - | - | - | - | - | - |
| Less: Allowances for credit impaired trade receivables | - | - | - | - | - | - | - | - |
| Total | - | 4.47 | - | - | - | - | - | 4.47 |

10. Cash and cash equivalents

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Balances with banks: | | |
| - on current account | 475.61 | 44.87 |
| Cash on hand | 18.85 | 3.00 |
| Bank deposit with original maturity within 0 -3 months | 1,698.98 | 400.00 |
| | 2,193.44 | 447.87 |

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GMR Hospitality Limited (CIN U55101HR2022PLC105440)

Summary of material accounting policies and other explanatory information to financial statements for the year ended 31st March 2024
(All amounts are in Rs. Lakhs, except for share data and if otherwise stated)

11. Equity share capital

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| a. Authorised | | |
| Equity Shares | | |
| 4,00,00,000 equity shares of Rs. 10 each | 4,000 | 1,000 |
| | 4,000 | 1,000 |
| b. Issued, subscribed and paid up | | |
| 351,00,000 equity shares of Rs. 10 each, fully paid up | 3,510 | 810 |
| | 3,510 | 810 |

Reconciliation of number of shares outstanding at the beginning and end of the period :

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Equity shares issued, subscribed and paid up | | |
| Shares at the beginning of the period | 8,100,000 | |
| - Issued during the period | 27,000,000 | 8,100,000 |
| Shares at the end of the period | 35,100,000 | 8,100,000 |

Terms / rights attached to each classes of shares

The Company has only one class of equity share. The par value of the share is Rs. 10 per share. Each holder of the equity share is entitled to one vote per share and is entitled to dividend, declared if any. The paid up equity shares of the Company rank pari-passu in all respects, including dividend. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The interim dividend is declared by the Board of Directors. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shareholders holding more than 5% shares in the Company:

| Particulars | Class of share | As at 31 March 2024 | | As at 31 March 2023 | |
|--------------------------------------|----------------|------------------------|-----------------------------|------------------------|-----------------------------|
| | | Number of shares | Percentage of Share Holding | Number of shares | Percentage of Share Holding |
| GMR Airport Limited | Equity shares | 24,570,000 | 70.0% | 5,670,000 | 70.0% |
| Travel Food Services Private Limited | Equity shares | 10,530,000 | 30.0% | 2,430,000 | 30.0% |
| Total | | 35,100,000 | 100% | 8,100,000 | 100% |

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GMR Hospitality Limited (CIN U55101HR2022PLC105440)

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

(All amounts are in Rs. Lakhs, except for share data and if otherwise stated)

12. Financial liabilities: Borrowings

| Particulars | As at 31 March 2024 | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2023 |
|--|------------------------|------------------------|------------------------|------------------------|
| | Non-current | Current | Non-current | Current |
| Non-current borrowings | | | | |
| Term Loan from a bank [Refer Note 1 below] | 1,278.53 | - | - | - |
| Current borrowings | | | | |
| Term Loan from a bank [Refer Note 1 below] | - | 153.42 | - | - |
| Total borrowings | 1,278.53 | 153.42 | - | - |

1. HDFC Term Loan

i. The Company has availed a credit facility of Rs 23 Crore (Rs 20 Crore Term Loan plus Rs 3 Crore Overdraft) from HDFC Bank Limited for a period of 8 years with 1 year moratorium period, payable in 28 quarterly equal installments starting from the date of disbursement of first tranche. The Company repayment will commence from 29th August 2024 and due till date 4th May 2031. The company has made a drawdown of Rs 14.32 crore as on 31st March 2024. The interest rate is based on the 3-month T bills plus spread.

ii. The Company has also availed credit facility of Rs 44 crore (Rs 44 crore Term loan) from HDFC Bank vide sanction letter CAM 011711 230111, however same has not been utilised during the year, the purpose of loan is to utilise the funds in the capex infusion, However the facility has not been utilized till date. EMI for Repayment of Loan shall commence from the date of booking of Loan.

iii. The charge on the loans against Movable properties, Current Assets has been created.

iv. The Facility has been availed against the assets of the company as follows :

a) Stocks And Receivables - Exclusive charge on all current and future current assets of the company.

b) Plant And Machinery - Exclusive charge on all current and future Movable Fixed Assets of the company.

c) Pledge Of Shares - Exclusive Pledge on shares held by GMR Airports Limited (19.6%) and Travel Food Services Private Limited (8.4%). (Total - 28% of Shares)

13. Other financial liabilities

| Particulars | As at 31 March 2024 | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2023 |
|--|------------------------|------------------------|------------------------|------------------------|
| | Non-current | Current | Non-current | Current |
| Other financial liabilities carried at amortised cost | | | | |
| Deposits from customers | 29.19 | 486.79 | - | - |
| Deferred Revenue- Non Current | 3.05 | 2.53 | - | - |
| Interest accrued and not due on borrowings | - | 10.04 | - | - |
| Employees payable | - | 69.25 | - | 3.29 |
| Payable for property, plant and equipment | - | 149.02 | - | 167.79 |
| Total other financial liabilities | 32.24 | 717.63 | - | 171.08 |

14. Provisions

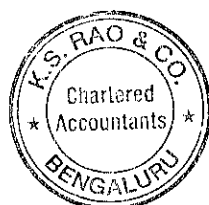
| Particulars | As at 31 March 2024 | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2023 |
|---------------------------------------|------------------------|------------------------|------------------------|------------------------|
| | Non-current | Current | Non-current | Current |
| Provision for employee benefit | | | | |
| Gratuity payable | 26.36 | 0.22 | 4.93 | 0.12 |
| | 26.36 | 0.22 | 4.93 | 0.12 |

15. Other liabilities

| Particulars | As at 31 March 2024 | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2023 |
|--------------------------------|------------------------|------------------------|------------------------|------------------------|
| | Non-current | Current | Non-current | Current |
| Statutory dues payable | - | 79.47 | - | 36.34 |
| Advance from customer | - | 2.92 | - | - |
| Total other liabilities | - | 82.39 | - | 36.34 |

16. Trade payables

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| | | |
| Total outstanding dues of micro enterprises and small enterprises | 28.98 | 26.56 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 391.54 | 214.69 |
| | 420.52 | 241.25 |
| Out of the above: | | |
| - Payable for purchases | 40.90 | 78.76 |
| - Payable for expenses | 379.62 | 162.49 |
| | 420.52 | 241.25 |



GMR Hospitality Limited (CIN U55101HR2022PLC105440)

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

(All amounts are in Rs. Lakhs, except for share data and if otherwise stated)

Trade payables ageing schedule other than capital creditors

| Particulars | Provision | Not due | Less than 1 year | 1-2 year | 2-3 year | More than 3 | Total |
|----------------------------|-----------|---------|------------------|----------|----------|-------------|--------|
| At 31st March 2024 | | | | | | | |
| i) MSME (Note (A)) | - | - | 28.98 | | | | 28.98 |
| ii) Others | 279.69 | - | 111.85 | | | | 391.54 |
| iii) Disputed dues - MSME | | | - | | | | - |
| iv) Disputed dues - Others | | | - | | | | - |
| | 279.69 | - | 140.83 | | | | 420.52 |

| Particulars | Provision | Not due | Less than 1 year | 1-2 year | 2-3 year | More than 3 year | Total |
|----------------------------|-----------|---------|------------------|----------|----------|------------------|--------|
| At 31st March 2023 | | | | | | | |
| i) MSME (Note (A)) | - | - | 26.56 | | | | 26.56 |
| ii) Others | 139.12 | - | 75.57 | | | | 214.69 |
| iii) Disputed dues - MSME | | | - | | | | - |
| iv) Disputed dues - Others | | | - | | | | - |
| | 139.12 | - | 102.13 | | | | 241.25 |

Note (A):

MSME Vendors does not include the medium enterprises related vendors

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GMR Hospitality Limited (CIN U55101HR2022PLC105440)
Notes to financial statements for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, except for share data and if otherwise stated)

