26th July, 2019

Bombay Stock Exchange Limited
1st Floor, New Trading Ring,
Rotunda Building,
P J Towers, Dalal Street, Fort
MUMBAI – 400 001.

The National Stock Exchange of India Ltd
Exchange Plaza,
5th Floor, Plot No.C/1, G Block,
Bandra Kurla Complex, Bandra (E)
MUMBAI – 400 051

Dear Sir,

Sub: Voting Results of 24th Annual General Meeting.
Ref: BSE Scrip Code: 532390; NSE Scrip Code: TAJGVK.

In connection with the 24th Annual General Meeting (AGM) of the Company held on 25th July, 2019, please find attached the following :

1. Voting results of business transacted at the AGM, as required under Regulation 44(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is enclosed as Annexure – 1.
2. Report of the Scrutinizer dated 25th July, 2019, pursuant to Section 108 of the Companies Act, 2013 and Rule 20(4) (xii) of the Companies (Management and Administration) Rules, 2014 is annexed vide Annexure-2.
3. Annual Report for the Financial year 2018-19 as required under Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 duly approved and adopted by the Members / Shareholders of the Company as per the provisions of Companies Act, 2013 as Annexure-3.

Please take note that the above referred documents are also being uploaded on the website of the Company. We request you to kindly take the same on record.

Thanking you,

Yours faithfully
For TAJGVK Hotels & Resorts Limited

J SRINIVASA MURTHY
CFO & COMPANY SECRETARY

TAJGVK HOTELS & RESORTS LTD. HYDERABAD

Encl: a/a

TAJGVK

TAJGVK Hotels & Resorts Limited


Taj Krishna, Hyderabad

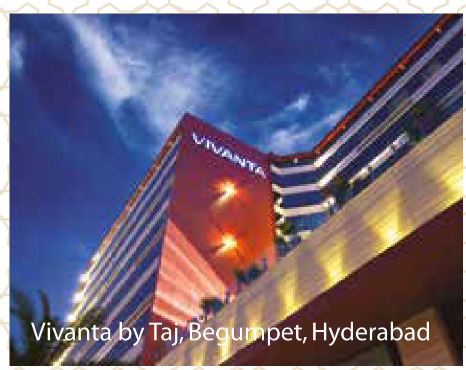

Taj Deccan, Hyderabad


Taj Banjara, Hyderabad


Taj Santacruz, Mumbai


Taj Chandigarh, Chandigarh


Taj Clubhouse, Chennai



Vivanta by Taj, Begumpet, Hyderabad

24TH ANNUAL REPORT 2018-19

CORPORATE INFORMATION

Board of Directors
(As on 15.05.2019)

Dr. GVK Reddy	:	Non-Executive Chairman
Mrs. G Indira Krishna Reddy	:	Managing Director
Mrs. Shalini Bhupal	:	Joint Managing Director
Mr. G V Sanjay Reddy	:	Non-Executive Non-Independent Director
Mr. Krishna R Bhupal	:	Non-Executive Non-Independent Director
Mr. Puneet Chhatwal	:	Non-Executive Non-Independent Director
Mr. Rajendra Misra	:	Non-Executive Non-Independent Director
Mr. Giridhar Sanjeevi	:	Non-Executive Non-Independent Director
Mr. K Jayabharath Reddy	:	Independent Director
Mr. D R Kaarthikeyan	:	Independent Director
Mr. M B N Rao	:	Independent Director
Mr. Ch G Krishna Murthy	:	Independent Director
Mr. S Anwar	:	Independent Director
Mr. A Rajasekhar	:	Independent Director
Mr. N Anil Kumar Reddy	:	Additional Director (Independent) (w.e.f. 15.05.2019)
Mr. N Sandeep Reddy	:	Additional Director (Independent) (w.e.f. 15.05.2019)
Mr. J Srinivasa Murthy	:	CFO & Company Secretary

Board Committees

Audit Committee

Mr. K Jayabharath Reddy	:	Chairman
Mr. Krishna R Bhupal	:	Member
Mr. Puneet Chhatwal	:	Member
Mr. M B N Rao	:	Member
Mr. Ch G Krishna Murthy	:	Member
Mr. S Anwar	:	Member

Nomination and Remuneration Committee

Mr. K Jayabharath Reddy	:	Chairman
Mr. Krishna R Bhupal	:	Member
Mr. Puneet Chhatwal	:	Member
Mr. M B N Rao	:	Member
Mr. D R Kaarthikeyan	:	Member

