INDEPENDENT AUDITOR'S REPORT

To the Members of **Green Woods Palaces and Resorts Private Limited**

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the financial statements of **Green Woods Palaces and Resorts Private Limited** ("the Company"), which comprise the balance sheet as at March 31, 2019, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit (including Other Comprehensive Income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection

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and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure - 1" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS").

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e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure - 2".

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

i. The Company has no pending litigations on its financial position.
ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Brahmayya & Co
Chartered Accountants
(Firm's Registration No.000513S)

(S Satyanarayna Murthy)
(Partner)
(Membership No. 023651)

Place: Hyderabad
Date: 14-05-2019

Annexure - 1 to Independent Auditors' Report

Referred to in paragraph 1 under **Report on Other Legal and Regulatory Requirements** of the Independent Auditors' Report of even date to the members of **Green Woods Palaces and Resorts Private Limited** on the Ind AS financial statements for the year ended March 31, 2019.We Report that:

(i) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) The Company has a programme of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records of the Company examined by us, the company doesn't have any immovable properties. Hence the provisions of Clause 3(i)(c) is not applicable.

(ii) The company's management has physically verified its inventories during the year. In our opinion the frequency of such verification is reasonable. No material discrepancies were noticed in respect of such confirmations.

(iii) According to the information and explanation given to us, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company

(v) The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified. Therefore, the provision of Clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company in respect of services where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been specified under subsection (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

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(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, excise duty, duty of customs, value added tax, Goods and Service tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, service tax, sales tax, excise duty, customs duty, value added tax, goods and service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us and the records of the Company examined by us, there are no disputed demands payable by the company.

(viii) According to the information and explanations given to us and the records of the Company examined by us, the company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government. The Company has not issued debentures.

(ix) According to the information and explanations given to us and the records of the Company examined by us, the Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

(xi) The Company has not paid/provided any managerial remuneration during the year under review, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

(xii) As the Company is not a Nidhi Company and hence reporting under the provisions of Clause 3(xii) of the Order are not applicable to the Company.

(xiii) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party

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transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review, and hence reporting under the provisions of Clause 3(xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us during the year The Company has not entered into any non-cash transactions with its directors or persons connected with to its directors. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

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

For Brahmayya & Co
Chartered Accountants
(Firm's Registration No.000513S)

(S Satyanarayna Murthy)
(Partner)
(Membership No. 023651)

Place: Hyderabad
Date: 14-05-2019

Annexure - 2 to Independent Auditors' Report

Referred to in paragraph 2(f) under **Report on Other Legal and Regulatory Requirements** of the Independent Auditors' Report of even date to the members of **Green Woods Palaces and Resorts Private Limited** on the Ind AS financial statements for the year ended March 31, 2019

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

To the Members of Green Woods Palaces and Resorts Private Limited

1. We have audited the internal financial controls over financial reporting of **Green Woods Palaces and Resorts Private Limited** ("the Company") as of March 31, 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

BRAHMAYYA & CO. Chartered Accountants HYDERABAD

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Brahmayya & Co
Chartered Accountants
(Firm's Registration No.000513S)

(S Satyanarayna Murthy)
(Partner)
(Membership No. 023651)

Place: Hyderabad
Date: 14-05-2019

Green Woods Palaces and Resorts Private Limited
Balance Sheet as at March 31, 2019

(All amounts in INR, unless otherwise stated)

Particulars	Note	As at March 31, 2019	As at March 31, 2018
Assets			
Non-current Assets			
Property, plant and equipment	1	2,15,67,81,167	2,34,90,22,943
Intangible Assets	1	6,17,84,683	6,78,61,806
Financial Assets			
Other financial assets	2	9,74,18,136	9,06,87,600
Deferred tax assets (net)	3	8,40,24,233	8,92,71,886
Tax asset	4	3,68,14,221	3,12,28,719
Other assets	5	7,81,50,923	8,09,08,827
Total Non-current Assets		**2,51,49,73,363**	**2,70,89,81,781**
Current Assets			
Inventories	6	2,16,62,012	2,36,04,971
Financial Assets			
Trade receivables	7	8,79,17,867	8,56,47,687
Cash and cash equivalents	8	7,15,03,436	7,64,70,038
Bank balances other than above	9	13,50,00,000	-
Loans and advances	10	5,11,571	4,52,120
Other financial assets	2	6,38,79,902	2,07,34,406
Other assets	5	91,89,912	1,03,87,321
Total Current Assets		**38,96,64,700**	**21,72,96,543**
Total Assets		**2,90,46,38,063**	**2,92,62,78,324**
Equity and Liabilities			
Equity			
Equity Share capital	11	75,01,00,000	75,01,00,000
Other Equity	12	(19,01,56,496)	(24,89,38,199)
Total Equity		**55,99,43,504**	**50,11,61,801**
Liabilities			
Non-current Liabilities			
Financial Liabilities			
Borrowings	13	1,99,67,53,335	2,10,92,44,766
Other financial Liabilities	15	1,70,000	1,70,000
Provisions	16	39,33,637	26.87,461
Total Non-current Liabilities		**2,00,08,56,972**	**2,11,21,02,227**
Current Liabilities			
Financial Liabilities			
Trade Payables - Total outstanding Dues of:			
: Small and Micro enterprises		-	-
: Creditors other than small and micro enterprises	14	20,18,89,431	20,62,35,733
Other financial Liabilities	15	9,99,17,232	8,40,27,362
Other liabilities	17	4,20,30,924	2,27,51,201
Total Current Liabilities		**34,38,37,587**	**31,30,14,296**
Total Liabilities		**2,34,46,94,559**	**2,42,51,16,523**
Total Equity and Liabilities		**2,90,46,38,063**	**2,92,62,78,324**

Corporate information - -
Summary of Significant Accounting Policies

The accompanying notes form an integral part of the Financial Statements

As per our report of even date
For BRAHMAYYA & CO.,
Chartered Accountants
Firm's Registration Number: 000513S

BRAHMAYYA & CO. Chartered Accountants HYDERABAD

S.Satyanarayana Murthy
Partner
Membership No.023651

Place : Hyderabad
Date : May 14, 2019

For and on behalf of the Board

G.V.K

Dr. G V K Reddy
Chairman
DIN 00005212

G. Indira K. Reddy

G Indira Krishna Reddy
Director
DIN 00005230

Green Woods Palaces and Resorts Pvt.Ltd.

Green Woods Palaces and Resorts Private Limited
Statement of Profit and Loss for the year ended March 31, 2019

(All amounts in INR, unless otherwise stated)

Particulars	Note	For the year ended March 31, 2019	For the year ended March 31, 2018
Income	18		
Revenue from Operations		1,34,62,55,943	1,19,20,43,868
Other Income		3,18,65,436	3,52,81,738
Total Income		**1,37,81,21,379**	**1,22,73,25,606**
Expenses			
Food and Beverages Consumed		14,12,04,479	12,76,64,342
Employee Benefit Expense and Payment to Contractors	19	24,02,68,465	22,73,65,964
Finance Costs	20	23,66,61,109	26,22,04,727
Depreciaition and Amortisation Expenses	1	25,17,21,410	25,65,80,194
Other Operating and General Expenses	21	42,88,36,575	38,52,76,660
Total Expenses		**1,29,86,92,038**	**1,25,90,91,887**
Profit/ (Loss) Before Tax		**7,94,29,341**	**(3,17,66,281)**
Tax Expenses			
Current Tax (Minimum Alternative Tax)	22	1,61,89,437	-
Minimum Alternative Tax (MAT Credit) entitlement		(1,61,89,437)	-
Earlier years		-	(30,940)
Deferred Tax		2,12,17,464	(1,88,91,954)
Total		**2,12,17,464**	**(1,89,22,894)**
Profit/ (Loss) after tax		**5,82,11,877**	**(1,28,43,387)**
Other comprehensive income			
Items that will not be reclassified subsequently to profit and loss			
Remeasurement of defined benefit obligation		7,89,452	3,41,259
Tax on above		(2,19,626)	(1,05,449)
Other Comprehensive income, net of tax		**5,69,826**	**2,35,810**
Total Comprehensive Income for the year		**5,87,81,703**	**(1,26,07,577)**
Earnings Per Share	23	**0.78**	**(0.17)**

Corporate information	1
Summary of Significant Accounting Policies	2

The accompanying notes form an integral part of the Financial Statements

As per our report of even date
For BRAHMAYYA & CO.,
Chartered Accountants
Firm's Registration Number: 000513S

BRAHMAYYA & CO. Chartered Accountants HYDERABAD.