17. Revenue from operations

| Particulars | For the year ended March 31, 2024 | For the period from 25th July 2022 to 31st March 2023 |
|-----------------------------|-----------------------------------|---|
| Sale of foods and beverages | 3,203.70 | 450.85 |
| | 3,203.70 | 450.85 |

Disclosure in terms of Ind AS 115 - Revenue from Contracts with Customer

Contract Balances

| Particulars | For the year ended March 31, 2024 | For the period from 25th July 2022 to 31st March 2023 |
|--|-----------------------------------|---|
| Receivables: | | |
| -Non Current (Gross) | - | - |
| -Current (Gross) | 3.98 | 4.47 |
| -Impairment Allowance (allowance for bad and doubtful debts) | (1.05) | - |
| Contract Assets | - | - |
| Advance from Customers | 2.92 | - |

The Company's revenue from operations disaggregated by primary geographical markets is as follows:

| Particulars | For the year ended 31-03-2024 |
|--------------|-------------------------------|
| | Food & Beverages |
| India | 3,203.70 |
| Outside | - |
| Total | 3,203.70 |

| Particulars | For the period from 25th July 2022 to 31st March |
|--------------|--|
| | Food & Beverages |
| India | 450.85 |
| Outside | - |
| Total | 450.85 |

The Company's revenue from operations disaggregated by pattern of revenue recognition is as follows:

| Particulars | For the year ended 31-03-2024 |
|--------------------------------------|-------------------------------|
| | Food & Beverages |
| Services rendered at a point in time | 3,203.70 |
| Services transferred over time | - |
| Total | 3,203.70 |

| Particulars | For the period from 25th July 2022 to 31st March |
|--------------------------------------|--|
| | Food & Beverages |
| Services rendered at a point in time | 450.85 |
| Services transferred over time | - |
| Total | 450.85 |

Reconciliation of revenue from operation recognised in the statement of profit and loss with the contracted price:

| Particulars | For the year ended 31-03-2024 | For the period from 25th July 2022 to 31st March 2023 |
|-----------------------------------|-------------------------------|---|
| Revenue as per contracted price | 3,203.70 | 450.85 |
| Adjustments: | | |
| - Significant financing component | - | - |
| Total | 3,203.70 | 450.85 |



18. Other income

| Particulars | For the year ended March 31, 2024 | For the period from 25th July 2022 to 31st March 2023 |
|--|--------------------------------------|--|
| Interest income from bank deposits | 14.31 | 12.00 |
| Notional Int Income on Deposit from Concessionaire | 3.22 | - |
| Amortisation of Deferred Income | 0.52 | - |
| Net gain on Sale of Investment | 27.34 | - |
| Miscellaneous income | 1.72 | 0.94 |
| | 47.11 | 12.94 |

19. Cost of materials consumed

| Particulars | For the year ended March 31, 2024 | For the period from 25th July 2022 to 31st March 2023 |
|---|--------------------------------------|--|
| Opening stock of raw material and packing materials | 20.24 | - |
| Add: Purchases | 728.02 | 151.91 |
| Less: Closing stock of raw material and packing materials | 42.48 | 20.24 |
| | 705.78 | 131.67 |

20. Employee benefits expense

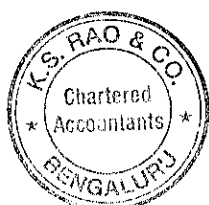
| Particulars | For the year ended March 31, 2024 | For the period from 25th July 2022 to 31st March 2023 |
|---|--------------------------------------|--|
| Salaries and other allowances | 1,003.34 | 136.37 |
| Contribution to provident and other funds | 89.34 | 11.74 |
| Gratuity | 19.79 | 5.05 |
| Staff welfare expenses | 57.73 | 22.17 |
| | 1,170.20 | 175.33 |

21. Concession fees

| Particulars | For the year ended March 31, 2024 | For the period from 25th July 2022 to 31st March 2023 |
|-----------------|--------------------------------------|--|
| Concession fees | 739.74 | 101.08 |
| | 739.74 | 101.08 |

22. Other expenses

| Particulars | For the year ended March 31, 2024 | For the period from 25th July 2022 to 31st March 2023 |
|--|--------------------------------------|--|
| Marketing fund charge | 37.80 | 5.32 |
| Royalty | 102.80 | 5.11 |
| Business Promotion | 12.16 | 0.13 |
| Management fees | 56.70 | 7.98 |
| IT maintenance charges | 41.29 | 6.82 |
| Legal and professional Expenses * | 38.66 | 5.88 |
| Rent- Machine | 0.94 | 0.59 |
| Airport service charges | 118.72 | 4.65 |
| Electricity and water charges and Gas charges | 134.29 | 12.83 |
| Bid expenses | 45.10 | 1.87 |
| House keeping Expenses | 13.50 | 4.42 |
| Staff Accomodation and local conveyance Expenses | 80.09 | 51.83 |
| Travelling expenses | 17.24 | 26.50 |
| Consumables | 34.98 | 7.54 |
| License fees | 18.53 | 0.32 |
| Rates and taxes | 22.51 | 9.41 |
| Repairs and maintenance: | - | - |
| - computer | 0.61 | 0.10 |
| - equipment | 2.44 | 1.28 |
| - others | 1.13 | 0.11 |
| Communication Expenses | 2.50 | 0.01 |
| Insurance | 12.59 | - |
| Printing and stationary | 6.92 | 1.74 |
| Advertisement Expenses | - | 0.86 |
| Collection charges Paid | 17.53 | 2.76 |
| Amortisation of Security Deposit | 6.80 | - |
| Notional Interest Expense on Deposit from Concessionaire | 0.50 | - |
| Provision for doubtful advances | 1.05 | - |
| Miscellaneous expenses | 22.69 | 1.91 |
| | 850.06 | 159.97 |



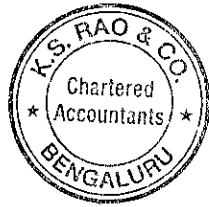
| Remuneration to Auditors* (Included in Legal and Professional) | For the year ended March 31, 2024 | For the period from 25th July 2022 to 31st March 2023 |
|--|--------------------------------------|--|
| As auditors | | |
| Statutory audit of Company | 4.13 | 0.30 |
| Limited Reviews | 0.59 | 0.29 |
| Tax Audit | 0.29 | - |
| Total | 5.02 | 0.59 |

23. Finance costs

| Particulars | For the year ended March 31, 2024 | For the period from 25th July 2022 to 31st March 2023 |
|-----------------------|--------------------------------------|--|
| Interest on term loan | 65.58 | - |
| Other charges | 50.74 | 0.03 |
| | 116.32 | 0.03 |

24. Depreciation and amortisation expense

| Particulars | For the year ended March 31, 2024 | For the period from 25th July 2022 to 31st March 2023 |
|-----------------------------------|--------------------------------------|--|
| Depreciation of tangible assets | 115.27 | 7.42 |
| Amortisation of intangible assets | 1.09 | 0.08 |
| | 116.36 | 7.50 |



GMR Hospitality Limited (CIN U55101HR2022PLC105440)
Notes to financial statements for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, except for share data and if otherwise stated)

25. Earnings per share

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

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

| Particulars | For the period ended March 31, 2024 | For the period from 25th July 2022 to 31st March 2023 |
|--|--|---|
| (loss) attributable to equity holders for basic and diluted earnings: (A) | (315.28) | (85.72) |
| Weighted average number of equity shares for basic EPS (B) | 16,121,038 | 8,100,000 |
| Weighted average number of equity shares adjusted for the effect of dilution (C) | 16,121,038 | 8,100,000 |
| Basic earnings per share (Rs.) (A/B) | (1.96) | (1.78) |
| Diluted earnings per share (Rs.) (A/C) | (1.96) | (1.78) |
| Nominal value per share (Rs.) | 10.00 | 10.00 |

26. Contingent Liabilities (to the extent not provided for)

There is a Nil contingent liabilities.

