

Independent Auditor's Report on Special Purpose Carve-Out Financial Statements of Cessna Garden Developers Private Limited

To
The Board of Directors of
Cessna Garden Developers Private Limited
Cessna Business Park, Outer ring road post
Kadubeesanahalli, Bellandur Bangalore 560103

Opinion

We have audited the accompanying Special Purpose Carve-Out Financial Statements of Aloft Hotel (the "Hotel Business") transferred by Cessna Garden Developers Private Limited (the "Transferor") including transfer of Business Assets and Liabilities in accordance with Business Transfer Agreement ("BTA") dated August 6, 2024, which comprises of the Special Purpose Carve-Out Balance Sheet as at March 31, 2024; the Special Purpose Carve-Out Statement of Profit and Loss (including other comprehensive income); the Special Purpose Carve-Out Statement of Cash Flows and a summary of material accounting policies and other explanatory information for the year ended March 31, 2024 (hereinafter referred to as the "Special Purpose Carve-Out Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Carve-Out Financial Statements of the Hotel Business have been prepared, in all material respects in accordance with the basis of preparation as set out in Note 2.2 to the Special Purpose Carve-out Financial Statements.

Basis for Opinion

We conducted our audit of the Special Purpose Carve-Out Financial Statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 (the "Act") and other pronouncements issued by the Institute of Chartered Accountants of India ("ICAI"). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the audit of Special Purpose Carve-Out Financial Statements' section of our report. We are independent of the Transferor in accordance with the 'Code of Ethics' issued by the ICAI together with the ethical requirements that are relevant to our audit of the Special Purpose Carve-Out Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Special Purpose Carve-Out Financial Statements.

Emphasis of Matter - Basis of Accounting and Restriction on Use

We draw attention to Note 2.1 and 2.2 to the Special Purpose Carve-Out Financial Statements, which describes the purpose and basis of preparation of the Special Purpose Carve-Out Financial Statements. The Special Purpose Carve-Out Financial Statements have been prepared solely for the preparation of the Unaudited Proforma Financial Information which are being prepared for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") to be prepared by Ventive Hospitality Limited (formerly known as ICC Realty (India) Private Limited) (the "Issuer") for filing with the Securities and Exchange Board of India ("SEBI"), in connection with the proposed IPO, pursuant to the requirement of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "ICDR Regulations"). As a result, the Special Purpose Carve-Out Financial Statements may not be suitable for another purpose. Our report is intended solely for the Company and the auditors of the Issuer in connection with their report on the Compilation of Unaudited Proforma Financial Information to be included in the DRHP of the Issuer and should not be used for any other purpose.

Our opinion is not modified in respect of the above matter.



Management's responsibility for the Special Purpose Carve-Out Financial Statements

The Board of Directors of the Transferor is responsible for the preparation of the Special Purpose Carve-Out Financial Statements in accordance with the purpose and basis of preparation as set out in Note 2.1 and 2.2 to the Special Purpose Carve-Out Financial Statements. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Hotel Business and for preventing and detecting frauds and other irregularities; application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation of the Special Purpose Carve-Out Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Special Purpose Carve-Out Financial Statements, Board of Directors of the Transferor is responsible for assessing the Hotel Business'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 Hotel Business or to cease operations or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the audit of Special Purpose Carve-Out Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special Purpose Carve-Out 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 Special Purpose Carve-Out Financial Statements.

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

- ▶ Identify and assess the risks of material misstatement of the Special Purpose Carve-Out Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Hotel Business's internal control.
- ▶ Evaluate the appropriateness of accounting policies and reasonableness of accounting estimates and related disclosures made by management.



- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Hotel Business'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 Hotel Business to cease to continue as a going concern.

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

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

Other Matter

The Special Purpose Carve - Out Financial Statements of the Hotel Business for the year ended March 31, 2023, included in these Special Purpose Carve - Out Financial Statements, have been audited by predecessor auditor who expressed an unmodified opinion on those Special Purpose Carve - Out Financial Statements on August 29, 2024.

For SRBC & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003



Per Abhishek Agarwal
Partner
Membership Number: 112773

UDIN: 24112773BKCUPV7438

Mumbai
August 30, 2024

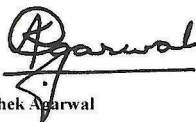


Aloft Hotel (Division of Cessna Garden Developers Private Limited)
Carved out Balance Sheet as at 31 March 2024
 (All amounts are in Indian Rupees millions unless otherwise stated)

	Note	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4a	820.42	790.10
Capital work-in-progress	4b	-	20.54
Other intangible assets	4c	2.99	4.92
Financial assets			
Other financial assets	5	48.39	40.89
Other non-current assets	6	12.04	25.97
Total non-current assets		883.84	882.42
Current assets			
Inventories	7	4.96	6.75
Financial assets			
Trade receivables	8	27.46	32.87
Cash and cash equivalents	9	36.76	103.91
Other financial assets	10	8.65	18.91
Other current assets	11	9.94	14.81
Total current assets		87.77	177.25
Total assets		971.61	1,059.67
EQUITY AND LIABILITIES			
Equity			
Other equity	12	(254.08)	(304.50)
Total equity		(254.08)	(304.50)
Non-current liabilities			
Financial liabilities			
Borrowings	13	1,004.62	1,157.88
Provisions	14	3.04	2.66
Total non-current liabilities		1,007.66	1,160.54
Current liabilities			
Financial liabilities			
Borrowings	15	153.26	124.52
Trade payables	16		
Total outstanding dues of micro enterprises and small enterprises		2.00	1.80
Total outstanding dues of creditors other than micro enterprises and small enterprises		35.83	54.05
Other financial liabilities	17	7.81	4.51
Other current liabilities	18	18.83	18.49
Provisions	19	0.30	0.26
Total current liabilities		218.03	203.63
Total liabilities		1,225.69	1,364.17
Total equity and liabilities		971.61	1,059.67
See accompanying notes to the carved out financial statements	3		

The accompanying notes form an integral part of the carved out financial statements
 As per our report of even date attached.

For S R B C & CO LLP
 Chartered Accountants
 ICAI Firm Registration Number: 324982E/E300003



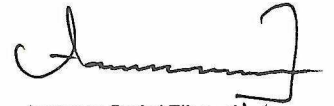
per Abhishek Agarwal
 Partner
 Membership Number: 112773
 Place: Mumbai
 Date: 30 August 2024



For and on behalf of the board of directors of
Aloft Hotel (Division of Cessna Garden Developers Private Limited)



Sumit Bhartia
 Director
 DIN: 07726897
 Place: Mumbai
 Date: 30 August 2024



Aaryaman Pankaj Tibrewal
 Director
 DIN: 09694867
 Place: Mumbai
 Date: 30 August 2024



Aloft Hotel (Division of Cessna Garden Developers Private Limited)
Carved out Statement of Profit and Loss for the year ended 31 March 2024
 (All amounts are in Indian Rupees millions unless otherwise stated)