Corporate Social Responsibility Committee

Mr. Ch G Krishna Murthy	:	Chairman
Mrs. G Indira Krishna Reddy	:	Member
Mr. D R Kaarthikeyan	:	Member

Stakeholders Relationship Committee

Mr. Ch G Krishna Murthy	:	Chairman
Mrs. G Indira Krishna Reddy	:	Member
Mrs. Shalini Bhupal	:	Member

Company Bankers	:	IDBI Bank Limited HDFC Bank Limited. AXIS Bank Limited
Stock Exchanges where Company's Securities are listed	:	Bombay Stock Exchange Ltd. (Scrip Code:532390) National Stock Exchange of India Ltd. (Scrip Code:TAJGVK)
Registered Office	:	TAJGVK Hotels & Resorts Limited (CIN: L40109TG1995PLC019349) Taj Krishna, Road No.1, Banjara Hills, Hyderabad – 500 034. Ph No.040-66293664, Fax: 040-66625364 E-mail:tajgvkshares.hyd@tajhotels.com www.tajgvk.in
Registrars & Share Transfer Agents	:	Venture Capital & Corporate Investments Pvt. Ltd. #12-10-167, Bharat Nagar Hyderabad 500 018. Tel: 040 23818475, 040-23818476 Fax: 040 23868024 E-mail: info@vccipl.com, www.vccipl.com
Statutory Auditors	:	M/s. M. Bhaskara Rao & Co. (Firm Regn. No.000459S) Chartered Accountants 5-D, 5th Floor, Kautilya, 6-3-652, Somajiguda, Hyderabad – 500 082
Internal Auditors	:	M/s. Price Waterhouse & Co. (CIN:U74140WB1983PTC036093) Plot No.77/A, 8-2-624/A/1 3rd Floor, Road No.10 Banjara Hills, Hyderabad – 500034
Secretarial Auditors	:	M/s. Narender & Associates (M.No.FCS4898) Company Secretaries 403, Naina Residency, Srinivasa Nagar (East) Ameerpet, Hyderabad – 500 038

FINANCIAL HIGHLIGHTS

(Rs. in crores)

	2018-19	2017-18	2016-17	2015-16	2014-15
Total Revenue	**324.09**	290.88	269.77	272.00	250.02
Profit Before Tax	**38.13**	32.01	18.63	15.24	(2.04)
Profit After Tax (after extraordinary/prior period items)	**24.24**	21.19	10.22	8.21	(2.47)
Shareholders' Funds	**400.55**	380.73	362.48	355.28	347.07
Borrowings	**197.87**	228.62	256.37	269.35	269.35
Debt Equity ratio	**0.49:1**	0.60:1	0.71:1	0.76:1	0.78:1
Book value per share (Rs)	**63.88**	60.72	57.81	56.66	55.35
Earnings per share (Rs)	**3.87**	3.38	1.63	1.31	(0.39)
Dividend %	**30%**	30%	20%	20%	NIL

CONTENTS

NOTICE OF 24TH ANNUAL GENERAL MEETING (AGM)

Notice is hereby given that the **TWENTY FOURTH ANNUAL GENERAL MEETING** of TAJGVK HOTELS & RESORTS LIMITED will be held at Sri Sathya Sai Nigamagamam, 8-3-987/2, Sri Nagar Colony, Hyderabad – 500073 on **Thursday, the 25th July, 2019 at 11.30 A.M.** to transact the following business:

ORDINARY BUSINESS:

To consider and if thought fit, to pass with or without modification(s), the following resolution(s) as an **Ordinary Resolution(s)**:

1) To receive, consider and adopt the Standalone and Consolidated Audited Profit and Loss Account for the year ended March 31, 2019 and the Balance Sheet and Cash Flow Statement as on at that date, together with the Reports of Board Directors' and Auditors' thereon.
2) To consider and declare dividend on the Equity Shares for the financial year ended March 31, 2019.
3) To appoint a Director in place of Mr. Krishna R Bhupal (DIN:00005442) who retires by rotation and being eligible, offers himself for re-appointment as Director liable to retire by rotation.

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

4) To appoint a Director in place of Dr. GVK Reddy (DIN:00005212) who retires by rotation and being eligible, offers himself for re-appointment as Director liable to retire by rotation.

SPECIAL BUSINESS:

5) To re-appoint Mr. A Rajasekhar as an Independent Director.