S.Satyanarayana Murthy
Partner
Membership No.023651

Place : Hyderabad
Date : May 14, 2019

For and on behalf of the Board

Dr. G V K Reddy
Chairman
DIN 00005212

G. Indira K. Reddy

G Indira Krishna Reddy
Director
DIN 00005230

Green Woods Palaces and Resorts Pvt. Ltd.

Green Woods Palaces and Resorts Private Limited
Statement of Cash Flow for the year ended March 31, 2019

(All amounts in INR, unless otherwise stated)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Cash flow from operating activities		
Profit/ (Loss) Before Tax	7,94,29,341	(3,17,66,281)
Adjustments For:		
Depreciaition and amortisation expenses	25,17,21,410	25,65,80,194
Finance Costs	23,66,61,109	26,22,04,727
Interest Income	(1,38,27,684)	(87,25,769)
Credits Balances Written Back	(57,30,499)	(81,87,281)
Provision for Doubtful Debts	-	33,18,960
Cash flow from opeartions before working capital changes	**54,82,53,677**	**47,34,24,550**
Adjustments for:		
Decrease / (Increase) in Trade receivables	(9,91,770)	(73,55,341)
Decrease / (Increase) in Inventories	19,42,959	(8,92,979)
Decrease / (Increase) in current loans and advances	(59,451)	1,26,73,476
Decrease / (Increase) in other non-current and current financial assets	(4,28,74,476)	(2,14,09,128)
Decrease / (Increase) in other non-current and current assets	22,62,699	1,19,32,334
(Decrease) / Increase in Trade Payables	1,05,787	(5,71,05,157)
(Decrease) / Increase in non-current provisions	20,35,628	13,93,842
(Decrease) / Increase in other non-current and current financial liabilities	(1,14,77,061)	(1,56,43,845)
(Decrease) / Increase in other non-current and current liabilities	1,92,79,723	(79,36,714)
Cash generated from operations	**51,84,77,715**	**38,90,81,038**
Direct Taxes Paid	(2,17,74,939)	(1,86,85,247)
Net cash flow from Operating activities	**49,67,02,776**	**37,03,95,791**
Cash flow from Investing Activities		
Acquisition of Property, plant and equipment and Intangible Assets	(5,41,58,580)	(1,73,57,300)
Decrease / (Increase) in deposits with banks	(13,57,07,958)	(6,99,848)
Interest received	75,34,086	43,23,255
Net Cash Used in Investing Activities	**(18,23,32,452)**	**(1,37,33,893)**
Cash Flow from Financing Activities		
Interest paid	(23,49,68,495)	(25,70,81,959)
Repayment of Non-current borrowings	(8,43,68,431)	(5,63,39,218)
Net Cash Used In Financing Activities	**(31,93,36,926)**	**(31,34,21,177)**
Net Increase / (Decrease) in cash and cash equivalents	**(49,66,602)**	**4,32,40,721**
Cash and Cash equivalents as at beginning of the year	**7,64,70,038**	**3,32,29,317**
Cash and Cash equivalents as at end of the year	**7,15,03,436**	**7,64,70,038**

Corporate information	1
Summary of Significant Accounting Policies	2

The accompanying notes form an integral part of the Financial Statements

As per our report of even date
For BRAHMAYYA & CO.,
Chartered Accountants
Firm's Registration Number: 000513S

BRAHMAYYA & CO. Chartered Accountants HYDERABAD

(S. Satyanarayana Murthy)
Partner
Membership Number: 023651

Place: Hyderabad
Date: May 14, 2019

For and on behalf of the Board

Dr. G V K Reddy
Chairman
DIN 00005212

G. Indira K. Reddy

G Indira Krishna Reddy
Director
DIN 00005230

Green Woods Palaces and Resorts Pvt. Ltd.

Green Woods Palaces and Resorts Private Limited
Notes to financial statements for the year ended March 31, 2019

1 General information

Green Woods Palaces and Resorts Private Limited was incorporated on May 04, 2001 under the Provisions of the Companies Act, 1956. The Company is a joint venture Company between Greenridge Hotels and Resorts LLP and TAJGVK Hotels and Resorts Limited. The Company is primarily engaged in the business of owning and operating a hotel under brand name **"Taj Santacruz".**

The financial statements were approved by the Board of Directors and authorised for issue on May 14, 2019.

3 Summary of Significant Accounting Policies

i. Statement of compliance:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended. The accounting policies as set out below have been applied consistently to all years presented in these financial statements.

ii. Basis of preparation of financial statements:

The financial statements have been prepared under the historical cost convention on accrual basis except certain financial instruments measured at fair value other than those with carrying amounts that are reasonable approximations of fair values.

iii. Use of estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in India requires management, where necessary, to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised.

iv. Classification of Assets and Liabilities into current and Non-current

The company presents its assets and liabilities in the Balance Sheet based on current/non-current classification;

An asset is treated as current when it is:

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

All other assets are classified as non-current

A liability is treated as current when:

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

All other liabilities are classified as non-current

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The operating cycle is the time between the acquisition of assets and their realization in cash and cash equivalents. Based on the services rendered and their realizations in cash and cash equivalents, the company has ascertained its operating cycle is 12 months for the purpose of current -non-current classification of assets and liabilities.

v. Changes in Accounting treatments and disclosures as per new and amended standards

Ind AS 115 Revenue from Contracts with Customers

The company has adopted the Ind AS 115 "Revenue from Contracts with Customers" with effect from April 1, 2018 as notified on March 28, 2018 and established a five-step model to account for revenue arising from contracts with customers. The new revenue standard supersedes all previous recognition requirements under Ind AS . This new standard requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange for those goods or services. Adoption of the new rules has not affected the timing of revenue recognition for certain transactions of the company. Ind AS 115 permits two possible methods of transition:

Retrospectively to each prior reporting period presented in accordance with Ind AS 8 [Accounting Policies, Changes in Accounting Estimates and Errors] with the option to elect certain practical expedients as defined within Ind AS 115 (the full retrospective method); or

Retrospectively with the cumulative effect of initially applying Ind AS 115 recognized at the date of initial application (April 1, 2018) and providing certain additional disclosures as defined in Ind AS 115 (the modified retrospective method).

The Company has applied the modified retrospective approach, However the application of Ind AS 115 has not consequentially impacted the Company's retained earnings at April 1, 2018.

As the company has adopted modified retrospective approach, Unbilled revenue and advance from customer have been regrouped from other financial assets and current and non current liabilities to Contract Assets and Contract Liabilities respectively as compared to April1, 2018.

vi. <u>Revenue Recognition:</u>

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into the account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from contract with customer

Revenue from contracts with customers is recognized when control of the 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 services. The Company has generally concluded that it is the principle in its revenue arrangements, because it typically controls the services before transferring them to the customer.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for services transferred to the customer (which consist of unbilled revenue). If the Company performs 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.