27. Capital commitments

| Particulars | For the year ended March 31, 2024 | For the period from 25th July 2022 to 31st March 2023 |
|--|--------------------------------------|---|
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | 445.55 | 472.80 |

28. Other commitments

As per the license agreement executed between GMR Goa International Airports Limited (GGIAL) and GMR Hospitality Limited dated 16th November' 2023 , GMR Hospitality Limited has paid the interest free refundable security deposit amount of Rs. 384.52 lacs and company is liable to pay concession fee @20.70% of revenue during the tenure of the agreement. The Agreement executed for the period of 15 years effective from the date of access date.

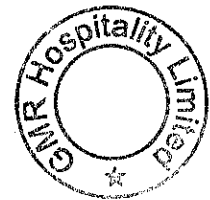
As per the license agreement executed between GMR Hyderabad International Airports Limited (GHIAL) and GMR Hospitality Limited dated 04th December' 2023 , GMR Hospitality Limited has paid the interest free refundable security deposit amount of Rs. 714.66 lacs and company is liable to pay concession fee @24.03% of revenue during the tenure of the agreement. The Agreement executed for the period of 10 years , operations are not yet commenced.

29. Early Termination of contract with GAL

The license Agreement executed between ("GAL") and GMR Hospitality Limited ("Licensee") pursuant to which GAL has granted license to the Licensee to set up, operate, maintain and manage retail outlet at the Manohar International Airport at Goa("Airport") on the terms and conditions as more specifically set out in the License Agreement. In this regard, the Parties have had discussion on the subject matter and based on such discussions, the parties have agreed to terminate the Licence Agreement on mutual consent basis w.e.f. 31.12.2023, ("Termination Date"). However, the Licensee may continue to use the Location(s) on terms and conditions as per the New License Agreement executed with GMR Goa International Airport Limited. Now therefore, the Parties agree as follows:-

- The Licensee shall pay/settle all outstanding dues payable under the License Agreement;
- The Licensee undertakes not to make any further claims, whether monetary or otherwise, against GAL with respect to the License Agreement and/or its termination thereof.

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30. Employee benefit obligations

The Company contributes to the following post-employment defined benefit plans in India.

Defined contribution plan

The Company pays provident fund contributions to the appropriate government authorities at rate specified as per regulations. An amount of Rs. 72.18, lakhs has been recognised as an expense in respect of the Company's contribution to Provident Fund deposited with the relevant authorities and has been shown under Employee benefits expense in the Statement of Profit and Loss.

Defined benefit plan - gratuity unfunded

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days of total basic salary last drawn for each completed year of service. Gratuity is payable to all eligible employees of the Company on retirement, separation, death or permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972.

The following table sets out the status of the defined benefit plan as required under Ind-AS 19 - Employee Benefits:

(i) Changes in present value of defined benefit obligation:

| Particulars | 31 March 2024 | 31 March 2023 |
|---|---------------|---------------|
| Present value of defined benefit obligation as at the beginning of the period | 5.05 | - |
| Current service cost | 19.42 | 5.05 |
| Interest expense | 0.37 | - |
| Total amount recognised in profit and loss | 19.79 | 5.05 |
| Actuarial loss / (gain) on obligation arising from change in experience adjustment | 1.74 | - |
| Actuarial (Gain) / loss on obligation arising from change in financial assumptions | - | - |
| Actuarial (Gain) / loss on obligation arising from change in demographic adjustment | - | - |
| Actuarial loss / (gain) recognised in OCI | 1.74 | - |
| Benefit paid | - | - |
| Present value of defined benefit obligation as at the end of the period | 26.58 | 5.05 |

(ii) Amount recognised in the Balance sheet:

| Particulars | 31 March 2024 | 31 March 2023 |
|----------------------------|---------------|---------------|
| Defined benefit obligation | 26.58 | 5.05 |
| | 26.58 | 5.05 |

Benefit liability

| Particulars | 31 March 2024 | 31 March 2023 |
|-------------|---------------|---------------|
| Current | 0.22 | 0.12 |
| Non-current | 26.36 | 4.93 |



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GMR Hospitality Limited (CIN U55101HR2022PLC105440)
Notes to financial statements for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, except for share data and if otherwise stated)

30. Employee benefit obligations (continued)

(iii) The principal assumptions used in determining gratuity obligation for the Company's plans are shown below:

| Particulars | 31 March 2024 | 31 March 2023 |
|---|------------------------|------------------------|
| Economic assumptions | | |
| Discount rate % | 7.13 | 7.39 |
| Salary growth rate % | 5.50 | 5.50 |
| Demographic assumptions: | | |
| Retirement age (years) | 60 | 60 |
| Mortality rates inclusive of provision for disability | 100% of IALM (2012-14) | 100% of IALM (2012-14) |
| Withdrawal rate: | | |
| upto 30 years | 5% | 5% |
| From 31 to 44 years | 3% | 3% |
| Above 44 years | 2% | 2% |

Assumptions regarding future mortality have been based on published statistics and mortality tables.

(iv) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

| Particulars | 31 March 2024 | 31 March 2023 |
|--|---------------|---------------|
| Discount rate | | |
| Impact on defined benefit obligation due to 0.50% increase in discount rate | (2.10) | (0.38) |
| Impact on defined benefit obligation due to 0.50% decrease in discount rate | 2.36 | 0.43 |
| Salary escalation rate | | |
| Impact on defined benefit obligation due to 0.50% increase in salary escalation rate | 2.39 | 0.43 |
| Impact on defined benefit obligation due to 0.50% decrease in salary escalation rate | (2.14) | (0.39) |

The sensitivity analysis are based on a change in above assumption while holding all other assumptions constant. The changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) has been applied, as has been applied when calculating the provision for defined benefit plan recognised in the Balance Sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous years.

Risk exposure

The defined benefit plan is exposed to a number of risks, the most significant of which are detailed below:

Change in discount rates: A decrease in discount yield will increase plan liabilities.

Mortality table: The gratuity plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in plan liabilities.

(v) Defined benefit liability

The weighted average duration of the defined benefit obligation is 18.56 years. The expected maturity analysis of undiscounted gratuity is as follows:

| Particulars | Less than a year | Between 1-2 years | Between 2-5 years | Over 5 years | Total |
|---------------|------------------|-------------------|-------------------|--------------|-------|
| 31 March 2024 | 0.22 | 0.15 | 1.68 | 24.53 | 26.58 |

(This space has been intentionally left blank)



GMR Hospitality Limited (CIN U55101HR2022PLC105440)
Notes to financial statements for the year ended March 31, 2024

(All amounts are in Rs. lakhs, except for share data and if otherwise stated)

31. Fair value measurements and financial instruments

(i) The carrying value and fair value of financial instruments by categories as of March 31, 2024 are as under:

| Particulars | As at March 31, 2024 | | | |
|---|--|--|----------------------|------------------|
| | Financial assets/ (financial liabilities) at fair value through profit or loss (FVTPL) | Financial assets/(financial liabilities) at fair value through other comprehensive income (FVTOCI) | Total carrying value | Total fair value |
| Financial assets/(financial liabilities) | | | | |
| Investment in units of Mutual Fund | - | - | - | - |

(ii) The carrying value and fair value of financial instruments by categories as of March 31, 2023 are as under:

| Particulars | As at March 31, 2023 | | | |
|---|--|--|----------------------|------------------|
| | Financial assets/ (financial liabilities) at fair value through profit or loss (FVTPL) | Financial assets/(financial liabilities) at fair value through other comprehensive income (FVTOCI) | Total carrying value | Total fair value |
| Financial assets/(financial liabilities) | | | | |
| Investment in units of Mutual Fund | - | - | - | - |