   To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Special Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed there under, read with Schedule IV to the Act and Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the consent of the Members of the Company by way of special resolution be and is hereby accorded to re-appoint Mr. A Rajasekhar (DIN:01235041), as an Independent Director of the Company from 15th May, 2019 to 14th May, 2024 and he shall not be liable to retire by rotation, who has submitted a declaration that he meets the criteria of independence as provided in Section 149 of the Act."

   "RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things and give such directions as may be necessary, in the best interest of the Company, for giving effect to the aforesaid Resolution, including but not limited to signing and execution of necessary forms and documents as may be deemed necessary and expedient in its discretion."

6) To appoint Mr. N Sandeep Reddy as an Independent Director.

   To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections149, 150, 152 and 160 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed there-under, read with Schedule IV to the Act and Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the consent of the Members of the Company be and is hereby accorded to appoint Mr. N Sandeep Reddy (DIN:00483826),who was appointed as an Additional Director of the Company by the Board of Directors, in terms of Section 161 of the Companies Act, 2013 and who has submitted a declaration that he meets the criteria of independence under Section 149 of the Companies Act, 2013 and who is eligible for appointment be and is hereby appointed as an Independent Director of the Company, for a period of 5 years i.e., from 15th May, 2019 to 14th May, 2024 and he shall not be liable to retire by rotation."

   "RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things and give such directions as may be necessary, in the best interest of the Company, for giving effect to the aforesaid Resolution, including but not limited to signing and execution of necessary forms and documents as may be deemed necessary and expedient in its discretion."

7) To appoint Mr. N Anil Kumar Reddy as an Independent Director.

   To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections149, 150, 152 and 160 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed there-under, read with Schedule IV to the Act and Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the consent of the Members of the Company be and is hereby accorded to appoint Mr. N Anil Kumar Reddy (DIN:00017586), who was appointed as an Additional Director of the Company by the Board of Directors, in terms of Section 161 of the Companies Act, 2013 and who has submitted a declaration that he meets the criteria of independence under Section 149 of the Companies Act, 2013 and who is eligible for appointment be and is hereby appointed as an Independent Director of the Company, for a period of 5 years i.e., from 15th May, 2019 to 14th May, 2024 and he shall not be liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things and give such directions as may be necessary, in the best interest of the Company, for giving effect to the aforesaid Resolution, including but not limited to signing and execution of necessary forms and documents as may be deemed necessary and expedient in its discretion."

8) To re-appoint Mrs. Shalini Bhupal, as Whole time Director designated as Joint Managing Director.

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any of the Companies Act, 2013 (Act), including any statutory amendment, modifications, or re-enactment thereof and subject to such other requisite approvals, as may be required, the consent of shareholders be and is hereby accorded for the re-appointment of Mrs. Shalini Bhupal (DIN:00005431) as the "Whole Time Director" designated as Joint Managing Director of the company for a period of 5 years effective from 16th June, 2019 on the terms and conditions as mentioned below, including the remuneration payable to her as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company and as set out in the explanatory statement which forms part of this resolution notwithstanding that the remuneration may exceed the limits prescribed in provisions of section 197, 198 and Schedule V of the Companies Act, 2013."

I. Period of Appointment

The appointment is for a period of 5 years with effect from 16th June, 2019.

II. Remuneration

a. Salary: Basic pay shall be Rs.10,00,000/- per month.
b. Basic Scale: Rs.10,00,000 – Rs.1,00,000 – Rs.14,00,000

III. Perquisites & Allowances

In addition to the salary payable, the Joint Managing Director shall also be entitled to perquisites and allowances like house rent allowance; house maintenance allowance, together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings, air-conditioning and repairs, all of which may be hired or owned; medical reimbursement; club fees and leave travel concession for herself and her family; medical insurance and such other perquisites and allowances in accordance with the rules of the company or as may be agreed to by the Board of Directors and the Joint Managing Director; such perquisites and allowances will be subject to a maximum of 125% of her annual salary.

IV. Minimum Remuneration

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Appointee, the Company has no profits or its profits are inadequate, the Company shall pay remuneration by way of salary, perquisites and allowances as specified above, which shall be the minimum remuneration payble to the Director.

V. Commission

In addition to the salary, perquisites and allowances payable, the Joint Managing Director is also entitled to a Commission, payable @ 1% on the net profits after tax of the Company, subject to the overall ceilings stipulated in Sections 196, 197 and 203 of the Companies Act, 2013.