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Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before the 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 a 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 under the contract.

Revenue from operations

a. Income from guest accommodation is recognized on a day to day basis after the guest checks into the Hotels. Income from Food and Beverages are recognized at the point of serving these items to the guests. Income stated is exclusive of taxes collected. Rebates and discounts granted to customers are reduced from revenue.

Interest income

b. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Claims

c. Insurance claims are recognized as and when they are settled / admitted.

Export Incentives

d. Export Incentives from Government authorities are recognised in income statement when there is no significant uncertainty regarding the ultimate collection and amount can be measured reliably.

vii. <u>Inventories:</u>

Inventories are valued at lower of cost, ascertained at Weighted Average Method, or realizable value.

viii. <u>Property Plant and equipment:</u>

a. Property Plant and equipment are stated at cost, net of credit availed in respect of any taxes, duties less accumulated depreciation. Cost comprises of the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Financing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for intended use are also included to the extent they relate to the period up to such assets are ready for their intended use. Expenditure directly relating to construction/erection activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the construction cost to the extent such expenditure is related to construction or is incidental thereto.

Direct expenditure during construction period attributable to the cost of assets under construction is considered as capital work in progress and indirect expenditure is included under expenditure during construction period pending allocation.

b. Subsequent expenditure incurred on existing fixed assets is added to their book value only if such expenditure increases the future benefits from the existing assets beyond their previously assessed standard of performance.

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ix. Intangible assets:

a. Intangible assets are carried at cost, net of credit availed in respect of any taxes and duties, less accumulated amortization. Computer software is classified under "Intangible Assets".

x. Depreciation and Amortisation:

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been re-assessed as under based on technical evaluation, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Plant and machinery	: 10 to 20 years
Electrical installations and equipment	: 20 years
Hotel Wooden Furniture	: 15 years
Non - wooden furniture and fittings	: 8 years
End User devices- Computers, Laptops, etc	: 6 years

Intangible assets 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 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 is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.The rates currently used for amortizing intangible assets are as under:

Computer software: 6 years

xi. Leases:

The determination of whether an arrangement is (or contain) a lease is based on the substance of the arrangement at the inception of lease. The arrangement is, or contain, a lease is fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfer substantially all the risks and rewards incidental to ownership to the lessee is classified as finance lease.

Lessee:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of assets over the lease term, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight line basis unless payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase.

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Lessor:

Rental income from operating lease is recognized on a straight line basis over the lease term unless payments to the Group Company are structured to increase in line with expected general inflation to compensate for the Group Company's expected inflationary cost increase. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

xii. Foreign Exchange Transactions:

The Company's financial statements are presented in Indian Rupee (INR), which is also the Group's functional currency.

a. Initial recognition: Transactions in foreign currencies are initially recorded at the exchange rates (INR spot rate) prevailing on the date of the transaction.

b. Conversion: Foreign currency monetary items are reported at the exchange rates (the functional currency spot rates) on Balance Sheet date.

c. Exchange Difference: Exchange differences arising on the settlement of monetary items, on reporting of such monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or expense in the year in which they arise. Foreign currency assets / liabilities are restated at the rates prevailing at the year end and the gain / loss arising out of such restatement is taken to revenue.

xiii. Retirement Benefits:

a. Defined Contribution Plan:

Company's contribution towards Provident Fund, Employees State Insurance Corporation and Labour Welfare Fund are recognized in the Statement of Profit and Loss.

b. Defined Benefit Plan:

Gratuity:

Gratuity to employees is covered under Group Gratuity Life Assurance Scheme. At the reporting date, Company's liability towards gratuity is determined by independent actuarial valuation using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Obligation is measured at the present value of estimated future cash flows using a discount rate that is determined by reference to market yields at the Balance Sheet date on Government Bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

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

• The date of the plan amendment or curtailment and

• The date that the Group Company recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognizes the following changes in the net defined benefit obligation as an expense in 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

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

Compensated Absences

At the reporting date, Company's liability towards compensated absences is determined by independent actuarial valuation using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Actuarial gain and losses are recognized in the Statement of Profit and Loss as income or expense. Obligation is measured at the present value of estimated future cash flows using a discount rate that is determined by reference to market yields at the Balance Sheet date on Government Bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

xiv. Borrowing Costs:

General and specific borrowing costs directly attributable to the acquisition, construction of qualifying assets, which take a substantial period of time to get ready for their intended use, is initially carried under expenditure incurred during the construction period and the borrowing cost till the assets are substantially ready for their intended use is added to the cost of those assets.

All other borrowing costs are recognized in Statement of Profit and Loss in the period in which they are incurred.

xv. Taxes on income:

Tax expense comprising of current tax and deferred tax are considered in the determination of the net profit or loss for the year.

a. Current tax: Provision for current tax is made for Income-tax liability estimated to arise on the profit for the year at the current rate of tax in accordance with the Income-tax Act, 1961.

b. Deferred Tax: Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income 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. Deferred tax liabilities are generally recognized for all taxable temporary differences. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax liabilities and assets are measured at tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period.

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c. Minimum alternate tax (MAT) credit: Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the ICAI, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement.

xv. **Earnings per share:**

a. Basic earnings per share: Basic earnings per share is calculated by dividing the net profit or loss for the year after tax attributable to equity share holders by weighted average number of equity shares outstanding during the period.

b. Diluted earnings per share: Diluted earnings per share is calculated by dividing the net profit or loss for the year after tax attributable to equity shareholders by the weighted average number of equity shares outstanding including equity shares which would have been issued on the conversion of all dilutive potential equity shares unless they are considered anti-dilutive in nature.

xvi. **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. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. 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.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified.

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

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

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xvii. Provisions:

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

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

xviii. Contingent Assets and Contingent Liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

The Company does not recognize a contingent asset but discloses its existence in the financial statements if the inflow of economic benefits is probable.

xix. Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits and warrant account with banks for unclaimed dividend.

xx. Financial assets

Initial recognition and measurement:

All financial assets are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset in the case of financial assets not recorded at fair value through profit or loss.

Subsequent measurement:

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

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

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Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

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

Financial liabilities

Initial recognition and measurement:

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

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

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

Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss.

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

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are de-recognized as well as through the EIR amortization process.

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

De-recognition:

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

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xxi. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

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

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

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Green Woods Palaces and Resorts Pvt. Ltd.