(iii) Fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2024 and March 31, 2023 are as under:

| Particulars | As at March 31, 2024 | Fair value measurement at end of the reporting year using | As at March 31, 2023 | Fair value measurement at end of the reporting year using |
|------------------------------------|----------------------|---|----------------------|---|
| | | Level 1 | | Level 1 |
| Financial assets | | | | |
| Investment in units of Mutual Fund | - | - | - | - |

(iv) Financial assets and financial liabilities that are not measured at fair value are as under:

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|--|----------------------|-----------------|----------------------|---------------|
| | Amortised Cost | Fair value | Amortised Cost | Fair value |
| Financial assets | | | | |
| Security deposits | 1,127.25 | 1,127.25 | - | - |
| Cash and cash equivalents | 2,193.44 | 2,193.44 | 447.87 | 447.87 |
| Trade receivables | 2.93 | 2.93 | 4.47 | 4.47 |
| Bank Balances other than cash and cash equivalents | 1.38 | 1.38 | - | - |
| Other financial assets | 15.13 | 15.13 | 33.21 | 33.21 |
| TOTAL FINANCIAL ASSETS | 3,340.13 | 3,340.13 | 485.55 | 485.55 |
| Financial liabilities | | | | |
| Borrowings | 1,431.95 | 1,431.95 | - | - |
| Other financial liabilities | 749.88 | 749.88 | 171.08 | 171.08 |
| Trade payables | 420.52 | 420.52 | 241.25 | 241.25 |
| TOTAL FINANCIAL LIABILITIES | 2,602.35 | 2,602.35 | 412.33 | 412.33 |

The carrying value of above financial assets and financial liabilities approximate its fair value.



GMR Hospitality Limited (CIN U55101HR2022PLC105440)
Notes to financial statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, except for share data and if otherwise stated)

32. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ;
- Market Risk - Interest rate

Risk management framework

The Board of Directors of the Company has formed a risk management policy to frame, implement and monitor the risk management plan for the Company. The Board of Directors is responsible for reviewing the risk management policies and ensuring its effectiveness.

The Company's risk management policies are established to identify and analyse the risks faced by the Company to set appropriate risks limits and controls and to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes and the Company's activities.

As per the policy, Board monitors compliance with Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risk faced by the Company.

(i) Credit risk

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the balance sheet

| Particulars | 31 March 2024 | 31 March 2023 |
|--|---------------|---------------|
| Trade receivables | 2.93 | 4.47 |
| Cash and cash equivalents | 2193.44 | 447.87 |
| Bank balances other than cash and cash equivalents | - | - |
| Investments | - | - |
| Other financial assets (current and non-current) | 832.96 | 33.21 |

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Since the Company's major sales are in cash at the food outlets, thus the Company's exposure to credit sale is very low i.e. credit sales consist of very low portion of total sales. Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in India. The Company does monitor the economic environment in which it operates. The Company manages its Credit risk through continuously monitoring of credit worthiness of its customers.

On adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available internal credit risk factors such as the Company's historical experience of customers. Based on the business environment in which the Company operates, management considers that the trade receivables (other than receivables from government parties and related parties), are in default (credit impaired) only if the payments are more than 90 days past due however the Company based upon past trends determine an impairment allowance for loss on receivables outstanding for more than 180 days past due to the extent where the Company is certain that the amount is not recoverable.

Trade receivables include dues primarily from airlines and a party which are fragmented and are not concentrated to individual customers. Trade receivables are relating to revenue generated from sale to airlines of Rs. 2.93 lakhs. Trade receivables are generally realised within the credit period.

As on 31 March 2024, the company do not have any trade receivable which have significant increase in credit risk or credit impaired.

The Company's exposure to credit risk for trade receivables (net) is as follows:

| Particulars | 31 March 2024 | 31 March 2023 |
|-------------------------------|---------------|---------------|
| Unbilled | - | - |
| Not due | - | 4.47 |
| 1-90 days past due | 2.93 | - |
| 91 to 180 days past due * | - | - |
| More than 180 days past due # | - | - |
| | 2.93 | 4.47 |

* The Company believes that the unimpaired amounts that are past due by more than 90 days are still collectible in full, as it is receivable from government parties and related parties.

The Company based upon past trends determine an impairment allowance for loss on receivables outstanding for more than 180 days past due after considering the subsequent payment.

The allowance for lifetime expected credit loss on customer balances for the year ended 31 March 2024 was insignificant and hence the same has not been recognised.

Movement in the allowance for impairment in respect of trade receivables :

| Particulars | 31 March 2024 | 31 March 2023 |
|--|---------------|---------------|
| Balance at the beginning of the period | - | - |
| Amount provided during the period | 1.05 | - |
| Balance at the end of the period | 1.05 | - |



(ii) Liquidity risk

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

The Company believes that its liquidity position, including total cash and bank balances (including bank deposits) of Rs. 2193.44 lakhs anticipated future internally generated funds from operations, and its fully available, revolving undrawn credit facility (funded) of Rs. 300 lakhs will enable it to meet its future known obligations in the ordinary course of business. However, if liquidity needs were to arise, the Company believes it has access to financing arrangements, value of unencumbered assets, which should enable it to meet its ongoing capital, operating, and other liquidity requirements. The Company will continue to consider various borrowing to maximize liquidity and supplement cash requirements as necessary.

The Company's liquidity management process as monitored by management, includes the following:

- Day to day funding, managed by monitoring future cash flows to ensure that requirements can be met.
- Maintaining rolling forecasts of the Company's liquidity position on the basis of expected cash flows.
- Maintaining diversified credit lines.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and includes interest accrued but not due on borrowings.

| Particulars | Carrying amount | Contractual cash flows | | | |
|---|-----------------|------------------------|-----------|-------------------|----------|
| | | 0-1 years | 1-5 years | More than 5 years | Total |
| 31 March 2024 | | | | | |
| Borrowings (including Accrued Interest) | 1,441.99 | 163.46 | 818.26 | 460.27 | 1,441.99 |
| Trade payables | 420.52 | 420.52 | - | - | 420.52 |
| Security deposit received | 521.59 | - | 108.00 | 413.59 | 521.59 |
| Capital Creditors | 149.02 | 149.02 | - | - | 149.02 |
| Employee Payable | 69.25 | 69.25 | - | - | 69.25 |
| | 2,602.38 | 802.26 | 926.26 | 873.86 | 2,602.38 |

| Particulars | Carrying amount | Contractual cash flows | | | |
|-------------------|-----------------|------------------------|-----------|-------------------|--------|
| | | 0-1 years | 1-5 years | More than 5 years | Total |
| 31 March 2023 | | | | | |
| Trade payables | 241.25 | 241.25 | - | - | 241.25 |
| Capital Creditors | 167.79 | 167.79 | - | - | 167.79 |
| | 409.04 | 409.04 | - | - | 409.04 |

(iii) Market Risk - Interest rate

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

(iv) Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is total net debt divided by total equity plus total net debt. The Company's policy is to keep the gearing ratio below 90%, which is reviewed at end of each financial year.

| Particulars | 31 March 2024 | 31 March 2023 |
|--|---------------|---------------|
| Long term borrowings | 1278.53 | - |
| Current borrowings | 153.42 | - |
| Total Borrowings (I) | 1431.95 | - |
| Less: | | |
| (i) Cash and cash equivalents | 2193.44 | 447.87 |
| (ii) Bank balance other than cash and cash equivalents | - | - |
| (iii) Current investments | - | - |
| Total cash & investments (II) | 2193.44 | 447.87 |
| Net debts (A)= I-II | (761.48) | (447.87) |
| Share Capital | 3510.00 | 810.00 |
| Other Equity | (402.31) | (85.72) |
| Total Equity (B) | 3107.69 | 724.28 |
| Total equity and total net debts (C=A+B) | 2346.21 | 276.41 |
| Gearing ratio (%) (A/C) | -32% | -162% |

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

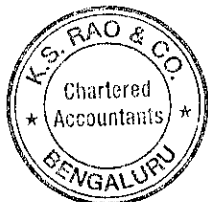
No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

a. Interest rate risk and sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to long term debt. The management maintains only the fixed debt. Borrowings issued at variable rates expose the Company to cash flow interest rate risk. As at March 31, 2024, 100% of the Company's borrowings are at a floating rate of interest.