VI. Annual Bonus

In addition to the salary, perquisites and allowances and commission payable, the Joint Managing Director is also entitled to an annual Bonus as may be approved by the Nomination and Remuneration committee and Board of directors of the company based on the performance and the net profits after tax of the Company, subject to the overall ceilings stipulated in Sections 196, 197 and 203 of the Companies Act, 2013

VII. Other Terms & Conditions

i. For the purposes of calculating the above ceiling, perquisites and allowances shall be evaluated as per Income Tax Rules, wherever applicable; in the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost or hire charges.

ii. Expenses incurred for travelling, boarding and lodging including attendants during business trips and provision for use of the Company's car for official duties and telephone at residence (including payment for local calls and long distance official calls) shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.

iii. Company's contribution to Provident Fund and Superannuation or Annuity Fund, to the extent these either singly or together are not taxable under the Income Tax Act, gratuity payable as per the rules of the Company and encashment of leave as per the rules of the Company and to the extent not taxable under Income Tax law, shall not be included for the purpose of computations of overall ceiling of Remuneration.

iv. The terms and conditions of the said appointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, within the maximum amount payable to the Joint Managing Director in accordance with Schedule V to the Act or any amendments thereto made hereinafter in this regard, as may be agreed by the Board and Mrs. Shalini Bhupal.

v. If at any time the Joint Managing Director ceases to be a Director of the Company for any reason whatsoever, she shall also cease to be Joint Managing Director of the company.

vi. The terms and conditions of the said appointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, within the maximum amount payable to the Joint Managing Director in accordance with Schedule V to the Act or any amendments thereto made hereinafter in this regard.

vii. The Joint Managing Director shall not be entitled to supplement her income with any buying or selling commissions. She shall not become interested or otherwise concerned directly or through her spouse and/or minor children, if any, in any selling agency of the Company, without the prior approval of the Central Government.

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, appropriate and desirable to give effect to this resolution and delegate to any Director or any officer of the Company for obtaining necessary permission and approvals, if any, in this connection from Government and / or any authorities."

9) Approval for waiver of recovery of excess remuneration paid to Mrs. G Indira Krishna Reddy, Managing Director of the company, inview of the amended provisions of the Companies Act, 2013

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 197, 198, Schedule V and other applicable provisions of the Companies Act, 2013 (the "Act") and the rules made there under (including any amendment(s), modification(s) or re-enactment(s) thereof for the time being in force) and subject to receipt of necessary consents and approvals, if any, consent and approval of the Members of the company be and is hereby accorded for the waiver of the recovery of excess remuneration paid to Mrs. G Indira Krishna Reddy (DIN:00005230), Managing Director of the Company, which was within the limits of the remuneration payable to Mrs. G Indira Krishna Reddy as approved by the Members at the time of her appointment."

"RESOLVED FURTHER THAT the company shall waive and not to seek refund of the excess remuneration paid by the company, for the following financial years:

(Rs. In lakhs)

Financial Year	Actual Paid	Limit as per Section 198 of the CA 2013	Limit as per Sch V of the CA 2013	Excess paid as per section 198 of CA 2013	Excess paid as per Sch V of the CA 2013	AGM date for passing special resolution seeking waiver of excess remuneration paid
(1)	(2)	(3)	(4)	(5)=(2)-(3)	(6)= (2)-(4)	(7)
2014-15	216.48	12.09	125.10	204.39	91.38	28.07.2015
2015-16	243.97	103.82	125.10	140.15	118.87	04.08.2016
2016-17	271.53	118.16	191.42	153.37	80.11	01.08.2017
2017-18	333.21	186.98	191.42	146.23	141.79	03.08.2018

"RESOLVED FURTHER THAT the Board of Directors of the Company and/or the Nomination and Remuneration Committee of the Board of the Company and/or any other person authorized by the Board or NRC, be and is hereby authorized to take necessary actions and steps required to give effect to the aforesaid resolution and settle any question or difficulty arising in connection therewith or incidental thereto."

10) Approval for waiver of recovery of excess remuneration paid to Mrs. Shalini Bhupal, Whole Time Director of the company, in view of the amended provisions of the Companies Act, 2013

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 197, 198, Schedule V and other applicable provisions of the Companies Act, 2013 (the "Act") and the rules made there under (including any amendment(s), modification(s) or re-enactment(s) thereof for the time being in force) and subject to receipt of necessary consents and approvals, if any, consent and approval of the Members of the company be and is hereby accorded for the waiver of the recovery of excess remuneration paid to Mrs. Shalini Bhupal (DIN:00005431), Executive Director of the Company, which was within the limits of the remuneration payable to Mrs. Shalini Bhupal as approved by the Members at the time of her appointment.