Green Woods Palaces and Resorts Private Limited
Notes to financial statements for the year ended March 31, 2019

(All amounts in INR, unless otherwise stated)

Note 1	Property, Plant and Equipment					Capital work-in-progress	Intangible Assets		
Particulars	Buildings	Plant and Machinery	Furniture and Fixtures	Office Equipment	Total		Lease Agreement Stamp Duty	Software Systems	Total
Cost									
As at April 01, 2017	**1,11,57,79,420**	**1,04,27,67,207**	**65,99,81,310**	**4,94,54,137**	**2,86,79,82,074**	**94,588**	**6,37,96,559**	**1,73,03,154**	**8,10,99,713**
Additions	-	22,11,532	1,06,31,776	3,30,000	1,31,73,308	-	-	21,700	21,700
Disposal / adjustment	-	-	-	-	-	(94,588)	-	-	-
As at March 31, 2018	**1,11,57,79,420**	**1,04,49,78,739**	**67,06,13,086**	**4,97,84,137**	**2,88,11,55,382**	**1,89,176**	**6,37,96,559**	**1,73,24,854**	**8,11,21,413**
Additions	4,95,28,736	4,22,000	44,51,775	-	5,44,02,511	-	-	-	-
Disposal / adjustment	-	10,00,000	-	-	10,00,000	-	-	-	-
As at March 31, 2019	**1,16,53,08,156**	**1,04,44,00,739**	**67,50,64,861**	**4,97,84,137**	**2,93,45,57,893**	**1,89,176**	**6,37,96,559**	**1,73,24,854**	**8,11,21,413**
Accumulated depreciation and amortisation									
Up to April 01, 2017	**8,12,48,628**	**11,77,37,745**	**7,30,30,717**	**96,10,348**	**28,16,27,438**	-	**39,87,285**	**31,97,129**	**71,84,414**
Charges for the year	7,06,16,525	10,63,60,731	6,56,97,507	78,30,238	25,05,05,001	-	31,89,828	28,85,365	60,75,193
Disposal	-	-	-	-	-	-	-	-	-
Up to March 31, 2018	**15,18,65,153**	**22,40,98,476**	**13,87,28,224**	**1,74,40,586**	**53,21,32,439**	-	**71,77,113**	**60,82,494**	**1,32,59,607**
Charges for the year	7,08,94,970	9,99,91,061	6,69,28,017	78,30,239	24,56,44,287	-	31,89,828	28,87,295	60,77,123
Disposal	-	-	-	-	-	-	-	-	-
Up to March 31, 2019	**22,27,60,123**	**32,40,89,537**	**20,56,56,241**	**2,52,70,825**	**77,77,76,726**	-	**1,03,66,941**	**89,69,789**	**1,93,36,730**
Net Block									
As at March 31, 2019	94,25,48,033	72,03,11,202	46,94,08,620	2,45,13,312	2,15,67,81,167	1,89,176	5,34,29,618	83,55,065	6,17,84,683
As at March 31, 2018	96,39,14,267	82,08,80,263	53,18,84,862	3,23,43,551	2,34,90,22,943	1,89,176	5,66,19,446	1,12,42,360	6,78,61,806
As at April 01, 2017	1,11,57,79,420	1,04,27,67,207	65,99,81,310	4,94,54,137	2,86,79,82,074	94,588	6,37,96,559	1,73,03,154	8,10,99,713

Note :- Taj Santacruz Hotel, Mumbai is on land and superstructure taken on lease for 20 years from Mumbai International Airport Limited. The term may be extended for further period of 30 years on same terms and conditions, subject to terms and conditions of Operation, Maintenance and Development Agreement (OMDA) between Mumbai International Airport Limited and Airports Authority of India.

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Green Woods Palaces and Resorts Pvt. Ltd. *

Green Woods Palaces and Resorts Private Limited
Notes to financial statements for the year ended March 31, 2019

(All amounts in INR, unless otherwise stated)

Note 2: Other financial assets

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
Secured, considered good		
Deposits - Others	1,93,08,222	1,81,65,574
Margin Money Deposits with banks (refer note below)	4,37,98,739	4,33,13,760
Fixed Deposits with banks	1,70,70,877	1,68,47,898
Interest Accrued	1,72,40,298	1,23,60,368
Total	**9,74,18,136**	**9,06,87,600**
Current		
Other Receivables	3,06,88,930	1,00,71,530
Contract Assets	1,69,27,927	37,12,486
Export Benefit Receivable	1,47,34,926	68,35,939
Interest Accrued	15,28,119	1,14,451
Total	**6,38,79,902**	**2,07,34,406**

Margin money deposits with Banks are against guarentees given by them.

Note 3: Deferred tax assets (net)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred Tax Asset		
Unabsorbed losses	11,63,65,271	15,72,60,750
Employee Benefits	10,94,338	8,30,425
Minimum Alternative Tax entitlement	1,61,89,437	
Total Defered Tax Asset	**13,36,49,046**	**15,80,91,175**
Deferred Tax Liability		
Depreciaition and Amortisation on Property, plant and equipment and Intangible Assets	4,96,24,813	6,88,19,289
Total Deferred Tax Liability	**4,96,24,813**	**6,88,19,289**
Net Deferred Tax Asset/(Liability)	**8,40,24,233**	**8,92,71,886**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Note 4: Tax asset

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
Tax deducted at source	3,68,14,221	3,12,28,719
Total	**3,68,14,221**	**3,12,28,719**

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Green Woods Palaces and Resorts Pvt. Ltd.

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(All amounts in INR, unless otherwise stated)

Note 5: Other assets

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
Advance lease rental	6,82,36,961	7,24,98,121
Unamortised transaction cost	99,13,962	84,10,706
Total	**7,81,50,923**	**8,09,08,827**
Current		
Unsecured considered good		
Deposit with Public Bodies and Others	40,000	40,000
Advance to Suppliers	19,03,459	25,21,033
Prepaid Expenses	72,46,453	70,37,495
Balances with Govt Authorities	-	7,88,793
Total	**91,89,912**	**1,03,87,321**

Note 6: Inventories

Particulars	As at March 31, 2019	As at March 31, 2018
Stores and Operating Supplies	80,36,170	82,04,729
Food and Beverages	1,36,25,842	1,54,00,242
Total	**2,16,62,012**	**2,36,04,971**

Note 7: Trade Receivables

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, Considered Good		
Outstanding for a period exceeding six months	49,32,227	-
Others	8,29,85,640	8,56,47,687
	8,79,17,867	8,56,47,687
Unsecured, Doubtful		
Outstanding for a period exceeding six months	20,40,550	33,18,960
Others	-	-
	20,40,550	33,18,960
Less: Provision for doubtful debts	20,40,550	33,18,960
	-	-
Total	**8,79,17,867**	**8,56,47,687**

Neither trade receivables are due from directors or other officers of the company either severally or jointly with any other person nor due from firms or private companies respectively in which any director is a partner, a director or a member except receivables from related parties INR 29.21 lakhs (2018 INR 3.75 lakhs)

Note 8: Cash and Cash equivalents

Particulars	As at March 31, 2019	As at March 31, 2018
Cash on Hand	18,01,214	13,13,099
Balance with Banks in: current accounts	1,97,02,222	3,01,76,939
: deposit accounts (with original maturity of less than 3m	5,00,00,000	4,49,80,000
Total	**7,15,03,436**	**7,64,70,038**

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(All amounts in INR, unless otherwise stated)

Note 9: Other Bank Balances

Particulars	As at March 31, 2019	As at March 31, 2018
Deposit Accounts (maturity between 3 to 12 months)	13,50,00,000	-
Total	**13,50,00,000**	**-**

Note 10: Loans and Advances

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Other Advances	4,18,244	2,08,754
Staff Advances	93,327	2,43,366
Total	**5,11,571**	**4,52,120**

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Green Woods Palaces and Resorts Pvt. Ltd.