With all other variables held constant, the following table demonstrates the impact of borrowing cost on floating rate portion of loans and borrowings

| Interest rate Sensitivity | Increase/Decrease in Basis points | Effect on Profit Before Tax |
|-----------------------------------|-----------------------------------|-----------------------------|
| For the year ended March 31, 2024 | | |
| Term Loans | 0.25 | 1.91 |
| | -0.25 | -1.91 |
| For the year ended March 31, 2023 | | |
| Term Loans | NA | NA |



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GMR Hospitality Limited (CIN U55101HR2022PLC105440)
Notes to financial statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, except for share data and if otherwise stated)

33. Related party disclosures

a. List of related parties and nature of relationship:

(i) Holding Company

GMR Airports Limited

(ii) Entity exercising joint control

Travel Food Services Private Limited (H.O. Mumbai Airport Lounge Services Limited)

(iii) Fellow Subsidiary

GMR Goa International Airport Limited

GMR Hyderabad International Airport Limited

Delhi International Airport Limited

(iv) Common Directorship (Entities in which directors of the company is a director)

Travel Food Services (Delhi Terminal 3) Private Limited

Travel Food Services Kolkata Private Limited

Travel Food Services Chennai Private Limited

Travel Retail Services Private Limited

(v) Key Managerial Personnel (KMP)

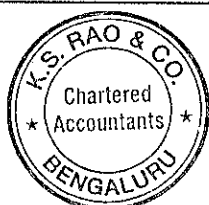
| Name of KMP | Date of Appointment |
|---|---------------------|
| Varun Sunil Kapur - Director | 25-Jul-2022 |
| Rajesh Arora - Director | 25-Jul-2022 |
| Gadi Radha Krishna Babu - Director | 25-Jul-2022 |
| Jagdish Kapoor- Independent Director | 22-Dec-2023 |
| Mr. Mohan Rao Murthi - Independent Director | 22-Dec-2023 |
| Sahil Mittal - CFO | 11-Oct-2023 |
| NVK Rao - Company Secretary. | 22-Dec-2023 |

(vi) sole-proprietorship in which Relative of a KMP is owner

JVS & Associates

b. Transactions with related parties during the year:

| Party Name (Nature of Relationship) | Nature of transaction | 31 March 2024 | 31 March 2023 |
|--|--|---------------|---------------|
| Travel Food Services Private Limited. (Entity exercising joint control) | Deputation charges | 23.44 | - |
| | Operator Fees | 56.70 | - |
| | Reimbursement of Capital Expenditure paid by related party | 118.06 | 211.61 |
| | Reimbursement of other expenses paid by related party | - | 12.63 |
| | Trade payables | - | 7.36 |
| | Infusion of Equity share capital | 810.00 | 243.00 |
| | Payable against others | - | 26.91 |
| Travel Food Services (Delhi Terminal 3) Private Limited (Entity exercising joint control) | Trade Payable | - | 1.57 |
| | Reimbursement of other expenses paid by related party | - | 4.46 |
| Travel Food Services Kolkata Private Limited (Common Directorship) | Deputation charges | 5.28 | - |
| Travel Food Services Chennai Private Limited (Common Directorship) | Deputation charges | 0.69 | - |
| Travel Retail Services Private Limited (Common Directorship) | Sale of Food | 2.64 | - |
| JVS & Associates (sole-proprietorship in which Relative of a KMP is owner) | Providing Secretarial Services | 0.34 | - |
| GMR Goa International Airports Limited (Fellow Subsidiary) | Prepaid expenses (Non- Current) | 269.65 | 4.65 |
| | Prepaid expenses (Current) | 19.61 | - |
| | Security Deposit | 92.69 | - |
| | Bidding Expenses | 25.00 | 12.83 |
| | Advance against purchase of Machine | 0.19 | - |
| | Advance due to TDS deducted against EOI document fees | 0.20 | - |
| | Concession Fees | 261.44 | - |
| | Airport Service Charges | 153.50 | - |
| | Electricity & Water charges & Gas charges | 143.01 | - |
| | Gas Charges | - | 1.87 |
| | Rent for Porta cabin | 7.08 | - |
| | Marketing Fund | 12.63 | - |
| | TEAP pass fee | 2.92 | - |
| | EOI Document Charges | 10.00 | - |
| GMR Hyderabad International Airports Limited (Fellow Subsidiary) | Advance paid against EOI Document Fees | 5.10 | - |
| | Non Refundable Security Deposit paid | 5.00 | - |
| | Refundable Security Deposit paid | 714.66 | - |
| Delhi International Airport Limited (Fellow Subsidiary) | Security Deposit Refunded | 11.00 | - |
| GMR Airports Limited (Holding Company) | Reimbursement of Incorporation expenses | - | 2.36 |
| | Infusion of Equity share capital | 1,890.00 | 567.00 |
| | Concession Fees | 478.30 | 101.08 |



GMR Hospitality Limited (CIN U55101HR2022PLC105440)
Notes to financial statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, except for share data and if otherwise stated)

c. Outstanding balances

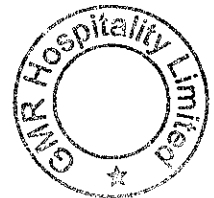
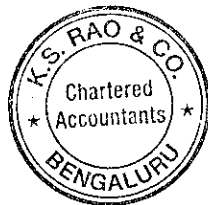
| Related party (Nature of Relationship) | Nature of transaction | 31 March 2024 | 31 March 2023 |
|--|---|---------------|---------------|
| Travel Food Services Private Limited (Entity exercising joint control) | Reimbursement of other expenses paid by related party | - | 12.55 |
| | Trade Payable | 0.63 | 0.12 |
| | Payable against others | - | 34.15 |
| | Operator Fees Payable | 56.70 | - |
| | Deputation Charges | 4.50 | - |
| Travel Food Services (Delhi Terminal 3) Private Limited (Common Directorship) | Trade Payables | - | 1.57 |
| | Reimbursement of other expenses paid by related party | - | 4.46 |
| Travel Retail Services Private Limited (Common Directorship) | Trade Receivable | 0.27 | - |
| JVS & Associates (sole-proprietorship in which Relative of a KMP is owner) | Providing Secretarial Services | 0.26 | - |
| GMR Goa International Airports Limited (Fellow Subsidiary) | Trade Payables | - | 10.29 |
| | Prepaid expenses (Non- Current) | 269.65 | - |
| | Prepaid expenses (Current) | 19.61 | - |
| | Security Deposit | 92.69 | - |
| | Airport Service Charges | 69.62 | - |
| | Electricity & Water charges & Gas charges | 85.17 | - |
| | Marketing Fund | 12.63 | - |
| | TEAP pass fee Payable | 2.92 | - |
| | Concession fees Payable | 96.75 | - |
| | Rent for Porta cabin | 7.08 | - |
| GMR Hyderabad International Airports Limited (Fellow Subsidiary) | Refundable Security Deposit paid | 714.66 | - |
| GMR Airports Limited (Holding Company) | Payable against Incorporation expenses | - | 2.36 |
| | Trade Payables | - | 40.19 |

All the transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and are within ordinary course of business.