	Note	For the year ended 31 March 2024	For the year ended 31 March 2023
INCOME			
Revenue from operations	20	651.97	603.07
Other income	21	2.55	2.18
Total Income- (I)		654.52	605.25
EXPENSES			
Cost of material consumed	22	52.69	45.95
Employee benefits expense	23	102.31	90.28
Finance costs	24	123.96	117.80
Depreciation and amortisation expense	25	75.43	66.01
Other expenses	26	328.58	239.01
Total Expenses - (II)		682.97	559.05
Profit/(loss) before tax (III= I-II)		(28.45)	46.20
Tax expense :			
Current tax	27	14.08	16.48
Deferred tax charge (including earlier years)		(39.41)	(1.77)
Total tax expense (IV)		(25.33)	14.71
Net profit/(loss) for the year (V= III-IV)		(3.12)	31.49
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in future periods:			
Remeasurements gain/(loss) on the defined benefit plans		0.39	(0.10)
Income tax relating to item that will not be reclassified to profit or loss		(0.11)	0.03
Total other comprehensive income/(loss) for the year, net of tax (VI)		0.28	(0.07)
Total comprehensive income/(loss) for the year (V+VI)		(2.84)	31.42

See accompanying notes to the carved out financial statements

3

The accompanying notes form an integral part of the carved out financial statements

As per our report of even date attached.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per Abhishhek Agarwal

Partner

Membership Number: 112773

Place: Mumbai

Date: 30 August 2024



For and on behalf of the board of directors of

Aloft Hotel (Division of Cessna Garden Developers Private Limited)



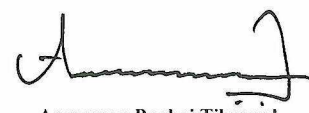
Sumit Bhartiya

Director

DIN: 07726897

Place: Mumbai

Date: 30 August 2024



Aaryaman Pankaj Tibrewal

Director

DIN: 09694867

Place: Mumbai

Date: 30 August 2024



Aloft Hotel (Division of Cessna Garden Developers Private Limited)
Carved out Cash Flow Statement for the year ended 31 March 2024
(All amounts are in Indian Rupees millions unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(A) Cash flows from operating activities :		
(Loss)/Profit before tax	(28.45)	46.20
Adjustments for:		
Provision of doubtful debts	0.16	0.61
Finance costs	123.21	117.00
Amortisation of processing fees	0.75	0.83
Depreciation and amortisation expense	75.43	66.01
Interest income	(2.55)	(2.18)
Exchange Loss	1.58	1.94
Asset written off	75.39	-
Loss on discarded of property, plant and equipments	0.23	-
Operating profit before working capital changes and other adjustments:	245.75	230.41
Working capital changes and other adjustments:		
Inventories (Increase)/decrease	1.79	(0.98)
Trade receivables (Increase)/decrease	5.25	(25.28)
Other current and non-current financial assets (Increase)/decrease	10.25	(3.56)
Other current assets and non-current assets (Increase)/decrease	4.87	(8.80)
Trade payables Increase/(decrease)	(19.60)	24.61
Other current and non-current financial liabilities Increase/(decrease)	0.19	(0.35)
Other current and non-current liabilities Increase/(decrease)	0.34	15.37
Provisions Increase/(decrease)	0.80	0.90
Cash flows from operating activities	249.64	232.32
Income taxes paid (net)	(14.08)	(16.48)
Net cash flows from operating activities (A)	235.56	215.84
(B) Cash flows from investing activities :		
Purchase of property, plant and equipment, investment property and other intangible assets	(141.95)	(92.05)
Investment in bank deposits	(7.50)	-
Interest received	2.55	2.18
Net cash flows from/(used in) investing activities (B)	(146.90)	(89.87)
C) Cash flows from financing activities :		
Repayment of non-current borrowings	(125.27)	(109.17)
Interest paid	(123.21)	(116.99)
Net cash (used in) financing activities (C)	(248.48)	(226.16)
Impacts on account of carve out from CGDPL (D)	92.67	165.29
E. Net increase/(decreased) in cash and cash equivalents (A+B+C+D)	(67.15)	65.10
F. Cash and cash equivalents at the beginning of the year	103.91	38.81
G. Cash and cash equivalents at the end of the year (E+F)	36.76	103.91
Notes:		
Component of cash and cash equivalent (refer note 9)		
Balances with banks	36.65	58.81
Cash on hand	0.11	0.10
Bank deposits with original maturity upto three months	-	45.00
Total of cash and cash equivalent (refer note 9)	36.76	103.91

See accompanying notes to the carved out financial statements

The accompanying notes form an integral part of the carved out financial statements

As per our report of even date attached.

3

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per Abhishek Agarwal

Partner

Membership Number: 112773

Place: Mumbai

Date: 30 August 2024



For and on behalf of the board of directors of

Aloft Hotel (Division of Cessna Garden Developers Private Limited)



Sumit Bhartia

Director

DIN: 07726897

Place: Mumbai

Date: 30 August 2024



Aaryaman Pankaj Tibrewal

Director

DIN: 09694867

Place: Mumbai

Date: 30 August 2024



1 Nature of principal activities

Cessna Garden Developers Private Limited ("the Company") was incorporated on 12 September, 1995 as a company under the Companies Act, 1956 (the "Act"). The registered office of the Company is "Cessna Business Park, Outer ring road post, Kadubeesanahalli, Bellandur Bangalore - 560103, India". The Company is engaged in the business of real estate development.

2 Material accounting policies

2.1 Purpose of preparation of these Special Purpose Carve Out Financial Statements

The Board of Directors of the Company approved the transfer of Aloft Hotel Business including transfer of Business Assets and Liabilities relating to the Aloft Hotel Business in accordance with the Business Transfer Agreement dated 06 August 2024 (the "Hotel Business") as a going concern with all the related rights, title and interest in and to the Hotel Business.

These Special Purpose Carve Out Financial Statements of the Hotel Business are being prepared:

a) For the purpose of inclusion in the Offer Document to be prepared by Ventive Hospitality Limited (formerly known as ICC Realty (India) Private Limited) ("the Issuer"), for filing with Securities and Exchange Board of India ("SEBI"), in connection with the proposed Initial Public Offer ("IPO"), pursuant to the requirement of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and accordingly carve out financial information of Hotel Business for the year ended 31 March 2024 have been included. Further, in consultation with SEBI, the Company has voluntarily included carve out financial information of the Hotel Business for the year ended 31 March 2023 and 31 March 2022. As per the management, inclusion of the voluntary carve out financial information would provide relevant and useful information for the aforesaid proposed IPO.

b) For the purpose of preparation of the Unaudited Proforma Financial Information of the Issuer which are being prepared for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP"), in connection with the proposed IPO of equity shares of face value of Rs. 1 each of the Issuer.

These Special Purpose Carve Out Financial Statements were approved for issue in accordance with a resolution of the Board of Directors of the Company in their meeting held on 30 August 2024. The transfer of Hotel Business is subject to the satisfaction of conditions as stipulated in the Business Transfer Agreement dated 06 August 2024.