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(All amounts in INR, unless otherwise stated)

Note 11: Share Capital

Particulars	As at March 31, 2019	As at March 31, 2018
Authorised Share capital 76,000,000 (2018: 76,000,000) Equity Shares of INR.10/- each	76,00,00,000	76,00,00,000
Issued, Subscribed and Paid up 75,010,000 (2018: 75,010,000) Equity Shares of INR.10/- each	75,01,00,000	75,01,00,000
Total	**75,01,00,000**	**75,01,00,000**

i) Reconciliation of Equity shares

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of Shares	Amount	Number of Shares	Amount
Shares outstanding at the beginning of the year	7,50,10,000	7,50,10,000	7,50,10,000	7,50,10,000
Shares outstanding at the end of the year	**7,50,10,000**	**7,50,10,000**	**7,50,10,000**	**7,50,10,000**

ii) Shareholders holding more than 5% Equity Shares in the Company

Name of Shareholder	As at March 31, 2019		As at March 31, 2018	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
Greenridge Hotels & Resorts LLP	3,82,60,000	51.01%	3,82,60,000	51.01%
TAJGVK Hotels & Resorts Limited	3,67,50,000	48.99%	3,67,50,000	48.99%
Total	**7,50,10,000**	**100.00%**	**7,50,10,000**	**100.00%**

iii) Rights, Preferences and Restrictions attached to equity Shares including declaration of dividend

The company has only one class of equity shares having face value of INR 10/- per share with one vote per each equity share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential creditors. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note 12: Other equity

Particulars	As at March 31, 2019	As at March 31, 2018
Surplus in Statement of Profit and Loss		
Balance at the beginning of the year	(24,89,38,199)	(23,63,30,622)
Remeasurement of net defined benefit liability	5,69,826	2,35,810
Profit / (Loss) for the year	5,82,11,877	(1,28,43,387)
Balance at the end of the year	**(19,01,56,496)**	**(24,89,38,199)**

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(All amounts in INR, unless otherwise stated)

Note 13: Borrowings

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
Secured term loans from Banks	2,08,11,28,335	2,16,54,96,766
Less: Current maturities	(8,43,75,000)	(5,62,52,000)
Total	**1,99,67,53,335**	**2,10,92,44,766**

i) Secured term loans from Banks comprise of INR 9,250 lakhs from Central Bank of India, INR 6,937 lakhs from Federal Bank and INR 4,624 lakhs from State Bank of India carrying interest at 10.25% per annum.

ii) Above Term Loans are secured by:

(a) First charge on all moveable assets, present and future, purchased out of the proceeds of the loan; ranking pari-passu

(b) First charge on amounts lying in certain designated bank accounts, including charge on all moneys, receivables and balance in the escrow account; ranking pari-passu

(c) Second charge on current assets of Taj Santacruz Hotel; ranking pari-passu

(d) Assignment of all the rights, title and interests of the Company in, to and under all assets of the project and all project documents and all other contracts relating to the project, to which the Company is a party.

iii) Term Loans from Banks are repayable in 45 structured quarterly instalments commencing from January 01, 2017

Net Debt Reconciliation:

Particulars	As at March 31, 2019	As at March 31, 2018
Non Current Borrowings (refer note 13)		
Balance at the beginning of the year	2,16,54,96,766	2,22,18,35,984
Cash Flow	(8,43,68,431)	(5,63,39,218)
Balance at the end of the year	**2,08,11,28,335**	**2,16,54,96,766**

Note 14: Trade Payables

Particulars	As at March 31, 2019	As at March 31, 2018
Dues to: Small and Micro enterprises (refer note below)	-	-
: Others	20,18,89,431	20,62,35,733
Total	**20,18,89,431**	**20,62,35,733**

Based on the information available with the Company.
Trade payables are non-interest bearing and are normally settled on 45 to 60 day terms
Payable to related parties INR 226.25 lakhs (2018 INR 321.63 lakhs)

Note 15: Other Financial Liabilities

Particculars	As at March 31, 2019	As at March 31, 2018
Non-current		
Contractors Deposit	1,70,000	1,70,000
Total	**1,70,000**	**1,70,000**
Current		
Current maturities of non-current borrowings (refer note 13)	8,43,75,000	5,62,52,000
Other Payables	62,35,596	1,86,83,010
Other Liabilities	20,33,466	10,63,113
Creditors for Capital expenditure (refer note below)	72,73,170	80,29,239
Total	**9,99,17,232**	**8,40,27,362**

Based on the information available with the Company.

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Note 16: Provisions

Particculars	As at March 31, 2019	As at March 31, 2018
Non-current		
Provision for employee benefits (refer note 27)		
: Gratuity	13,58,167	9,37,282
: Compensated absence	25,75,470	17,50,179
Total	**39,33,637**	**26,87,461**

Note 17: Other Liabilities

Particculars	As at March 31, 2019	As at March 31, 2018
Current		
Income received in advance	3,67,640	8,64,944
Contract Liabilities	1,41,79,427	1,32,86,862
Statutory dues	2,74,83,857	85,99,395
Total	**4,20,30,924**	**2,27,51,201**

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Green Woods Palaces and Resorts Pvt. Ltd. *

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(All amounts in INR, unless otherwise stated)

Note 18 : Revenue from Operations

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue from Contracts with Customers		
Room revenue	69,67,88,236	59,78,94,396
Food and Bevarage Sales	57,60,10,143	53,01,51,894
Membership Fee	16,94,269	17,05,276
Other Operating Income	7,17,63,295	6,22,92,302
Total	**1,34,62,55,943**	**1,19,20,43,868**

Note 18 : Other Income

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Common Area Maintenance Charges	34,07,083	27,74,050
Gain on Foreign Exchange flucturations	2,99,008	3,77,295
Interest on: Fixed Deposits	1,24,84,571	72,75,677
: Income Tax Refund	1,00,465	2,07,444
: Others	12,42,648	12,42,648
Excess Provision and Credits Balances Written Back	57,30,499	81,87,281
Miscellaneous Income	7,02,175	83,81,404
Export incentives	78,98,987	68,35,939
Total	**3,18,65,436**	**3,52,81,738**

Note 19: Employee Benefit Expense and Payment to Contractors

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries, Wages and Bonus	11,19,82,346	9,64,20,238
Company's Contribution to Retirement and Other Funds	61,23,333	55,74,653
Deputed Staff Salaries	5,90,31,750	6,43,32,758
Payment to Contractors and Outsourced Labour	4,13,08,345	3,78,01,708
Workmen and Staff Welfare Expenses	2,18,22,691	2,32,36,607
Total	**24,02,68,465**	**22,73,65,964**

Note 20: Finance Costs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest: on Borrowing	23,18,81,624	25,71,82,100
: Others	3,08,108	1,16,823
Other borrowing costs	44,71,377	49,05,804
Total	**23,66,61,109**	**26,22,04,727**

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Green Woods Palaces and Resorts Pvt. Ltd.

Green Woods Palaces and Resorts Private Limited
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(All amounts in INR, unless otherwise stated)

Note 21: Other Operating and General Expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Operating Expenses		
Catering Supplies	81,41,256	74,75,963
Linen and Room Supplies	2,06,47,362	1,83,46,201
Other Supplies	25,02,654	25,09,812
Fuel, Power and Light	9,99,11,089	8,34,65,717
Repairs to: Buildings	1,27,60,443	1,19,89,883
: Machinery	2,11,04,663	1,77,90,705
: Others	9,00,324	8,66,889
Linen, Uniform Washing and Laundry Expenses	30,33,693	25,06,803
Payment to Orchestra Staff, Artistes & Security	1,34,21,404	1,23,78,437
Guest Transportation	83,98,554	64,43,127
Travel Agent's Commission	1,61,21,123	1,71,47,729
Credit Card Commission	1,04,96,459	94,80,024
Other Operating Expenses	1,50,32,783	1,62,75,435
	23,24,71,807	20,66,76,725
General Expenses		
Rent	1,03,44,168	1,14,90,141
Licence Fees	6,68,99,106	5,21,36,655
Support and Outsourced Services	32,14,081	34,14,632
Rates and Taxes	1,10,64,472	93,54,152
Commission	10,50,870	3,00,668
Insurance	16,73,106	12,43,405
Advertisement and Publicity	1,41,23,797	1,67,45,612
Printing and Stationery	36,81,487	39,44,427
Passage and Traveling	13,91,380	7,97,170
Travelling and Conveyance	3,69,396	6,09,669
Hire Charges	43,91,597	47,61,275
Communication Expenses	53,09,367	55,02,593
Provision for Doubtful Debts	-	33,18,960
Professional Fees	60,64,730	59,33,483
Donation	30,000	32,100
Operating and Management fees	6,24,73,164	5,38,55,682
Auditors' Remuneration: as Auditors	7,50,000	5,00,000
: for Tax Audit	75,000	75,000
: for certification	15,000	-
Directors' Sitting Fees	2,90,000	2,10,900
Other Expenses	31,54,047	43,73,411
	19,63,64,768	17,85,99,935
Total	**42,88,36,575**	**38,52,76,660**

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Green Woods Palaces and Resorts Pvt. Ltd.