"RESOLVED FURTHER THAT the company shall waive and not to seek refund of the excess remuneration paid by the company, for the following financial years:

(Rs. In lakhs)

Financial Year	Actual Paid	Limit as per Section 198 of the CA 2013	Limit as per Sch V of the CA 2013	Excess paid as per section 198 of CA 2013	Excess paid as per Sch V of the CA 2013	AGM date for passing special resolution seeking waiver of excess remuneration paid
(1)	(2)	(3)	(4)	(5)=(2)-(3)	(6)= (2)-(4)	(7)
2014-15	157.83	12.09	125.10	145.74	32.73	28.07.2015
2015-16	147.56	103.82	125.10	43.74	22.46	04.08.2016
2016-17	158.77	118.16	191.42	40.61	Nil	01.08.2017

"RESOLVED FURTHER that the Board of Directors of the Company and/or the Nomination and Remuneration Committee of the Board of the Company and/or any other person authorized by the Board or NRC, be and is hereby authorized to take necessary actions and steps required to give effect to the aforesaid resolution and settle any question or difficulty arising in connection therewith or incidental thereto."

11) Approval for waiver of recovery of excess remuneration paid to Mrs.G Indira Krishna Reddy, Managing Director of the company for the Financial Year 2018-19

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of section 197, 198, Schedule V and all other applicable provisions, if any contained under the Companies Act, 2013 and the Rules framed there under including any statutory modification thereof, for the time being in force and in pursuance of the resolution passed by the Members of the Company at the AGM held on 28th July, 2015, the consent and approval of the Members of the company be and is hereby accorded to ratify confirm and waive the recovery of the excess remuneration paid to Mrs. G. Indira Krishna Reddy, Managing Director of the company, in excess of the limits prescribed under the provisions of section 197, 198 read with Schedule V of the Companies Act, 2013 for the financial year 2018-19 and also approved to waive the recovery of the excess remuneration from her as the payment made by the company being the minimum remuneration agreed to be paid to her as per the terms of approval of the members, and also approved to the extent it exceeds the statutory limit laid down under the Companies Act, 2013 and also approved the consequential retention thereof by Managing Director of the Company."

(Rs. In lakhs)

Financial Year	Actual Paid	Limit as per Section 198 of the CA 2013	Limit as per Sch V of the CA 2013	Excess paid as per section 198 of CA 2013	Excess paid as per Sch V of the CA 2013	Seeking waiver of excess remuneration paid by the shareholders at the ensuing AGM
(1)	(2)	(3)	(4)	(5)=(2)-(3)	(6)= (2)-(4)	(7)
2018-19	323.17	221.17	244.922	101.99	78.24	101.99

"RESOLVED FURTHER THAT the Board of Directors or a Committee thereof be and is hereby authorized to take such steps as may be necessary for obtaining necessary statutory approvals, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign execute deeds, applications, documents, writings that may be required, on behalf of the Company and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

By Order of the Board of Directors
For TAJGVK Hotels & Resorts Limited

Place : Hyderabad
Date : 15.05.2019

J SRINIVASA MURTHY
CFO & Company Secretary
M. No. : FCS4460

NOTES

1) The Explanatory Statement for Item Nos. 4 to 11, pursuant to Section 102 of the Companies Act, 2013, is annexed hereto and forms part of this Notice. The relevant details as required under Regulation 36 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations), of persons seeking appointment / re-appointment as Directors are also annexed.

2) A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and such proxy need not be a member of the company.

3) The Proxy form duly completed must be lodged at the Registered Office of the Company not later than 48 hours before the time fixed for the meeting. Pursuant to Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.

4) Corporate Members intending to send their authorized representatives to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of relevant Board Resolution together with the respective specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the meeting.

5) In case of joint holders attending the meeting, only such joint holder who is higher in the order of names, will be entitled to vote at the Meeting.

6) The Register of Members and Share Transfer Books of the Company will remain closed from **Thursday, the 18th July, 2019 to Thursday, the 25th July, 2019** (both days inclusive) for the purpose of the Annual General Meeting of the Company and for payment of dividend.

7) The Dividend for the financial year ended 31st March, 2019, as recommended by the Board, if approved at the AGM, will be paid on or after 30th July, 2019 to those members whose name appears in the Register of Members of the Company as on the dates of book closure.

8) As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, M/s. Venture Capital & Corporate Investments Private Limited for assistance in this regard.

9) Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants and Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to M/s. Venture Capital & Corporate Investments Private Limited / Investor Service Department of the Company immediately.

10) The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide Notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting held on 1st August, 2017, for a period of 5 years.

11) The Register of Directors and Key Managerial Personnel and their Shareholding maintained under section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which Directors are Interested under section 189 of Companies Act, 2013 will be available for inspection at the Annual General Meeting.

12) For convenience of the Members and proper conduct of the meeting, entry to the meeting venue will be regulated by Attendance Slip, which is enclosed with this Annual Report. Members are requested to sign at the place provided on the Attendance Slip and hand it over at the Registration Counter at the venue.

13) Pursuant to prohibition imposed vide Secretarial Standards on General Meetings (SS-2) issued by ICSI and the MCA Circular, no gifts shall be distributed at the meeting.

14) Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories of dividend as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change / deletion in such bank details. Further, instructions, if any, already given by them in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form. Members may, therefore, give instructions regarding bank accounts in which they wish to receive dividend to their Depository Participants ('DPs'').

15) The Securities and Exchange Board of India (SEBI) has mandated submission of the permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to M/s. Venture Capital & Corporate Investments Private Limited / Investor Service Department of the Company.

16) Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unclaimed Dividend Account of the company, is liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividend were also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members/Claimants are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority, in Form No. IEPF-5 available on www.iepf.gov.in. The Members/Claimants can file only one consolidated claim in a financial year as per the IEPF Rules.

17) Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their email address either with the Company or with the Depository Participant(s). Members who have not registered their email address with the Company can now register the same by submitting a duly filled-in 'E-communication Registration Form' to M/s. Venture Capital & Corporate Investments Pvt. Ltd., or Investor Service Department of the Company. Members holding shares in demat form are requested to register their email address with their Depository Participant(s) only. Members of the Company who have registered their email address are also entitled to receive such communication in physical form, upon request.

18) The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose email address are registered with the Company or the Depository Participant(s), unless the Members have registered their request for the hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their email address with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the Registration Counter at the AGM.

19) **Voting through electronic means:**

i. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Members have been provided with the facility to cast their vote electronically through the e-voting provided by National Securities Depository Limited (NSDL), on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.

ii. The Board of Directors has appointed Mr. Narender Gandhari, Practicing Company Secretary (Membership No.FCS4898), Proprietor of M/s. Narender & Associates, as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

iii. The facility for voting, either through electronic voting system or poll paper, shall also be made available at the AGM and the Members attending the AGM, who have not already cast their vote by remote e-voting, may exercise their right to vote at the AGM.

iv. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

v. A Member can vote either by remote e-voting or at the AGM. In case a Member votes by both the modes then the votes cast through remote e-voting shall prevail and the votes cast at the AGM shall be considered invalid.

vi. The details of the process and manner for remote e-voting are explained herein below:

Step 1: Log-in to NSDL e-voting system at https://www.evoting.nsdl.com/

Step 2: Cast your vote electronically on NSDL e-voting system.

Step 1 : Log-in to NSDL e-Voting system

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. cast your vote electronically.
4. Your User ID details are given below:

a) For Members who hold shares in demat account with NSDL: 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******).

b) For Members who hold shares in demat account with CDSL: 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12************** then your user ID is 12**************).

c) For Members holding shares in Physical Form: EVEN Number followed by Folio Number registered with the company (For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***)

5. Your password details are given below:

   a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you by NSDL. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      ii. If your email ID is not registered, your 'initial password' is communicated to you on your postal address

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a. Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b. "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

   d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, click on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-voting will open.

Step 2 : Cast your vote electronically on NSDL e-Voting system.

1. After successful login at Step 1, you will be able to see the Home page of e-voting. Click on e-voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of the Company is 110806.
4. Now you are ready for e-voting as the Voting page opens
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc., with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by email to narenderg99@gmail.com with a copy marked to evoting@nsdl.co.in
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on https://www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer to the FAQs for Shareholders and e-voting user manual for Shareholders available at the download section of https://www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

Other Instructions

i. The e-voting period commences on **Monday, the 22nd July, 2019 (9:00 a.m. IST) and ends on Wednesday, the 24th July, 2019 (5:00 p.m. IST)**. During this period, Members holding shares either in physical form or in dematerialized form, as on **cut-off date i.e., Wednesday, the 17th July, 2019,** may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast the vote again.

ii. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of voting, either through remote e-voting or voting at the AGM through electronic voting system or poll paper.

iii. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

iv. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

v. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.tajgvk.in and on the website of NSDL https://www.evoting.nsdl.com immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and Bombay Stock Exchange Limited, where the shares of the Company are listed.