2.2 Basis of preparation of Special Purpose Carve Out Financial Statements

(i) The Special Purpose Carve Out Financial Statements of the Hotel Business of the Company, which comprises the Special Purpose Carve Out Balance Sheet as at March 31, 2024 and as at March 31, 2023, the Special Purpose Carve Out Statements of Profit and Loss including Other Comprehensive Income, the Special Purpose Carve Out Statements of Cash Flows for the years ended March 31, 2024 and March 31, 2023, and notes to the Special Purpose Carve Out Financial Statements, including a summary of material accounting policies and other explanatory information (collectively the "Special Purpose Carve Out Financial Statements") have been prepared:

a. taking into consideration the terms of the Business Transfer Agreement dated 06 August 2024;

b. in accordance with Guidance Note on Combined and Carve Out Financial Statements issued by the Institute of Chartered Accountants of India ("ICAI") (the "Guidance Note").

Accordingly, the Special Purpose Carve Out Financial Statements include only those assets and liabilities (including contingencies) that are to be acquired by the Issuer under the terms of the Business Transfer Agreement dated 06 August 2024, being the assumed assets and assumed liabilities for all the years presented.

(ii) The Special Purpose Carve Out Financial Statements have been prepared using basis of preparation and using the accounting principles under the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules 2015, as amended ("Ind AS") on a carve out basis taking into account the specifics to be considered in preparing the Special Purpose Carve Out Financial Statements.

Whilst the financial information included in these Special Purpose Carve Out Financial Statements is in accordance with basis of preparation using Ind AS principles, however, these Special Purpose Carve Out Financial Statements do not include all of the information required for a complete set of Ind AS financial statements.

(iii) The Hotel Business has historically operated as part of the Company and not as a standalone entity. Financial statements representing the operations of the Hotel Business have been derived from the Company's accounting records and are presented on a carve out basis.

(iv) The principal purpose of Special Purpose Carve Out Statements of Profit and Loss is to present the historical operations of the carved out Hotel business and reflect all the costs of doing business and corresponding revenue. Therefore, these Special Purpose Carve Out Statements of Profit and Loss includes the relevant costs and revenue as if the carve out business operated as a separate entity in the periods presented.

(v) Other equity/Net parent investment, as disclosed in these Special Purpose Carve Out Financial Statements, being net asset value, represents the difference between the assumed assets and liabilities of the Hotel Business of the Company. In the cash flow statement, movement in other equity has been disclosed as a separate line item below financing activities as 'Impacts on account of carve out from CGDPL'.

(vi) Assets, liabilities, income and expenses recognised in these Special Purpose Carve Out Financial Statements that are directly attributable to the Hotel Business are based on the books of accounts and underlying accounting records maintained by the Company and as per conditions set out in the Business Transfer Agreement dated 06 August 2024.

(vii) These Special Purpose Carve Out Financial Statements may not include all the actual expenses that would have been incurred had the carve out business operated as a standalone company during the periods presented and may not reflect the financial position and financial performance had it operated as a standalone company during such periods. Actual costs that would have been incurred if carve out business had operated as a standalone company would depend on multiple factors, including organizational structure, capital structure, strategic and tactical decisions made in various areas, including information technology and infrastructure.

(viii) Therefore, the resulting financial position, financial performance and cash flows in these Special Purpose Carve Out Financial Statements may not be that which might have existed if the carve out business had been a standalone company. Further, the information may not be representative of the financial position, financial performance and cash flows which may prevail after the transaction.

(ix) The Special Purpose Carve Out Financial Statements as presented are not legal entity financial statements and hence, no earnings per share (EPS), basic and diluted, has been computed and disclosed.

(x) The Special Purpose Carve Out Financial Statements have been prepared under the historical cost convention on the accrual basis, except for certain other financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments), and

(xi) The Special Purpose Financial Statements are Special Purpose Financial Statements prepared solely as per the purpose of preparation. As a result, the Special Purpose Financial Statements may not be suitable for any other purpose. Further, the Special Purpose Financial Statements are not prepared in accordance with the requirements of Schedule III notified under the Companies Act, 2013.

(xii) The Special Purpose Carve Out Financial Statements of the Hotel Business of the Company are presented in INR (₹) and all values are rounded to the nearest millions (₹ 000,000), except when otherwise indicated



2.3 New and Amended Standards

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective for annual periods beginning on or after April 1, 2023. The Company applied for the first-time these amendments.

a) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. The amendments had no impact on the Company's financial statements.

b) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

c) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. The amendments had no impact on the Company's financial statements.

Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

3 Summary of material accounting policies

a) Current versus non-current classification

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

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

A liability is current when:

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

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

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

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

b) Business combinations and asset acquisition

The Company applies the acquisition method in accounting for business combinations. The consideration transferred by the Company is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred by the former owners of the acquired business. Acquisition costs are generally recognized in the statement of profit and loss as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their acquisition-date fair values. Goodwill is initially measured as excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred and where exists clear evidence of underlying reasons of classifying business combinations as bargain purchase, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

For acquisition of assets which do not meet the definition of a business, the consideration transferred is allocated to the assets and liabilities in proportion to the acquisition date fair values.



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c) Property, Plant and Equipment

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated on a written down value method basis over the estimated useful lives of the assets as follows:

Asset class	Useful life
Building	10 - 58 years
Office Equipment	10 - 20 years
Plant and Machinery	10 - 20 years
Furniture and fixtures	10 - 15 years
Vehicles	10 years
Computers and Accessories	6 years

The Company reviews the estimated residual values and expected useful lives of assets at least annually.

An item of property, plant and equipment 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 derecognition 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.

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

d) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite.

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

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

Amortisation is calculated on a written down value method over the estimated useful lives of the intangible assets as follows:

Asset class	Useful life
Computer software	6 years

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition 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.

e) Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer. The Company collects goods and service tax on behalf of the government and therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue. The Company applies the revenue recognition criteria to each nature of the revenue transaction as set out below.

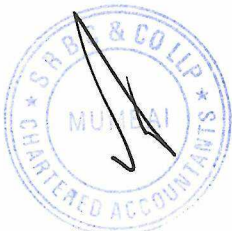
Recognition of revenue from room rentals, food, beverages, maintenance income and other allied

Revenues from the room rentals during a guest's stay at the hotel is recognised based on occupation and revenue from sale of food and beverages and other allied services, as the services are rendered.

Membership fee is recognised on a straight line basis over the period of membership

Operations and maintenance income

Revenue from contract with customers majorly includes income from maintenance services. Revenue is recognised as and when the services are rendered based on the terms of the contracts. The Company raises invoices as per the terms of the contract, upon which the payment is due to be made by the customers. If the consideration in a contract includes a variable amount (like volume rebates / incentives, cash discounts etc.), the Company estimates the amount of consideration to which it will be entitled in exchange for rendering the services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The estimate of variable consideration for expected future volume rebates / incentives, cash discounts etc. are made on the most likely amount method. Revenue is disclosed net of such amounts.



Service income

Other operating income is recognised as and when services are completely rendered and right to receive money has been established, except in cases where ultimate collection is considered doubtful.

Interest income

Interest income is recorded on accrual basis using the effective interest rate (EIR) method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Contracts assets

A contract asset is the right to consideration in exchange for services transferred to the customer. If the Company performs its obligation by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Trade receivables

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in Financial Instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Company performs its obligations under the contract.

f) Impairment of non-financial assets

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

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

g) Functional currency

Functional and presentation currency

The Financial Statements are presented in INR, which is also the Company's functional currency and the currency of the primary economic environment in which the Company operates.

Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction. Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction. Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the Statement of Profit and Loss in the year in which they arise.



h) Financial instruments

(i) Financial assets

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.

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

De-recognition of financial assets

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

The rights to receive cash flows from the asset have expired, or

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

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

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

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

Subsequent measurement

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

De-recognition of financial liabilities

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

Offsetting of financial instruments

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



i) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. The Company factors historical trends and forward looking information to assess expected credit losses associated with its assets and impairment methodology applied depends on whether there has been a significant increase in credit risk.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109 (provision matrix approach), which requires measurement of expected credit loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition, if the financial asset is determined to have low credit risk at the balance sheet date.

j) Income taxes

Tax expense recognised in Statement of Profit and Loss comprises the sum of current tax and deferred tax except the ones recognised in other comprehensive income or directly in equity. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

k) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

l) Employee benefits

Defined contribution plan

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. The Company's contributions towards provident fund are deposited with the regional provident fund commissioner under a defined contribution plan.

Defined benefit plan

The Company has unfunded gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognised in the balance sheet for defined benefit plans as the present value of the defined benefit obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

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

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

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

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



Other long-term employee benefits

The Company also provides benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. This is as per the policy of the Company. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the Statement of Profit and Loss in the year in which such gains or losses arise. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

m) Provisions, contingent liabilities and contingent assets

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

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

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company; or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are disclosed only when inflow of economic benefits therefrom is probable and recognized only when realization of income is virtually certain.

n) Fair value measurement

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

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

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

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

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

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

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

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

o) Statement of Cash flows

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

For the purpose of the Statement of Cash Flow, cash and cash equivalents consist of cash at banks and on hand, cheques on hand and short-term deposits, as defined above.

p) Use of judgements and estimates

The preparation of the financial statements in conformity with the Ind AS requires the Management to make estimates and assumptions for arriving at the reported amounts of assets, liabilities, income and expenses, accounting disclosure and the disclosure of contingent liability for the year. Actual results may differ from these estimates. Management believes that these estimates used in the preparation of the financial statements are prudent and reasonable.

Estimated and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the Financial Statements is included in the following notes:

- Estimation of useful life of property, plant and equipment and investment property – Refer note 3(e).
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources - Refer note 3(m).
- Estimation of defined benefit obligation - Refer note 3(f).

Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements.



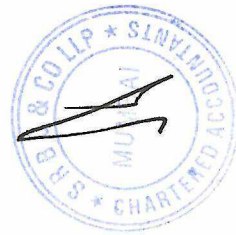
Aloft Hotel (Division of Cessna Garden Developers Private Limited)
Notes to Carved out financial statements for the year ended 31 March 2024
 (All amounts are in Indian Rupees millions unless otherwise stated)

4 a) Property, plant and equipment

Particulars	Freehold land	Buildings	Office equipment	Furniture and fixtures	Vehicles	Plant and machinery	Computers	Total
Gross block								
Balance as at 01 April 2022	76.42	777.32	14.41	652.06	22.39	6.41	11.01	1,560.02
Additions	-	33.68	3.04	0.21	-	2.17	2.72	41.82
Disposals	-	-	-	-	-	-	-	-
Balance as at 31 March 2023	76.42	811.00	17.45	652.27	22.39	8.58	13.73	1,601.84
Additions	-	125.02	18.30	3.64	-	30.69	3.52	181.16
Disposals	-	(125.02)	(5.84)	(0.07)	-	-	-	(130.94)
Balance as at 31 March 2024	76.42	811.00	29.91	655.84	22.39	39.27	17.25	1,652.08
Accumulated depreciation								
Balance as at 01 April 2022	-	230.50	6.20	487.68	13.71	1.20	8.17	747.46
Charge for the year	-	28.28	1.37	29.76	2.25	0.93	1.69	64.28
Disposals	-	-	-	-	-	-	-	-
Balance as at 31 March 2023	-	258.78	7.57	517.44	15.96	2.13	9.86	811.74
Charge for the year	-	38.05	3.64	24.62	1.67	3.82	1.69	73.49
Disposals	-	(49.63)	(3.92)	(0.02)	-	-	-	(53.57)
Balance as at 31 March 2024	-	247.20	7.29	542.04	17.63	5.95	11.55	831.66
Net block								
Net block as at 31 March 2023	76.42	552.22	9.88	134.83	6.43	6.45	3.87	790.10
Net block as at 31 March 2024	76.42	563.80	22.62	113.80	4.76	33.32	5.70	820.42

Assets pledged as security and restriction on titles

Freehold land and building with carrying amount of Rs. 640.22 millions (31 March 2023: Rs. 628.64 millions) have been pledged to secure borrowings of the Company under a mortgage (Refer 13)



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Aloft Hotel (Division of Cessna Garden Developers Private Limited)
Notes to Carved out financial statements for the year ended 31 March 2024
 (All amounts are in Indian Rupees millions unless otherwise stated)

b) Capital work-in-progress

The changes in the carrying value of Capital work-in-progress for the year ended 31 March 2023 and 31 March 2024

Particulars	Building	Total
Gross block		
Balance as at 01 April 2022	-	-
Addition for the year	54.22	54.22
Capitalised during the year	(33.68)	(33.68)
Balance as at 31 March 2023	20.54	20.54
Addition for the year	160.63	160.63
Capitalised during the year	(181.17)	(181.17)
Balance as at 31 March 2024	-	-

c) Other intangible assets

Particulars	Computer software	Total
Gross block		
Balance as at 01 April 2022	7.35	7.35
Addition for the year	3.72	3.72
Disposals	-	-
Balance as at 31 March 2023	11.07	11.07
Addition for the year	-	-
Disposals	-	-
Balance as at 31 March 2024	11.07	11.07
Accumulated depreciation		
Balance as at 01 April 2022	4.41	4.41
Charge for the year	1.73	1.73
Balance as at 31 March 2023	6.14	6.14
Charge for the year	1.94	1.94
Balance as at 31 March 2024	8.08	8.08
Net block		
Net block as at 31 March 2023	4.92	4.92
Net block as at 31 March 2024	2.99	2.99



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Aloft Hotel (Division of Cessna Garden Developers Private Limited)
Notes to Carved out financial statements for the year ended 31 March 2024
(All amounts are in Indian Rupees millions unless otherwise stated)

5 Other financial assets - non-current

Particulars	As at	
	31 March 2024	31 March 2023
At Amortized cost		
Security deposits	2.89	2.89
Bank deposits with maturity of more than twelve months*	45.50	38.00
	<u>48.39</u>	<u>40.89</u>

*Includes Rs. 45.50 million (31 March 2023, Rs. 38.00 million) held as margin money or security against the borrowings, guarantees, other commitments.