34. Additional regulatory disclosures

a) The following are analytical ratio for the year ended 31 March 2024

| Particulars | Note | 31 March 2024 | 31 March 2023 | Variance |
|--|--------|---------------|---------------|----------|
| (i) Current ratio - | (i) | 1.69 | 1.13 | 0.49 |
| (ii) Debt equity ratio - | (ii) | 0.46 | - | - |
| (iii) Debt Service Coverage Ratio - | (iii) | (2.03) | - | - |
| (iv) Return on equity ratio (%) - | (iv) | (0.16) | (0.12) | 0.39 |
| (v) Inventory Turnover ratio - | (v) | 102.16 | 22.28 | 3.59 |
| (vi) Trade receivables turnover ratio - | (vi) | 865.80 | 100.86 | 7.58 |
| (vii) Trade payables turnover ratio - | (vii) | 2.20 | 0.63 | 2.49 |
| (viii) Net capital turnover ratio - | (viii) | 3.40 | 7.53 | (0.55) |
| (ix) Net profit ratio (%) - | (ix) | (0.10) | (0.19) | (0.48) |
| (x) Return on capital employed ratio (%) - | (x) | (0.07) | (0.11) | (0.33) |
| (xi) Return on investment ratio (%) - | (xi) | 0.04 | 0.03 | 0.32 |



GMR Hospitality Limited (CIN U55101HR2022PLC105440)

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

(All amounts are in Rs. lakhs, except for share data and if otherwise stated)

Reason for Variance

- i. **Current Ratio**:- Increase due to borrowings taken during the financial year.
- ii. **Debt Equity Ratio**:- Due to loans taken to meet capital infusion requirements.
- iii. **Debt Service Coverage Ratio** - Due to loans taken to meet capital infusion requirements.
- iv. **Return on equity ratio (%)** - Reduced due to the interest cost on loans taken for projects.
- v. **Inventory Turnover ratio** - Revenue from operations increase in the current financial year.
- vi. **Trade receivables turnover ratio** - Revenue from operations increase in the current financial year.
- vii. **Trade payables turnover ratio** - As number of operational outlets have increased therefore proportion of trade payables have increased in proportion of revenue.
- viii. **Net capital turnover ratio** - Increase in working capital requirement per outlet in proportion to increase in revenue.
- ix. **Net profit ratio (%)** - Net profit reduced due to depreciation on capital cost and interest cost incurred for expansion of outlets.
- (x) **Return on capital employed ratio (%)** - Due to increase in capital employed and interest cost incurred on debt in current financial year.
- (xi) **Return on investment ratio (%)** - Reduce due to investment made for short period only.

Notes :

(i) **Current ratio = Current Assets / current liabilities**

| Particulars | 31 March 2024 | 31 March 2023 |
|--|-----------------|---------------|
| Inventories | 42.48 | 20.24 |
| Investments | - | - |
| Trade receivables | 2.93 | 4.47 |
| Cash and cash equivalents | 2,193.44 | 447.87 |
| Bank balances other than cash and cash equivalents | - | - |
| Other financial assets | 10.68 | 23.21 |
| Other current assets | 68.15 | 12.84 |
| Current Assets | 2,317.69 | 508.63 |
| Particulars | | |
| Borrowings | 153.42 | - |
| Trade payables | 420.52 | 241.25 |
| Other financial liabilities | 717.63 | 171.08 |
| Provisions | 0.22 | 0.12 |
| Other current liabilities | 82.39 | 36.34 |
| Current Liabilities | 1,374.19 | 448.79 |
| Working Capital | 943.50 | 59.84 |
| Current Ratio | 1.69 | 1.13 |

(ii) **Debt Equity ratio = Total Debt/ Shareholder Equity**

| Particulars | 31 March 2024 | 31 March 2023 |
|--------------------------|---------------|---------------|
| Borrowings | 1,431.95 | - |
| Shareholders Equity | 3,107.69 | 724.28 |
| Debt Equity Ratio | 0.46 | - |

(iii) **Debt Service Coverage ratio = Earnings available for debt service/ Debt service**

Note (A)

| Particulars | 31 March 2024 | 31 March 2023 |
|---|-----------------|----------------|
| Profit after taxes | (315.28) | (85.72) |
| Add: | | |
| Non-cash operating expenses like depreciation and other amortizations | 116.36 | 7.50 |
| Finance costs | 65.58 | - |
| Other adjustments like loss on sale of Fixed assets etc. | - | - |
| Earnings available for debt service | (133.34) | (78.22) |

Note (B)

| Particulars | 31 March 2024 | 31 March 2023 |
|------------------------------------|---------------|---------------|
| Interest on Borrowings | 65.58 | - |
| Debt service | 65.58 | - |
| Debt Service Coverage Ratio | (2.03) | - |

(iv) **Return on Equity ratio = Net Profits after taxes - Preference Dividend (if any)/ Shareholder's Equity**

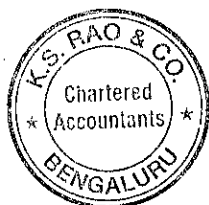
| Particulars | 31 March 2024 | 31 March 2023 |
|---|---------------|---------------|
| Profit after taxes | (315.28) | (85.72) |
| Shareholders Equity (Opening + Closing)/2 | 1,915.99 | 724.28 |
| Return on Equity Ratio | (0.16) | (0.12) |

(v) **Inventory Turnover ratio = Revenue from operations/Average Inventory**

| Particulars | 31 March 2024 | 31 March 2023 |
|---------------------------------|---------------|---------------|
| Revenue From Operations | 3,203.70 | 450.85 |
| Inventory | 42.48 | 20.24 |
| Average Inventory | 31.36 | 10.12 |
| Inventory Turnover Ratio | 102.16 | 22.28 |

(vi) **Trade Receivables Turnover ratio = Revenue from operations/Average Accounts Receivables**

| Particulars | 31 March 2024 | 31 March 2023 |
|-------------------------------|---------------|---------------|
| Revenue From Operations | 3,203.70 | 450.85 |
| Accounts Receivable | 2.93 | 4.47 |
| Average Account receivable | 3.70 | 4.47 |
| Trade Receivable Ratio | 865.80 | 100.86 |



GMR Hospitality Limited (CIN U55101HR2022PLC105440)
Notes to financial statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, except for share data and if otherwise stated)

(vii) Trade Payables Turnover ratio = Net credit purchases/Average Accounts Payable

| Particulars | 31 March 2024 | 31 March 2023 |
|------------------------------|---------------|---------------|
| Net Credit Purchase | 728.02 | 151.91 |
| Accounts Payable | 420.52 | 241.25 |
| Average Accounts Payable | 330.89 | 241.25 |
| Trade Payable Turnover Ratio | 2.20 | 0.63 |

(viii) Net Capital Turnover ratio = Revenue from operations/Working Capital

| Particulars | 31 March 2024 | 31 March 2023 |
|--|---------------|---------------|
| Inventories | 42.48 | 20.24 |
| Investments | - | - |
| Trade receivables | 2.93 | 4.47 |
| Cash and cash equivalents | 2,193.44 | 447.87 |
| Bank balances other than cash and cash equivalents | - | - |
| Other financial assets | 10.68 | 23.21 |
| Other current assets | 68.15 | 12.84 |
| Current Assets (a) | 2,317.69 | 508.63 |
| Borrowings | 153.42 | - |
| Trade payables | 420.52 | 241.25 |
| Other financial liabilities | 717.63 | 171.08 |
| Provisions | 0.22 | 0.12 |
| Other current liabilities | 82.39 | 36.34 |
| Current Liabilities (b) | 1,374.19 | 448.79 |
| Current Liabilities(excluding Non current maturities)(b) | 1,374.19 | 448.79 |
| Working Capital c = a-b | 943.50 | 59.84 |
| Revenue from operations | 3,203.70 | 450.85 |
| Net Capital Turnover ratio | 3.40 | 7.53 |

(ix) Net Profit Ratio = Net Profit/ Net Sales

| Particulars | 31 March 2024 | 31 March 2023 |
|------------------|---------------|---------------|
| Net Profit | (316.58) | (85.72) |
| Sales | 3,203.70 | 450.85 |
| Net Profit Ratio | (0.10) | (0.19) |