By Order of the Board of Directors
For TAJGVK Hotels & Resorts Limited

Place : Hyderabad
Date : 15.05.2019

J SRINIVASA MURTHY
CFO & Company Secretary
M. No. : FCS4460

EXPLANATORY STATEMENT

(Pursuant to section 102(1) of the Companies Act, 2013)

The following Explanatory Statement sets out the material facts relating to Item Nos. 4 to 11 of the accompanying Notice of Annual General Meeting (AGM).

Item No. 4

Dr. GVK Reddy (DIN:00005212) is 82 years and he is Non-Executive Non Independent Director, whose term of office is liable to retire by rotation. In order to comply with the provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, applicable from 1st April, 2019, the company passed the necessary special resolution through postal ballot approval dated 30th March, 2019 for his continuance as Director liable to retire by rotation. As per the approval of the members, he shall hold office till the date of this AGM. In terms of section 152 of the Companies Act, 2013, Dr. GVK Reddy is liable to retire by rotation and he offered himself for re-appointment at the ensuing AGM.

A brief profile of Dr. GVK Reddy is as follows:

Dr. GVK Reddy is the Founder Chairman and Managing Director of GVK Group, a diversified business conglomerate with a predominant focus on infrastructure development. He began his career by undertaking major irrigation project contracts including bridges, dams and irrigation canals. GVK Group has today emerged as one of the key players in India's infrastructure development.

Apart from Airports, Roads, Power and Life Sciences, GVK Group in the hospitality sector, has built some of the finest luxury hotels in Hyderabad, Chandigarh, Chennai and Mumbai.

Dr GVK Reddy has been a pioneer in India's infrastructure sector. Guided by his vision and leadership, GVK Group has successfully implemented projects in record time.

- GVK Group set up India's first Independent Power Project (IPP) in the private sector at Jegurupadu, Andhra Pradesh to generate 217 MW power and added another 228 MW in the second phase. GVK Group commissioned another power plant at Kakinada, AP, to generate 469 MW power.
- GVK Group has successfully executed India's first six-lane expressway connecting Jaipur to Kishangarh in the state of Rajasthan.
- GVK Group has developed a four-lane road project between Deoli and Kota in Rajasthan and a six-lane project between Bagodara and Vasad in Gujarat.
- GVK Group has developed and commissioned a 330MW hydro power project in the state of Uttarakhand, and 540MW thermal power project in the state of Punjab.
- GVK Group is engaged in the operation and modernization of Mumbai's Chhatrapati Shivaji International Airport, which has been termed as one of the most challenging infrastructure projects in the world. GVK CSIA's new integrated Terminal 2 which commenced operations on 12 February, 2014, has bagged many awards and accolades and attained an iconic status across the globe for integrating a world-class design, infrastructure and operational efficiency.
- Dr. GVK Reddy heads GVK EMRI, one of the most significant Corporate Social Responsibility initiatives of GVK Group. This is an emergency response services provider under a Public Private Partnership model spread across 15 states and two UTs of India. Dr. GVK Reddy is a philanthropist and a keen supporter of India's budding sporting talent.

The terms and conditions of appointment of Dr. GVK Reddy (DIN:00005212), Non-Executive Director shall be open for inspection by the Members at the registered office of the Company during business hours on any working day.

The Board of Directors of the Company recommend's the resolution at Item No.4 for approval of the members as Special Resolution.

Apart from Dr. GVK Reddy, who is interested himself, Mrs. G Indira Krishna Reddy, Managing Director, Mrs. Shalini Bhupal, Joint Managing Director, Mr. G V Sanjay Reddy, and Mr. Krishna R Bhupal, Directors, are interested in the resolution being relatives, to the extent of their shareholding.

Apart from them none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way concerned or interested, financially or otherwise in the said resolution.

Item No. 5

The shareholders of the Company at their 19th Annual General Meeting held on 1st August, 2014 have appointed Mr. A Rajasekhar (DIN:01235041) as an Independent Director of the Company for a period of 5 years and the term of Mr. A Rajasekhar ended on 31st March, 2019.