6 Other non current assets

Particulars	As at	
	31 March 2024	31 March 2023
Capital advances	12.04	25.97
	<u>12.04</u>	<u>25.97</u>

7 Inventories (lower of cost and net realisable value)

Particulars	As at	
	31 March 2024	31 March 2023
Stock of raw materials:		
- 'Food and beverages *	4.96	6.75
	<u>4.96</u>	<u>6.75</u>

*Inventories have been pledged with bank against loan facility, for details (refer note 13a)

8 Trade receivables

Particulars	As at	
	31 March 2024	31 March 2023
At Amortized cost		
From parties other than related parties		
Unsecured, considered good*	27.46	32.87
Unsecured credit impaired	0.96	0.79
Sub total	28.42	33.66
Less : Allowance for credit impaired	(0.96)	(0.79)
Total Trade Receivables	<u>27.46</u>	<u>32.87</u>

*Trade receivables have been hypothecated with banks against term loan, for details (refer note 13a)

The Company does not have any trade receivable which are either credit impaired or where there is significant increase in credit except the one already provided for.

Movement in expected credit loss allowance is given below:

Particulars	As at	
	31 March 2024	31 March 2023
Balance at the beginning of the year	0.79	0.18
Additions during the year, net	0.17	0.61
Reversal during the year, net	-	-
Balance at the end of the year	<u>0.96</u>	<u>0.79</u>

Notes :

The Company's exposure to credit and currency risks, and loss allowances related to trade receivables is disclosed in note 32

The Company does not have any trade receivable which are either credit impaired or where there is significant increase in credit except the ones already provided for.

9 Cash and cash equivalents

Particulars	As at	
	31 March 2024	31 March 2023
At Amortized cost		
Balances with banks	36.65	58.81
Cash on hand	0.11	0.10
Bank deposits with original maturity less than three months	-	45.00
	<u>36.76</u>	<u>103.91</u>

10 Other financial assets - current

Particulars	As at	
	31 March 2024	31 March 2023
At Amortized cost - Unsecured, considered good		
Security deposits	3.72	1.03
Unbilled revenue	4.39	17.51
Interest accrued but not due on deposits	0.54	0.37
	<u>8.65</u>	<u>18.91</u>



11 Other current assets

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Prepaid expenses	5.24	3.08
Advance to suppliers	4.70	11.73
	<u>9.94</u>	<u>14.81</u>

12 Other equity

Particulars	As at 31 March 2024	As at 31 March 2023
Other equity	(254.08)	(304.50)

13 Borrowings - Non-current

Particulars	As at 31 March 2024	As at 31 March 2023
At amortised cost		
Term loans (Secured)		
- From banks (refer note below)	1,157.88	1,282.40
Less: Current maturities of long-term debt (amount included under "borrowings - current" (Refer note 15))	(153.26)	(124.52)
	<u>1,004.62</u>	<u>1,157.88</u>

Information about the Company's exposure to interest rate and liquidity risks is included in note 31 and 32

Details of securities, repayment and interest of secured term loans (including current maturities of long-term debt) as at 31 March 2024

13a For loan with sanction amount of INR 1,500 million from ICICI Bank

Secured Term loans (including current maturities of long-term debt) as at 31 March 2024 borrowed from ICICI Bank is INR 1,157.88 million (as at 31 March 2023 from ICICI Bank: INR 1,282.40 million).

a) Primary Security :

The loan facility is secured by first charge over Hotel land and Building carrying value of INR 76.42 million (31 March 2023: INR 76.42 million) and INR 563.80 million (31 March 2023: INR 552.21 million) situated at Cessna Business Parks, Outer Ring road, Bangalore.

Hypothecation of all the movable fixed assets, current assets including receivables of the hotel situated at Cessna Business Parks, Outer Ring road, Bangalore.

b) Collateral Security :

DSRA equivalent to 1 quarter instalment and 1 month interest.

c) Repayment terms and interest rate :

Repayable in 47 quarterly instalments starting from 30 April 2018 and to be settled by 30 April 2030. Rate of interest as at 31 March 2024 is 1 year marginal cost of funds based lending rate (1 year MCLR) plus 0.30% spread. As at 31 March 2024, interest rate is 9.40% per annum (as at 31 March 2023, 9.35% per annum).

d) There are no defaults in repayment of principal or interest to lenders as at 31 March 2024 and 31 March 2023.

13b Reconciliation of movements of liabilities to cash flows arising from financing activities

Particulars	Non-current borrowings (including current maturities)	Current borrowings	Interest accrued	Total
Balance as at 01 April 2022	1,390.75	-	-	1,390.75
Interest paid	-	-	(116.99)	(116.99)
Interest expense	-	-	116.99	116.99
Loan processing fee adjustment	0.83	-	-	0.83
Principal repayment	(109.17)	-	-	(109.17)
Balance as at 31 March 2023	1,282.40	-	-	1,282.40
Balance as at 01 April 2023	1,282.40	-	-	1,282.40
Interest paid	-	-	(123.21)	(123.21)
Interest expense	-	-	123.21	123.21
Loan processing fee adjustment	0.75	-	-	0.75
Principal repayment	(125.27)	-	-	(125.27)
Balance as at 31 March 2024	1,157.88	-	-	1,157.88

14 Provisions - Non-current

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits (refer note 29)		
- Gratuity	1.96	1.49
- Compensated absences	1.08	1.17
	<u>3.04</u>	<u>2.66</u>



Aloft Hotel (Division of Cessna Garden Developers Private Limited)
Notes to Carved out financial statements for the year ended 31 March 2024
(All amounts are in Indian Rupees millions unless otherwise stated)

15 Borrowings - current

Particulars	As at	As at
	31 March 2024	31 March 2023
At amortised cost		
Current maturities of long-term debt (Secured) - refer note 13	153.26	124.52
	<u>153.26</u>	<u>124.52</u>

16 Trade payables

Particulars	As at	As at
	31 March 2024	31 March 2023
At amortised cost		
-Total outstanding dues of micro enterprises and small enterprises	2.00	1.80
-Total outstanding dues of creditors other than micro enterprises and small enterprises	35.83	54.05
	<u>37.83</u>	<u>55.85</u>

All trade payables are current in nature. The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 32

17 Other financial liabilities - current

Particulars	As at	As at
	31 March 2024	31 March 2023
At amortised cost		
Interest accrued but not due on borrowings	0.60	0.33
Capital creditors	3.02	-
Other payables	4.19	4.18
	<u>7.81</u>	<u>4.51</u>

18 Other current liabilities

Particulars	As at	As at
	31 March 2024	31 March 2023
Advance from customers	9.86	9.87
Statutory dues	8.97	8.62
	<u>18.83</u>	<u>18.49</u>

19 Provisions - current

Particulars	As at	As at
	31 March 2024	31 March 2023
Provision for employee benefits (refer note 29)		
-Gratuity	0.13	0.08
-Compensated absences	0.17	0.18
	<u>0.30</u>	<u>0.26</u>



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Aloft Hotel (Division of Cessna Garden Developers Private Limited)
Notes to Carved out financial statements for the year ended 31 March 2024
(All amounts are in Indian Rupees millions unless otherwise stated)

20 Revenue from operations

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Sale of services		
Room revenue	435.72	418.28
Other hotel services including Banquet income and membership fees	216.25	184.79
	651.97	603.07

21 Other income

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income		
On bank deposits	2.55	2.18
	2.55	2.18