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(All amounts in INR, unless otherwise stated)

Note 22: Tax Expenses

a) The major components of income tax expense for the years ended March 31, 2019 and 31 March 31, 2018 are

Statement of profit and loss

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current Tax	1,61,89,437	-
Minimum Alternate Tax Credit	(1,61,89,437)	-
Tax for earlier Years	-	(30,940)
Deferred Tax	2,12,17,464	(1,88,91,954)
	2,12,17,464	**(1,89,22,894)**

Other Comprehensive Income

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Income tax effect on Remeasurement of defined benefit obligations	(2,19,626)	(1,05,449)
	(2,19,626)	**(1,05,449)**

b) Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit/ (Loss) Before Tax	7,94,29,341	(3,17,66,281)
Enacted tax rates	20.59%	27.55%
Computed expected tax expense	1,63,51,960	(87,52,405)
Tax impact on GAAP differences		
Amortisation of transaction cost	-	2,37,395
Employment benefit obligations	(1,62,523)	3,15,908
Depreciaition and Amortisation on Property, plant and equipment and Intangible Assets	-	(76,13,788)
Reversal of Provision for doubtful debts	-	9,14,456
Unwinding of interest on security deposit	-	(3,45,705)
Others	-	(1,22,786)
Carried forward losses	-	1,53,66,925
Total	**1,61,89,437**	-

In view of loss incurred by the Company in previous years and accumalated carried forward losses are set off against current year profits no current tax expense was recognised.

c) Reconciliation of Deferred Tax :

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred Tax (Asset)/Liability at the beginning of the year	8,92,71,886	7,04,85,381
Tax (income)/expense during the year recognised in:		
: stataement of profit and loss	(50,28,027)	1,88,91,954
: other comprehensive income	(2,19,626)	(1,05,449)
Deferred Tax (Asset)/Liability at the end of the year	**8,40,24,233**	**8,92,71,886**

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Green Woods Palaces and Resorts Pvt. Ltd.

(All amounts in INR Lakhs, unless otherwise stated)

Note 23: Earnings per share

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

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

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit attributable to equity holders	582.12	(128.43)
Weighted average number of Equity shares	750.10	750.10
Earnings per share – Basic and diluted (per share)	0.78	(0.17)

Since, the company does not have any dilutive securities, the basic and diluted earnings per share are same.

Note 24: Commitments and Contingent liabilities not provided for

Commitments

Particulars	As at March 31, 2019	As at March 31, 2018
The estimated amount of contracts (to the extent purchase orders issued) remaining to be executed on capital account, net of advances	-	-

Contingent liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Bank Guarantees to Customs Department	1,442.93	1,444.83

Note 25. Dues to micro and small enterprises as defined under the MSMED Act, 2006

i) Disclosure of dues to micro and small enterprises under Trade Payables and Current Liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development (MSMED) Act, 2006".

ii) Details of total outstanding dues to Micro and Small Enterprises as per MSMED Act, 2006:

Particulars	As at March 31, 2019	As at March 31, 2018
The principal amount due thereon remaining unpaid to any supplier as at the end of the accounting year	65.26	38.59
The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 along with the amounts of payments made to the supplier beyond the appointed day	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable in the succeeding years until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under MSMED Act, 2006	-	-

Note 26. Disclosure of Transactions and Balances of Related Parties

Disclosure of transactions and balances of related parties as required under Indian Accounting Standards (Ind AS) 24 "Related Party Disclosures" issued by the Institute of Chartered Accountants of India are given below:

Name of the Related Party	Relationship
Greenridge Hotels and Resorts LLP TAJGVK Hotels and Resorts Limited	Joint Venturer
Orbit Travel and Tours Pvt Ltd Mumbai International Airport Ltd Navi Mumbai International Airport Pvt Ltd GVK Power Goindwal Sahib Ltd GVK Emergency Management & Research Institute GVK Power & Infrastructure Ltd	Enterprises in which Directors / their relatives are interested (with which transaction are made)

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Green Woods Palaces and Resorts Pvt. Ltd.

(All amounts in INR Lakhs, unless otherwise stated)

Key Managerial personnel	
Smt. Shalini Bhupal	Chief Executive Officer
Non-Whole Time Directors	
Dr. G.V.K Reddy	Non-executive Chairman
Smt. G. Indira Krishna Reddy	Director
Mr. M B N Rao	Independent Director
Mr. Ch G Krishna Murthy	Independent Director
Mr. N. Anil Kumar Reddy	Independent Director
Mrs. Shriya Bhupal	Director
Mrs. Indukuri Mallika Reddy	Director

Transactions during the year

Nature of Transaction and Related Party	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries and Other Employee Benefits		
Chief executive Officer	69.95	64.35
Sitting Fee		
Non- Executive/ Independent Directors	2.90	1.40
Revenue from Operations		
Mumbai International Airport Pvt. Ltd	148.79	141.54
Navi Mumbai International Airport Pvt Ltd	36.87	-
GVK Power Goindwal Sahib Ltd	9.15	-
GVK Emergency Management & Research Institute	0.23	-
GVK Power & Infrastructure Ltd	0.40	-
GVK Boiscience Ltd	0.26	-
Travel Expenses		
Orbit Tours and Travels Pvt Ltd	17.04	8.91
Technical Fees		
Srilakshmi Enterprises	407.06	362.27
Fuel, Power and Light		
Mumbai International Airport Ltd	1,006.97	630.33
Concession Fee		
Mumbai International Airport Ltd	261.93	159.09

Balances Payable

Nature of Transaction and Related Party	As at March 31, 2019	As at March 31, 2018
Travel Expenses		
Orbit Tours and Travels Pvt Ltd	0.19	0.80
Technical Fees		
Srilakshmi Enterprises	120.59	114.26
Fuel, Power and Light		
Mumbai International Airport Ltd	105.47	206.57

Balances Receivable

Nature of Transaction and Related Party	As at March 31, 2019	As at March 31, 2018
Security Deposit		
Mumbai International Airport Ltd	1,050.00	1,050.00
Revenue from Operations		
Mumbai International Airport Ltd	18.05	3.75
Navi Mumbai International Airport Pvt Ltd	8.82	-
GVK Power Goindwal Sahib Ltd	1.71	-
GVK Emergency Management & Research Institute	0.23	-
GVK Power & Infrastructure Ltd	0.40	-

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Green Woods Palaces and Resorts Pvt. Ltd.

(All amounts in INR Lakhs, unless otherwise stated)

Note 27: Employee benefits

Defined contribution plan

Amount recognized as an expense in statement of profit and loss on account of

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Provident Fund	51.31	48.04
Employee State Insurance	15.47	15.78

Defined benefit plan

Gratuity

The Company has a funded defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act, 1972 with total ceiling on gratuity of INR 20 Lakhs.