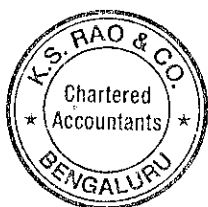
(x) Return on Capital Employed ratio = Earning before interest and taxes/Capital Employed [Refer Note (C) below]

Note (C)

| Particulars | 31 March 2024 | 31 March 2023 |
|--------------------------------------|---------------|---------------|
| Share capital | 3,510.00 | 810.00 |
| Other equity | (402.31) | (85.72) |
| Less: Intangible assets and Goodwill | (13.25) | (6.98) |
| Tangible Net Worth | 3,094.44 | 717.30 |
| Total Debt | 1,431.95 | - |
| Capital Employed | 4,526.39 | 717.30 |
| Earnings before interest and Tax | (331.33) | (78.19) |
| Return on Capital Employed Ratio | (0.07) | (0.11) |

(xi) Return on Investment ratio = (Realised and Unrealised gain on Investment+Dividend + Interest)/ Average value of Investment

| Trade payables | 31 March 2024 | 31 March 2023 |
|--------------------------------|---------------|---------------|
| Interest Income | 14.31 | 12.00 |
| Net Gain on Sale of Investment | 27.34 | - |
| Investment | 1,698.98 | 400.00 |
| Average Investment | 1,049.49 | 400.00 |
| Return on Investment | 0.04 | 0.03 |



- b) The Company has not been declared as wilful defaulter by any bank or financial institution or any other lender.
- c) The Company does not having any charges or satisfaction, which is yet to be registered with Registrar of Companies, beyond the statutory period prescribed under the Companies Act 2013 and the rules made thereunder.
- d) The Company has not entered into any transaction which has not been recorded in books of account, that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act 1961 (such as , search or survey or any other relevant provision under the Income Tax Act 1961).
- e) The Company has not been traded or invested in crypto currency or virtual currency during the year.
- f) The Company does not have any Benami property and further, no proceedings has been initiated or are pending against the Company , in this regard.
- g) The Company has not entered into any transactions with struck off companies, as defined under the Companies Act 2013 and rules made thereunder.
- h) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- i) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or;
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- j) The Company has used borrowings from Banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

35. Recent accounting pronouncements

The Ministry of Corporate Affairs ("MCA") notifies new accounting standards or amendments to the existing accounting standards under the Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new accounting standards or amendments to the existing accounting standards applicable to the Company.

As per our report of even date

As per our report of even date

For K.S. Rao & Co.
ICAI Firm Registration No. : 003109S
Chartered Accountants

H.S. Gupta
Sudarshana Gupta M S
Partner
Membership no. : 223060
Place: New Delhi
Date: 17th May 2024



For and on behalf of the Board of Directors of
GMR Hospitality Limited

Gadi Rudra Krishna Babu
Gadi Rudra Krishna Babu
Director
DIN: 02390866
Place: New Delhi
Date: 17th May 2024

Sahil Mittal
Sahil Mittal
CFO
PAN: BDJPM5649A
Place: New Delhi
Date: 17th May 2024

Rajesh Kumar Arora
Rajesh Kumar Arora
Director
DIN: 03174536
Place: New Delhi
Date: 17th May 2024

N.V.R. Rao
N.V.R. Rao
Company Secretary
PAN: AVOPR7153C
Place: New Delhi
Date: 17th May 2024



1. Corporate information

GMR Hospitality Limited ('the Company') is a public limited company domiciled in India and was incorporated on 25 July 2022 under the Companies Act, 2013. GMR Airports Limited ('GAL') a subsidiary of GMR Airport Infrastructure Limited ('GIL'), holds majority shareholding in the Company. The company is primarily engaged in the business of managing and developing foods and beverage outlets. The Company's registered office is at TEC Cybercity, Level 18, DLF Cybercity, Building No. 5, Tower A, Phase-III, Gurugram-122002, Haryana. The audited Financial Statements have been approved by the Board of Directors vide the Meeting dated May 17th, 2024.

2.a Basis of preparation and presentation

- i. The financial statements of the Company have been prepared in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and presentation requirement of division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III), as applicable to the financial statements.
- ii. The Audited Financial statements has been prepared on the historical cost basis, except for certain financial assets and liabilities that have been measured at fair value at the end of the reporting period (as explained in accounting policy regarding financial instruments).
- iii. The functional and presentation currency of the company is Indian Rupees ("Rs.") which is the currency of the primary economic environment in which the company operates, and all values are rounded to nearest lakhs except otherwise indicated.

2.b Summary of Material accounting policies

i. Current versus non-current classification

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

An asset is treated as current when it is:

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

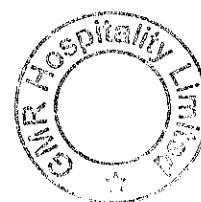
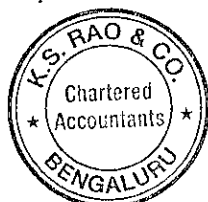
All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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



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

ii. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue is recognised when the amount of revenue can be reliably measured, it is probable that the economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below.

Sale of goods (Food, beverages, liquor, and others)

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the customer, which coincides with the point of delivery of the goods to the customer from restaurant delivery outlets, at which time all the following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of goods;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

iii. Other income

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Interest income is recognized on a time proportion basis and is included under the head "other income" in the statement of profit and loss.

iv. Foreign currencies

Monetary and non-monetary transactions in foreign currencies are initially recorded in the functional currency of the Company at the exchange rates at the date of the transactions or at an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary foreign currency assets and liabilities remaining unsettled on reporting date are translated at the rates of exchange prevailing on reporting date. Gains/(losses) arising on account of realisation/settlement of foreign exchange transactions and on translation of monetary foreign currency assets and liabilities are recognised in the Statement of Profit and Loss.

Foreign exchange gains / (losses) arising on translation of foreign currency monetary loans are presented in the Statement of Profit and Loss on net basis.



v. Borrowing costs

Borrowing cost consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense calculated using the effective interest method. Borrowing costs attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred. Borrowing cost includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

vi. Employee benefits

i) Short term employee benefits

Employee benefit liabilities such as salaries, wages and bonus, etc. that are expected to be settled wholly within twelve months after the end of the year in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting year and are measured at an undiscounted amount expected to be paid when the liabilities are settled.

ii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined contribution plans such as provident fund; and
- (b) defined benefit plans such as gratuity.

Defined contribution plan

The Company pays contribution provident fund to the regulatory authorities as per local regulations and the Company has no further obligations once the payments have been made. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefits expense when they are due. The Company's contributions to the schemes are expensed in Statement of Profit and Loss in the period in which they arises.

Defined benefit Plans

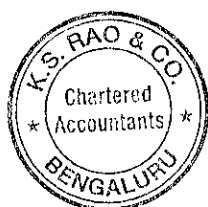
Defined benefit plans of the Company comprise gratuity.

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. The gratuity plan of the Company is unfunded.

The liability recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting year. The defined benefit obligation is calculated by actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting year on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost and other costs are included in employee benefit expense in the Statement of Profit and Loss.



Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in "other equity" in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from settlement or curtailments are recognised immediately in Statement of Profit and Loss as past service cost.

vii. Income tax

Income tax expense comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the period 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 relating to income taxes. It is measured using tax rates enacted at the reporting date.

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

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 liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. 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 realized. Significant management judgement is required to determine the probability of deferred tax asset.

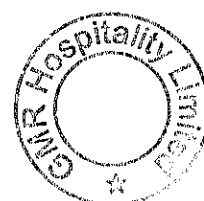
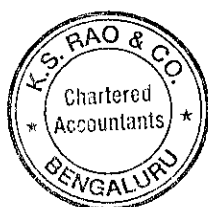
Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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 deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax liabilities and assets levied by the same tax authorities.

viii. Property, plant and equipment

Property, plant and equipment (PPE) are stated in the balance sheet at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct services,



any other costs (net of Cenvat) directly attributable to bringing the assets to its working condition for their intended use.