22 Cost of material consumed

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Cost of food and beverages consumed		
Inventory at the beginning of the year	6.75	5.78
Add: Purchases	50.90	46.92
	57.65	52.70
Less: Inventory at the end of the year	(4.96)	(6.75)
Cost of food and beverages consumed	52.69	45.95

23 Employee benefits expense

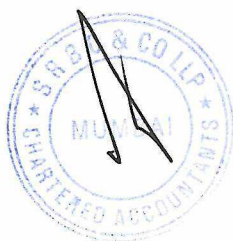
Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries and wages	79.04	66.25
Contribution to provident and other funds (refer note 29)	6.37	4.19
Gratuity expense (refer note 29)	0.92	0.76
Staff welfare expenses	15.98	19.08
	102.31	90.28

24 Finance costs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest on borrowings	113.08	108.13
Others	10.88	9.67
	123.96	117.80

25 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation on property, plant and equipment (refer note 4a)	73.49	64.28
Amortisation of intangible assets (refer note 4c)	1.94	1.73
	75.43	66.01



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Aloft Hotel (Division of Cessna Garden Developers Private Limited)
Notes to Carved out financial statements for the year ended 31 March 2024
(All amounts are in Indian Rupees millions unless otherwise stated)

26 Other expenses

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Advertisement and sales promotion	54.11	33.49
Repairs and maintenance		
Buildings	17.18	23.68
Plant and machinery	5.56	5.13
Power, fuel and light	53.06	47.24
Rent	0.93	0.68
Insurance charges	0.81	1.79
Rates and taxes	5.30	6.77
Linen, laundry and cleaning	19.31	22.63
Legal and professional fees	39.48	63.06
Loss on discarded property, plant and equipments	0.23	-
Asset written off	75.39	-
Internet, telephone and other operating supplies	1.10	3.70
Printing and stationery	3.50	4.19
Exchange loss (net)	1.58	1.94
Provision for doubtful receivables and advances	0.16	0.61
Software subscriptions and licence fee	13.90	9.52
Miscellaneous expenses	36.98	14.58
	328.58	239.01

27 Tax expenses

a Income tax recognised in Statement of Profit and Loss

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current tax		
In respect of the current tax	14.08	16.48
In respect of prior years	-	-
	14.08	16.48
Deferred tax		
Origination and reversal of temporary differences	(24.66)	(1.77)
Deferred tax in respect of earlier years	(14.75)	-
Total deferred tax expense	(39.41)	(1.77)
Income tax expense reported in the statement of profit and loss	(25.34)	14.71

b Reconciliation of tax expense and accounting profit

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit/(loss) before tax	(28.45)	46.20
Applicable tax rate	29.12%	29.12%
Income tax expense at applicable tax rate	(8.28)	13.45
Adjustment on account of :		
Impact due to asset write off	(2.31)	-
Impact due to deferred tax of earlier years	(14.75)	-
Permanent differences	-	1.26
	(17.06)	1.26
Income tax expense recognised in Statement of Profit and Loss	(25.34)	14.71



28 Contingent liabilities and capital commitments

Particulars	As at 31 March 2024	As at 31 March 2023
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	-	26.57

29 Employee benefit plans

(i) Defined Contribution Plans :

The Company has made Rs. 6.37 millions contribution in respect of provident fund in during the year (31 March 2023: Rs 4.19 millions).

Gratuity and compensated absences

The Company has the defined benefit plans for gratuity and other long term benefit plan for compensated absences.

Risks associated with plan provisions

The defined benefit plan typically expose the Company to actuarial risks such as: interest rate risk, longevity risk and salary risk.

Discount rate risk	Reduction in discount rate in subsequent valuations can increase the plan's liability
Mortality risk	Actual death and liability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawal risk	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability
Salary risk	Actual salary increase will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

ii) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. Gratuity plan is a non-funded plan. The weighted average duration of defined benefit obligation is 7.95 years (31 March 2023: 7.30 years).

a. Amount recognised in the statement of profit and loss is as under:

Particulars	Rs. In million	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Current service cost	0.80	0.67
Interest cost	0.12	0.09
Expense recognized in the statement of profit and loss	0.92	0.76
Actuarial loss recognised in other comprehensive income		
Actuarial loss/ (gain) on arising from the change of experience	(0.42)	0.17
Actuarial (gain) / loss for changes in financial assumptions	0.03	(0.07)
Actuarial (gain) / loss due to experience adjustments	-	-
Actuarial loss/(gain) on arising from the change of experience	(0.39)	0.10
Total components of defined benefit cost for the year	0.53	0.86

b. Movement in the liability recognized in the balance sheet is as under:

Particulars	As at 31 March 2024	As at 31 March 2023
Present value of defined benefit obligation at the beginning of the year	1.57	1.35
Current service cost	0.80	0.67
Interest cost	0.12	0.09
Actuarial loss/(gain) due to experience adjustments	(0.39)	0.10
Benefits paid	-	(0.64)
Present value of defined benefit obligation at the end of the year	2.10	1.57

c. Bifurcation of projected benefit obligation at the end of the year in current and non-current

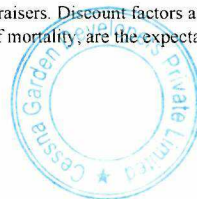
Particulars	As at 31 March 2024	As at 31 March 2023
Current liability (amount due within one year)	0.13	0.08
Non - current liability (amount due over one year)	1.97	1.49

d. For determination of the liability of the Company, the following actuarial assumptions were used:

Particulars	As at 31 March 2024	As at 31 March 2023
Discount rate	7.22%	7.36%
Salary escalation rate	6.00%	6.00%
Mortality table	100% of IALM 2012-14	100% of IALM 2012-14

As the Company does not have any plan assets, the movement of present value of defined benefit obligation and fair value of plan assets has not been presented.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are based on the yields/rates available on applicable bonds as on the valuation date. The assumptions used in this report, other than the rates of mortality, are the expectations of the Company for future years.



Particulars	Rs. In million	
	As at 31 March 2024	As at 31 March 2023
Sensitivity analysis for gratuity liability		
A) Impact of the change in discount rate		
Present value of obligation at the end of the year	2.10	1.57
a) Impact due to increase of 1 %	(0.22)	(0.16)
b) Impact due to decrease of 1 %	0.24	0.17
B) Impact of the change in salary growth rate		
Present value of obligation at the end of the year	2.10	1.57
a) Impact due to increase of 1 %	0.24	0.17
b) Impact due to decrease of 1 %	(0.21)	(0.16)
C) Impact of the change in attrition rate		
Present value of obligation at the end of the year	2.10	1.57
a) Impact due to increase of 1 %	(0.09)	(0.06)
b) Impact due to decrease of 1 %	0.09	0.06

Sensitivities due to mortality and withdrawal are not material and hence impact of change not disclosed.

Maturity profile of defined benefit obligation

Year	As at 31 March 2024	As at 31 March 2023
0 to 1 year	0.13	0.08
2 to 5 years	0.46	0.37
6 to 10 years	0.41	0.37
More than 10 years	1.09	0.76

(iii) Compensated absences

The leave obligation covers the Company's liability for permitted leaves.