The following tables summarize the components of net benefit recognized in the Statement of Profit and Loss and amounts recognized in the Balance Sheet for the respective employee gratuity plans.

a. Expenses recognised in the statement of profit and loss

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current Service Cost	10.83	9.98
Interest on Net Defined Benefit liability / (asset)	1.27	0.65
Total	**12.10**	**10.63**

b. Recognised in other comprehensive income

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Changes in financial assumptions	0.61	(2.08)
Changes in demographic assumptions	(0.01)	-
Experience adjusment	(7.98)	(1.33)
Actual return on plan assets less interest on plan assets	(0.51)	-
Total	**(7.89)**	**(3.41)**

c. Reconciliation of Defined Benefit Obligation

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Defined benefit Obligation	16.45	9.23
Current Service Cost	10.83	9.98
Interest Cost	1.27	0.65
Remeasurement due to:		
Actuarial loss / (gain) changes in financial assumptions	0.61	(2.08)
Actuarial loss / (gain) changes in demographic assumptions	(0.01)	-
Actuarial loss / (gain) experience adjusment	(7.98)	(1.33)
Benefits Paid	-	-
Closing Defined Benefit Obligation	**21.17**	**16.45**

d. Reconciliation of the plan assets

Particulars	As at March 31, 2019	As at March 31, 2018
Opening fair value of plan assets	-	-
Employer contributions	7.08	-
Interest on plan assets	-	-
Administration expenses	-	-
Remeasurement due to:	-	-
Actual return on plan assets less interest on plan assets	0.51	-
Benefits paid	-	-
Assets acquired / (settled)	-	-
Assets distribute on settlements	-	-
Closing fair value of plan assets	**7.59**	-

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Green Woods Palaces and Resorts Pvt. Ltd.

(All amounts in INR Lakhs, unless otherwise stated)

e. Amount recognized in Balance Sheet

Particulars	As at March 31, 2019	As at March 31, 2018
Closing Defined Benefit Obligation	21.17	16.45
Closing balance of fund	7.59	7.08
Net Liability recognized in the Balance Sheet	**13.58**	**9.37**

The principal assumptions used in determining gratuity and leave benefit obligation in the above plans are as under:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Discount Rate	7.55%	7.75%
Mortality Rate	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult
Salary Escalation rate	5.00%	5.00%

Sensitivity Analysis:

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

	For the year ended March 31, 2019		For the year ended March 31, 2018	
	Discount Rate	Salary Escalation Rate	Discount Rate	Salary Escalation Rate
Impact of increase in 50 bps on DBO	-7.04%	7.97%	-7.36%	8.38%
Impact of decrease in 50 bps on DBO	7.81%	-7.24%	8.20%	-7.58%

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

Compensated Absences:

The Company's liability towards un-funded leave encashment is determined by independent actuarial valuation using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Expenses charged to statement of profit and loss	11.16	5.35

Particulars	As at March 31, 2019	As at March 31, 2018
Closing Defined Benefit Obligation	25.75	17.50

The discount rate and salary escalation rate is the same as adopted for gratuity liability valuation.

The estimates of future salary increases (which has been set in consultation with the company) takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Note 28: Segmental Reporting

The Company's only business being hoteliering, disclosure of segment-wise information is not applicable under Accounting Standard (AS) 108 "Segmental Information" notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended. There is no geographical segment to be reported since all the operations are undertaken in India.

Note 29: Risk Management, Objectives and Policies

Risks and Concerns

Economic Risks: Hotel business in general is sensitive to fluctuations in the economy. The hotel sector may be unfavourably affected by changes in global and domestic economies, changes in local market conditions, excess room supply, reduced international or local demand for hotel rooms and associates services, competition in the industry, government policies and regulations, fluctuations in interest rates and foreign exchange rates and other natural and social factors. Since demand for hotels is affected by world economic growth, a global recession could lead to a downturn in the hotel industry.

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Socio-Political Risks: The Hotel industry faces risk from volatile socio-political environment, internationally as well as within the country. India, being one of the fastest growing economies of the world in the recent past, continues to attract investments. However, any adverse events such as political instability, conflict between nations, terrorist attacks or spread of any epidemic or security threats to any countries may affect the level of travel and business activity.

Security Risks: The Hotel industry demands peace at all times to flourish. The biggest villain in South East Asia has been terrorism supplemented by political instability. Subsequent to the Mumbai terror attacks in November 2008, the hotel industry has invested substantially on security and intelligence. The security concerns have been duly addressed instilling confidence in the customer by providing international standards of safety.

Company-specific Risks

Heavy Dependence on India

Risk of wage inflation: The hotel industry needs quality employees and with demand for the same improving across the industry, the Company feels that wage inflation would be a critical factor in determining costs for the Company. Thus, your Company will continue to focus on improving manpower efficiencies and creating a lean organization, while maximizing effectiveness in terms of customer service and satisfaction, which is an area of great importance for your Company.

Foreign Exchange Risk: Your Company may be impacted by the fluctuation of the Indian Rupee against other foreign currencies. To mitigate this risk the Company has migrated to single currency billing in Indian Rupees.

Project Implementation Risk: Your Company may be impacted by delays in implementation of projects which would result in increasing project cost and loss of potential revenue. To mitigate this risk, the Company has in place an experienced project team supported by the leading external technical consultants and a dedicated project management company. The Company will endeavor to complete its projects on time at optimal cost so as to maximize the profitability.

Note 30: Financial risk management objectives and policies

The Company is exposed to financial risk such as Market Risk (Interest Rate Risk, fluctuation in foreign exchange rates and price risk), credit risk and liquidity risk. The general risk management program of the Company focuses on the unpredictability of the financial markets and attempts to minimize their potential negative influence on the financial performance of the Company. The Company continuously reviews its risk exposures and takes measures to limit it to acceptable levels. The Board of Directors have the overall responsibility for the establishment and oversight of the Company's risk management framework.

Market risk

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

The sensitivity analysis in the following sections relate to the position as at March 31, 2019 and March 31, 2018.

The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post- retirement obligations; provisions; and the non-financial assets and liabilities.

The following assumptions have been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2019 and March 31, 2018.

Interest rate risk

The interest rate risk arise from long term borrowing of the company with variable interest rates (Bank one year MCLR plus spread). Although the spread is fixed, it is subject to change at fixed time interval or occurrence of specified event(s). Management monitors the movement in interest rate and, wherever possible, reacts to material movements in such rates by restructuring its financing arrangement.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase in Interest Rate	Decrease in profit before tax	Decrease in Interest Rate	Increase in profit before tax
For the year ended March 31, 2019	0.5% per annum	(108.27)	(-0.5)% per annum	108.27
For the year ended March 31, 2018	0.5% per annum	(110.04)	(-0.5)% per annum	110.04

Price risk

Price risk is the risk of fluctuations in the change in prices of equity Investments.

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Credit risk

Credit risk is the risk arising from credit exposure to customers and the counter-party will default on its contractual obligations.

The Company has adopted a policy of only dealing with creditworthy customers/ corporate to minimise collection losses. Credit Control team assesses the credit quality of the customers, their financial position, past experience in payments and other relevant factors. Advance payments are obtained from customers in banquets, as a means of mitigating the risk of financial loss from defaults.

The carrying amount of trade and other receivables, advances to suppliers, cash and short-term deposits and interest receivable on deposits represents company's maximum exposure to the credit risk. No other financial asset carry a significant exposure with respect to the credit risk. Deposits and cash balances are placed with Schedule Commercial banks.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company also holds advances as security from customers to mitigate credit risk.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy.