Subsequent expenditures related to an item of PPE are added to its carrying amount or recognised as a separate asset, as appropriately only when it is probable that the future economic benefits associated with item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the reporting period in which they are incurred.

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

An item of PPE and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Depreciation methods, estimated useful lives and residual value

Leasehold improvements are being amortised over the period of 10 years or their useful life, whichever is shorter.

Depreciation on other property, plant and equipment is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives, which is as follows:

| Asset class | Years |
|-----------------------------|--------------|
| Equipment | 10 years |
| Furniture and fixtures | 8 years |
| Computers-Server & networks | 6 years |
| Computers- End user Devices | 3/10years |
| Smallware | 3 years |
| Vehicles | 8 years |

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting year.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

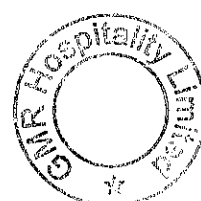
Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss.

Depreciation is calculated on a pro-rata basis for assets purchased/sold during the year.

The residual values and useful lives of PPE are reviewed by management at each reporting date and adjusted prospectively, as appropriate.

Capital work-in-progress

Cost of PPE not ready for use as at the reporting date are presented as capital work-in-progress.



ix. Intangible assets

Intangible assets that are acquired are recognised only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of assets can be measured reliably. The intangible assets are recorded at cost of acquisition including incidental costs related to acquisition and installation and are carried at cost less accumulated amortisation and impairment losses, if any.

Gain or losses arising from de recognition of other intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the other intangible asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Subsequent costs is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure on other intangible assets is recognised in the Statement of Profit and Loss, as incurred.

Amortisation methods and estimated useful life

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives of 6 years (finite) for software's and 5-10 years (finite) for Franchise rights fee using the straight-line method. Amortisation is calculated on a pro-rata basis for assets purchased/ disposed during the year.

Amortisation method and estimated useful lives are reviewed at each reporting date and adjusted prospectively, if appropriate.

x. Impairment – Non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication of impairment exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

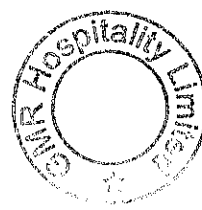
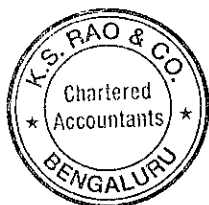
An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if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

xi. Inventories

Inventories consist of raw materials and packing materials and stock-in-trade which comprises of groceries and food and beverages which are of perishable and non-perishable in nature and are valued at the lower of cost and net realisable value.

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost are assigned to individual items of inventory on the basis of first-in-first-out basis. Costs of purchased inventory are determined after deducting rebates and discounts.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.



Provision is made for items which are expired/not likely to be consumed and other anticipated losses wherever considered necessary.

The comparison of cost and net realizable value is made on an item-by-item basis at each reporting date.

xii. Provisions and contingent liabilities and contingent assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. A contingent asset is disclosed where an inflow of economic benefits is probable.

Provisions, contingent liability and contingent assets are reviewed at each balance sheet.

xiii. Earnings per share ('EPS')

The Company presents basic and diluted earnings per share (EPS) data for its equity shares.

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

Diluted EPS is determined by adjusting profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding, for the effects of all dilutive potential equity shares.

xiv. Cash and cash equivalents

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

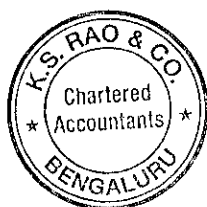
xv. Financial instruments

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

Financial assets

Recognition and initial measurement

All financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets are initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.



Classification and subsequent measurement

Classification

For the purpose of subsequent measurement, the Company classifies financial assets in following categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)

A financial asset being 'debt instrument' is measured at the amortised cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold assets for collecting 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 (SPPI) on the principal amount outstanding.

A financial asset being 'debt instrument' is measured at the FVTOCI if both of the following criteria are met:

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

A financial asset being equity instrument is measured at FVTPL.

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL.

Subsequent measurement

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, if any. Interest income and impairment are recognised in the Statement of Profit and Loss.

Financial assets at FVTPL

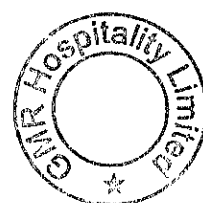
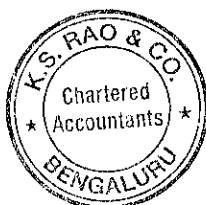
These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in the Statement of Profit and Loss.

Derecognition

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 it does not retain control of the financial asset. Any gain or loss on derecognition is recognised in the Statement of Profit and Loss.

Impairment of financial assets (other than at fair value)

The Company recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through Profit or Loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition, in which case those financial assets are



GMR Hospitality Limited

(CIN U55101HR2022PLC105440)

Summary of material accounting policies and other explanatory information to Audited Financial Statements for the period ended on 31st March 2024

measured at lifetime ECL. The changes (incremental or reversal) in loss allowance computed using ECL model, are recognised as an impairment gain or loss in the Statement of Profit and Loss.

Financial liabilities

Recognition and initial measurement

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial liabilities are initially measured at fair value minus, in the case of financial liabilities not recorded at fair value through Profit or Loss, transaction costs that are attributable to the liability.

Classification and subsequent measurement

Financial liabilities are classified as measured at amortised cost or FVTPL.

A financial liability is classified as 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 the Statement of Profit and Loss.

Financial liabilities other than classified as FVTPL, are subsequently measured at amortised cost using the effective interest method. Interest expense are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in the Statement of Profit and Loss.

Derecognition

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 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 the Statement of Profit and Loss.

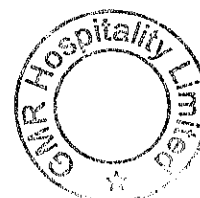
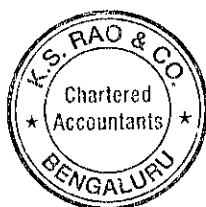
Offsetting of financial instruments

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 assets and settle the liabilities simultaneously.

xvi. Fair value measurement of financial instruments

Fair value is the price that would be received from sale of 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 an asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability.

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



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

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

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

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

The Company measures financial instruments, such as, investments in mutual funds, at fair value at each reporting date. Also, fair value of financial instruments measured at amortised cost.

xvii. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is considered to be the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments and which is reported in Reg 33.

xviii. Leases

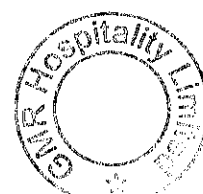
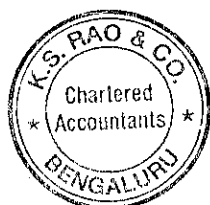
The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific assets and the management conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. A lease is classified at the inception date as a finance lease or an operating lease.

(i) Where the Company is the lessee

The Company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the



GMR Hospitality Limited

(CIN U55101HR2022PLC105440)

Summary of material accounting policies and other explanatory information to Audited Financial Statements for the period ended on 31st March 2024

lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company may adopt the incremental borrowing rate for the entire portfolio of leases as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in Statement of Profit and Loss.

The Company has elected the practical expedient for short term leases, which permits an adopter to not apply the requirements of Ind AS 116 to leases with a remaining maturity of one year or less.

(ii) Where the Company is the Lessor

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 at the Company net investment in the leases. 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.

Leases where the Company does not transfer substantially all the risks and rewards incidental to ownership of the asset are classified as operating leases. Lease rentals under operating leases are recognized as income on a straight-line basis over the lease term. Contingent rents are recognized as revenue in the period in which they are earned.

xix. EBIDTA

The Company has presented profit/ (loss) before finance costs, taxes, depreciation, amortisation expense and exceptional items as EBIDTA.