Based on past experience, the Company does not expect all employees to take the full amount of accrued leaves or require payment within the next 12 months, therefore based on the independent actuarial report the amount of provision of Rs 1.08 millions (31 March 2023: Rs 1.17 million) is presented as non-current and Rs 0.17 million (31 March 2023: Rs 0.18 million) is presented as current. The weighted average duration of defined benefit obligation is 7.95 years (31 March 2023: 7.95 years).

Amount recognised in the statement of profit and loss is as under:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
a. Components of defined benefit cost		
Current service cost	0.81	1.02
Interest expenses net	0.10	0.04
Actuarial loss during the year	(0.63)	0.15
Expense recognized in the statement of profit and loss	0.28	1.21

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

b. Movement in the liability recognized in the balance sheet is as under:

Particulars	As at 31 March 2024	As at 31 March 2023
Present value of defined benefit obligation at the beginning of the year	1.34	0.58
Current service cost	0.81	1.02
Interest cost	0.10	0.04
Total actuarial loss on obligation	(0.63)	0.15
Benefits paid	(0.36)	(0.45)
Present value of defined benefit obligation at the end of the year	1.25	1.34

c. Bifurcation of projected benefit obligation at the end of the year in current and non-current

Particulars	As at 31 March 2024	As at 31 March 2023
Current liability (amount due within one year)	0.17	0.18
Non - current liability (amount due over one year)	1.08	1.17

d. For determination of the liability of the Company, the following actuarial assumptions were used:

Particulars	As at 31 March 2024	As at 31 March 2023
Discount Rate	7.22%	7.36%
Salary escalation rate	6.00%	6.00%
Mortality table	100% of IALM 2012-14	100% of IALM 2012-14

As the Company does not have any plan assets, the movement of present value of defined benefit obligation and fair value of plan assets has not been presented.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are based on the yields/rates available on applicable bonds as on the valuation date. The assumptions used in this report, other than the rates of mortality, are the expectations of the Company for future years.

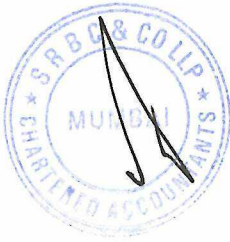


Particulars	Rs. In million	
	As at 31 March 2024	As at 31 March 2023
Sensitivity analysis for compensated absences liability		
Impact on defined benefit obligation:		
A) Impact of the change in discount rate		
Present value of obligation at the end of the year	1.25	1.34
a) Impact due to increase of 1 %	(0.11)	(0.12)
b) Impact due to decrease of 1 %	0.11	0.13
B) Impact of the change in salary increase		
Present value of obligation at the end of the year	1.25	1.34
a) Impact due to increase of 1 %	0.12	0.13
b) Impact due to decrease of 1 %	(0.11)	(0.12)
C) Impact of the change in attrition rate		
Present value of obligation at the end of the year	1.25	1.34
a) Impact due to increase of 1 %	0.00	0.00
b) Impact due to decrease of 1 %	(0.00)	(0.00)

Sensitivities due to mortality and withdrawal are not material and hence impact of change not disclosed.

Maturity profile of defined benefit obligation

Year	As at	
	31 March 2024	31 March 2023
0 to 1 year	0.17	0.18
2 to 5 years	0.39	0.42
6 to 10 years	0.18	0.21
More than 10 years	0.52	0.53



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30 Details of hedged and unhedged exposure in foreign currency denominated monetary items :

The Company does not use foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted tr Foreign currency exposures which are not hedged by a derivative instrument or otherwise as at 31 March 2024 and 31 March 2023:

Particulars	As at 31 March 2024		As at 31 March 2023	
	Amount (Rs million)	Amount (US \$ million)	Amount (Rs million)	Amount (US \$ million)
Due to creditors	10.14	0.11	22.14	0.27

31 Financial instruments - risk management

i) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the financial statements are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: unobservable inputs for the asset or liability.

ii) Financial instruments by category

Particulars	As at 31 March 2024		As at 31 March 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets measured at amortized cost				
Trade receivables	27.46	27.46	32.87	32.87
Cash and cash equivalents	36.76	36.76	103.91	103.91
Other financial assets	57.04	57.04	59.80	59.80
Total	121.26	121.26	196.57	196.57
Financial liabilities measured at amortized cost#				
Borrowings - including current maturities	1,157.88	1,157.88	1,282.40	1,282.40
Trade payables	37.83	37.83	55.85	55.85
Other financial liabilities	7.81	7.81	4.51	4.51
Total	1,203.52	1,203.52	1,342.76	1,342.76

The management assessed that fair value of financial assets such as cash and cash equivalents, trade receivables, current loans and other financials assets and all the financial liabilities significantly approximate their carrying amounts due to nature and short term maturities of these instruments.

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Receivables are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- The fair value of loans from banks, security deposits and other financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.
- The fair value of floating rate borrowings are determined by using DCF method using discount rate that reflects the issuer's borrowing rate at the end of the reporting period. As the Company's interest rates changes with the change in market interest rate, there is no material difference in carrying value and fair value. The own non performance risk as at March 31, 2024 was assessed to be insignificant.

32 Financial instruments - risk management

Risk management framework

The Company's Board of Directors (Board) have overall responsibility for the establishment and oversight of Company's risk management framework. The risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and its activities.

The Company's Board oversees how management monitors compliance with risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Board of the Company is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Board.

The Company has exposure to the following risks arising from financial instruments: credit risk (refer note (a) below); liquidity risk (refer note (b) below); market risk (refer note

A Credit risk

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

The Company has an established process to evaluate the creditworthiness of its tenants and prospective tenants to minimise potential credit risk. Credit evaluations are performed by the Company's Board before lease agreements are entered into with prospective tenants. Security in the form of bankers' guarantees, corporate guarantees or cash security deposits are obtained upon the commencement of the lease.

The Company has established a policy for performing an impairment analysis which represents its estimate of losses in respect of trade and other receivables. The main component of this allowance is estimated losses that relate to specific tenants or counterparties. The allowance account is used to provide for impairment losses. Subsequently when the Company's management is satisfied that no recovery of such losses is possible, the financial asset is considered irrecoverable, and the amount charged to the allowance account is then written off against the carrying amount of the impaired financial asset.

a) Credit risk management

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of

Cash and cash equivalents

Credit risk related to cash and cash equivalents and bank deposits is managed by only investing in deposits with highly rated banks and financial institutions and diversifying bank deposits and accounts in different banks. Credit risk is considered low because the Company deals with highly rated banks and financial institution.

Other financial assets

Credit risk related to these financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system are in place to ensure the amounts are within defined limits. Credit risk is considered low because the Company is in possession of the underlying asset or as per trade experience.

Trade receivables

The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (including but not limited to past payment history, security by way of deposits, external ratings, audited financial statements, management accounts and cash flow projections and available press information about customers) and applying experienced credit judgment.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables.



b) Credit risk exposure

Provision for expected credit losses

The Company provides for 12 month expected credit losses for following financial assets –

As at 31 March 2024

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Trade receivables	28.42	(0.96)	27.46
Cash and cash equivalents	36.76	-	36.76
Other financial assets	57.04	-	57.04

As at 31 March 2023

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Trade receivables	33.66	(0.79)	32.87
Cash and cash equivalents	103.91	-	103.91
Other financial assets	59.80	-	59.80

In respect of trade receivables, the Company considers provision for expected credit loss amounting to Rs 0.96 millions (31 March 2023 : Rs 0.79 millions).