Liquidity risk

Liquidity risk is the risk that the Company will have difficulty in raising the financial resources required to fulfil its commitments. Liquidity risk is held at low levels through effective cash flow management. Cash flow forecasting is performed internally by rolling forecasts of the Company's liquidity requirements to ensure that it has sufficient cash to meet operational requirements, to fund scheduled capex and debt repayments and to comply with the terms of financing documents.

The Company primarily uses short-term bank facilities in the nature of bank overdraft facility to fund its ongoing working capital requirements.

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

Particulars	On demand	Less than 1 Year	1 to 5 years	5 years and above	Total
For the year ended March 31, 2019					
Borrowings	-	843.75	9,281.33	10,686.20	20,811.28
Other financial liabilities	-	999.17	1.70	-	1,000.87
Trade and other payables	2,018.89	-	-	-	2,018.89
Total	**2,018.89**	**1,842.92**	**9,283.03**	**10,686.20**	**23,831.04**
For the year ended March 31, 2018					
Borrowings	-	562.52	7,031.30	14,061.15	21,654.97
Other financial liabilities	-	840.27	1.70	-	841.97
Trade and other payables	2,062.36	-	-	-	2,062.36
Total	**2,062.36**	**1,402.79**	**7,033.00**	**14,061.15**	**24,559.30**

Note 31: Capital management

The Company's policy is to maintain strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of business.

The Company manages Capital structure by balanced mix of debt and equity. The Company's capital structure is influenced by the changes in the regulatory frameworks, government policies, available options of financing and impact of the same on liquidity position.

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The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The table below shows the Gearing ratio as at March 31, 2019 and March 31, 2018.

Particulars	As at March 31, 2019	As at March 31, 2018
Borrowings	20,811.28	21,654.97
Trade Payables	2,018.89	2,062.36
Less: Cash & Cash Equivalents	(2,065.03)	(764.70)
Net Debt	**20,765.14**	**22,952.62**
Equity Capital	5,599.44	5,011.62
Equity Capital and Net Debt	**26,364.58**	**27,964.24**
Gearing Ratio	78.76%	82.08%

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

Note 32: Fair Values

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

Particulars	Carrying Values		Fair Values	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Financial Assets				
Other financial assets	1,612.98	1,114.22	1,612.98	1,114.22
Trade Receivables	879.18	856.48	879.18	856.48
Cash and Cash Equivalents	2,065.03	764.70	2,065.03	764.70
Total	**4,557.19**	**2,735.40**	**4,557.19**	**2,735.40**
Financial Liabilities				
Non-current Borrowings	20,811.28	21,654.97	20,811.28	21,654.97
Other non-current financial Liabilities	1.70	1.70	1.70	1.70
Trade Payables	2,018.89	2,062.36	2,018.89	2,062.36
Other current financial Liabilities	999.17	840.27	999.17	840.27
Total	**23,831.05**	**24,559.30**	**23,831.05**	**24,559.30**

The management assessed that fair value of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Note 33: Fair values hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

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

Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fair value of financial assets					
Other financial assets	31-Mar-19	1,612.98	-	1,612.98	-
Trade Receivables	31-Mar-19	879.18	-	879.18	-
Cash and Cash Equivalents	31-Mar-19	2,065.03	-	2,065.03	-

There have been no transfers between Level 1 and Level 2 during the period.

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

Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fair value of financial liabilities					
Non-current Borrowings	31-Mar-19	19,967.53	-	19,967.53	-
Other non-current financial Liabilities	31-Mar-19	1.70	-	1.70	-
Trade Payables	31-Mar-19	2,018.89	-	2,018.89	-
Other current financial Liabilities	31-Mar-19	999.17	-	999.17	-

There have been no transfers between Level 1 and Level 2 during the period.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2018:

Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fair value of financial assets					
Other financial assets	31-Mar-18	1,114.22	-	1,114.22	-
Trade Receivables	31-Mar-18	856.48	-	856.48	-
Cash and Cash Equivalents	31-Mar-18	764.70	-	764.70	-
Other financial assets	31-Mar-18	873.41	-	873.41	-

There have been no transfers between Level 1 and Level 2 during the period.

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2018:

Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fair value of financial liabilities					
Non-current Borrowings	31-Mar-18	21,655.84	-	21,655.84	-
Other non-current financial Liabilities	31-Mar-18	5.65	-	5.65	-
Trade Payables	31-Mar-18	2,715.28	-	2,715.28	-
Other current financial Liabilities	31-Mar-18	1,115.58	-	1,115.58	-

There have been no transfers between Level 1 and Level 2 during the period.

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Note 34: Accounting Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

(i) Impact of Ind AS 116 - Leases

On 30 March 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

• Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors

• Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application. Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

• Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or

• An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application. Certain practical expedients are available under both the methods.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach 'for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April1,2019).The Impact is under assessment and as per management there would be no major Impact. Accordingly, comparatives for the year ended 31 March 2019 will not be retrospectively adjusted.

(ii) Amendment to existing issued Ind AS

The MCA has also carried out amendments of the following accounting standards:
(a) Appendix C to Ind AS 12: Uncertainty over Income Tax Treatment
(b) Amendments to Ind AS 109: Prepayment Features with Negative Compensation
(c) Amendments to Ind AS 19: Plan Amendment, Curtailment or Settlement
(d) Amendments to Ind AS 28: Long-term interests in associates and joint ventures

(e) Annual improvement to Ind AS (2018)
- Amendments to Ind AS 103: Party to a Joint Arrangements obtains control of a business that is a Joint Operation
- Amendments to Ind AS 111: Joint Arrangements
- Amendments to Ind AS 12: Income Taxes
- Amendments to Ind AS 23: Borrowing Costs

Application of above standards are not expected to have any significant impact on the Company's Financial Statements.

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Note 35: Significant accounting judgements, estimates and assumptions

The preparation of the company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when the financial statements were prepared. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognized in the year in which the estimates are revised and in any future year affected.

In the process of applying the Company's accounting policies, management has made the following judgments, estimates and assumptions which have significant effect on the amounts recognized in the financial statements:

Provisions and Contingency

The contingencies and commitments are discussed in more details in Note 27. It is not practical to state the timing of the judgement and final outcome. The management has assessed the probable unfavorable outcomes and creates provisions where necessary, where these are assessed as not probable. These are disclosed as contingent liability.

Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Defined benefit plans (gratuity benefits)

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Allowance for uncollectible trade receivables

Trade receivables do not carry interest and are stated at their nominal values as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the aging of the receivable balances and historical experiences. Individual trade receivables are written off when management deems them not be collectible.

Note 36: In the opinion of the Board of Directors of the company, the current assets, loans and advances are expected to realize in the ordinary course of business approximately the value at which they are stated in accounts

Note 37: During the year the Company as per Ind AS 115 "Revenue from Customer Contracts" has reclassified Unbilled revenue to Contract Assets and Advance from customers as Contract Liabilities.

Effective April 1, 2018, the Company has adopted Ind AS 115 - "Revenue from Contracts with Customers". Based on the assessment done by the management, there is no impact therefrom on the revenue recognized during the year.

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Note 38: Balances in the personal accounts of customers are subject to confirmation and reconciliation.

As per our report of even date
For BRAHMAYYA & CO.,
Chartered Accountants
Firm's Registration Number: 000513S

BRAHMAYYA & CO. Chartered Accountants HYDERABAD.

(S. Satyanarayana Murthy)
Partner
Membership Number: 023651

Place: Hyderabad
Date: May 14, 2019

For and on behalf of the Board

Dr.GVK Reddy
Chairman
DIN 00005212

G. Indira K. Reddy

G Indira Krishna Reddy
Director
DIN 00005230

Green Woods Palaces and Resorts Pvt. Ltd.