B Liquidity risk

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

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

Borrowings of the company are the lease rental discounting loans where the servicing of the debt is backed by monthly lease rentals received from tenants through escrow mechanism, thereby mitigating the exposure to liquidate the risks.

Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date, and the amounts are gross and undiscounted contractual cash flow

As at 31 March 2024	Less than 1 year	1 to 5 Years	Above 5 Years	Total
Non-derivatives				
Borrowings - including current maturities	254.57	950.16	321.43	1,526.15
Trade payables	37.83	-	-	37.83
Other financial liabilities	7.81	-	-	7.81
Total	300.21	950.16	321.43	1,571.79

As at 31 March 2023	Less than 1 year	1 to 5 Years	Above 5 Years	Total
Non-derivatives				
Borrowings - including current maturities	239.12	975.23	551.58	1,765.93
Trade payables	55.85	-	-	55.85
Other financial liabilities	4.51	-	-	4.51
Total	299.48	975.23	551.58	1,826.29

Market risk

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

i) Currency risk

The Company has international transactions and is exposed to foreign exchange risk arising from foreign currency transactions (imports and exports). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency. The Company does not hedge its foreign exchange receivables/payables.

Foreign currency risk exposure

Particulars	Currency	31 March 2024	31 March 2023
Trade payables	USD	10.14	22.14

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	Currency	Exchange rate increase by 1%		Exchange rate decrease by 1%	
		31 March 2024	31 March 2023	31 March 2024	31 March 2023
Trade payables	USD	0.10	0.22	(0.10)	(0.22)

ii) Interest rate risk

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 its long-term debt obligations with floating interest rates.

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

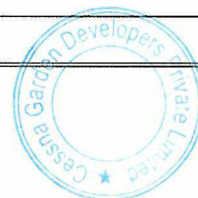
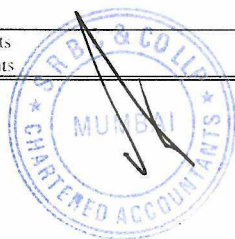
The exposure of the Company's borrowing to interest rate changes at the end of the year are as follows:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Variable rate borrowings	1,157.88	1,282.40
Total Borrowings	1,157.88	1,282.40

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / (decreased) profit / loss by the amounts as under.

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest rates – increase by 100 basis points	11.58	12.82
Interest rates – decrease by 100 basis points	(11.58)	(12.82)



Aloft Hotel (Division of Cessna Garden Developers Private Limited)

CIN: U85110KA1995PTC018755

Notes to Carved out financial statements for the year ended 31 March 2024

(All amounts are in Indian Rupees millions unless otherwise stated)

Related party transactions

33 Names of related parties and description of relationship

i) A. Controlling enterprise

BREP Asia II Indian Holding Co VII (NQ) PTE.Ltd (w.e.f. 9 March 2021)

B. Enterprises under common management

Exora Business Park Private Limited (formerly know as Pluto Cessna Business Parks Private Limited) (w.e.f. 9 March 2021)

C. Key management personnel:

Vikram Garg, Director (w.e.f. 9 March 2021 to 29 September 2021)

Shravan Sharma, Director (w.e.f. 9 March 2021 to 29 September 2021)

Abhishek Govind Patil, Director (w.e.f. 9 March 2021 upto 30 January 2023)

Nikhil Pradeep Jalan, Director (w.e.f. 9 March 2021)

Sumit Bhartia, Director (w.e.f. 29 September 2021)

Srejan Goyal, Director (w.e.f. 29 September 2021)

Aaryaman Pankaj Tibrewal, Director (w.e.f. 30 January 2023)

(i) Details of Related Party Transactions and Balances

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Transactions during the year		
Purchase/Sale of Goods and services		
<i>Company in which the directors are interested under common Management</i>		
Exora Business Park Private Limited - Sale of food	-	0.00
Exora Business Park Private Limited - Water and Other recovery	0.28	2.76

(ii) Outstanding balances as at the year end

Particulars	As at 31 March 2024	As at 31 March 2023
Receivables/(Payables)		
<i>Company in which the directors are interested</i>		
Exora Business Park Private Limited - receivable	-	0.63



(This space has been intentionally left blank)



34 Disclosures required under Ind AS 115 "Revenue from contract with customers"

a) Contract balances

The following table provides information about receivables and contract liabilities from

Particulars	As at	As at
	31 March 2024	31 March 2023
Trade receivables including contract assets (refer note 8)	27.46	32.87
Unbilled revenue which are included in other financial assets (refer note 10)	4.39	17.51
Total contract assets	27.46	32.87
Contract liabilities		
Advance from customers (refer note 18)	9.86	9.87
Total contract liabilities	9.86	9.87

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.

b) Reconciling the amount of revenue recognised in statement of profit and loss with the contracted price

Particulars	As at	As at
	31 March 2024	31 March 2023
Revenue as per contract price	651.97	603.07
Adjustments (if any)	-	-
	651.97	603.07

c) The Company raises invoices as per the terms of the contract, upon which the payment is due to be made by the customers.

As per the terms of the service contracts with the customers, the Company has right to consideration from customers in an amount that directly corresponds with the value to the customers of the Company's performance obligation completed till date. Accordingly, the Company has used the practical expedient under Ind AS 115 'Revenue from contracts with customers' and has disclosed information relating to performance obligations to the extent required under Ind AS 115. The entire revenue is earned from the customers located in India.

35 Cessna Garden Developers Private Limited has ("CGDPL") has approved the transfer of Aloft Hotel including transfer of Business Assets and Liabilities in accordance with the Business Transfer Agreement dated 06 August 2024 (the "Hotel Business") as a going concern with all the related rights, title and interest in and to the Hotel Business to Novo Themes Properties Private Limited.

36 The Company has a defined process to take daily back up of books of account maintained in electronic form on servers physically located in India. However, the logs of the back up are not available with the Company. The management is in process to take adequate steps to configure the system to ensure that the logs of daily back up of books of account is maintained so long as they are required to be maintained under applicable statute.

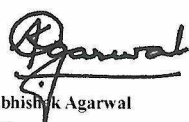
37 The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The Company, in respect of financial year commencing on 1 April 2023, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. The audit trail feature was available throughout the year for all relevant transactions recorded in the software using a third-party utility and was not disabled or tampered with at any point during the financial year.

38 Previous year figures have been regrouped/reclassified, where necessary, to confirm to this years classification. All such reclassification/regroupings were not material to overall financial statements.

For SRBC & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per Abhishek Agarwal
Partner

Membership Number: 112773

Place: Mumbai

Date: 30 August 2024



For and on behalf of the board of directors of

Aloft Hotel (Division of Cessna Garden Developers Private Limited)



Sumit Bhartiya

Director

DIN: 07726897

Place: Mumbai

Date: 30 August 2024



Aaryaman Pankaj Tibrewal

Director

DIN: 09694867

Place: Mumbai

Date: 30 August 2024