The company proposes to re-appoint Mr. A Rajasekhar as Independent Director for annother term of 5 years. The Company has received from Mr. A Rajasekhar, consent in writing to act as a Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 and Intimation in Form DIR-8 pursuant to terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified as per Section 164(2) of the Companies Act, 2013; and a declaration to the effect that he meets the criteria of independence as provided under Section 149 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Nomination and Remuneration Committee and Board of Directors at their meetings held on 15th May, 2019 on the basis of the report of performance evaluation of Independent Directors have recommended the re-appointment of Mr. A Rajasekhar as an Independent Director for a further period of 5 years effective from 15th May, 2019 to 14th May, 2024.

In the opinion of the Board, Mr. A Rajasekhar fulfills the conditions specified in the Companies Act, 2013 and the Rules framed there under and Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for re-appointment as an Independent Director and he is independent of the management.

He is not holding any equity shares of the Company and he is not related to any Director of the Company.

As per the provisions of Section 149 of the Companies Act, 2013, an Independent Director shall be eligible for re-appointment subject to approval of shareholders by way of a Special Resolution.

The Resolution set out at Item No.5 of the notice is put forth for consideration of the members as a Special Resolution pursuant to Section 149 read with Schedule IV of the Companies Act, 2013 for re-appointment of Mr. A Rajasekhar as an Independent Director. The terms and conditions of re-appointment of Mr. A Rajasekhar shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

Brief profile of Mr. A Rajasekhar is as follows:

Mr. A Rajasekhar is a Post Graduate in Law from University of Tubingen, Germany. His specialization is in International and Commercial Law.

He is having more than 20 years of professional experience in Financial and Corporate Advisory services across various sectors in the infrastructure space.

His Competencies span across: Corporate Finance - Buy and Sell Side Advisory, Strategic Management Advisory and Debt Syndication.

Before moving to India, he worked in a senior position in one of the largest Investment Bank in Europe handling multiple tasks in project finance advisory and Mergers & Acquisitions advisory desk.

Save and except Mr. A Rajasekhar and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at item No.5 of the Notice.

The Board of Directors of the Company recommend's the resolution at Item No.5 for approval of the members as Special Resolution.

Item No. 6

Mr. N Sandeep Reddy (DIN:00483826) was appointed as an Additional Director (Independent Director) of the Company, w.e.f.15th May, 2019 under Section 161 of the Companies Act, 2013, pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors. The appointment is subject to the approval of the shareholders at the General Meeting to be held immediately after the said appointment.

The company proposes to appoint Mr. N Sandeep Reddy as Independent Director of the company. The Company also received from Mr. N Sandeep Reddy i) consent in writing to act as a Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; ii) Intimation in Form DIR-8 pursuant to terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified as per Section 164(2) of the Companies Act, 2013; and iii) a declaration to the effect that he meets the criteria of independence as provided under Section 149 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Mr. Sandeep Reddy fulfills the conditions specified in the Companies Act, 2013 and the Rules framed there under and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for appointment as an Independent Director and he is independent of the management.

The Resolution set out at Item No.6 of the notice is put forth for consideration of the members as an Ordinary Resolution pursuant to Section 149 read with Schedule IV of the Companies Act, 2013 for appointment of Mr. N Sandeep Reddy as an Independent Director of the Company. The terms and conditions of appointment of Mr. Sandeep Reddy shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

Brief profile of Mr. Sandeep Reddy is as follows:

Mr. Sandeep Reddy is qualified BS in Computer Science & Finance from Utah State University and MBA from IMD. He has more than 10 years of experience in Strategy consulting with Price Waterhouse in San Francisco and with Andersen Consulting, London.

Mr. Sandeep Reddy is a Founder and Managing Director of Peepul Capital, an India –centric Private Equity Investor with investments focussed on execution risk and have spanned Early stage, Growth and Buy-out opportunities in its chosen domain across the sectors of Technology Products & Services, Media & Entertainment, Consumer Products & Services and Specialized Engineering.

He has been one of the early participants in the evolving Indian Private Equity Industry having been active for more than 2 decades. He takes overall responsibility in defining and executing the Peepul's Strategy. In that role, he has spawned and built a number of entities as well as driven migration through their lifecycles.

Peepul capital has been involved in sponsoring more than 30 companies. He is intimately involved in entrepreneurial activities trying opportunities in India to other parts of the world, as well as participating in the relevant forums in India for Commerce & Industry.

He is not holding any equity shares of the Company and he is not related to any Director of the Company.

Save and except Mr. Sandeep Reddy and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at item No.6 of the Notice.

The Board of Directors of the Company recommend's the resolution at Item No.6 for approval of the members as Ordinary Resolution.

Item No. 7

Mr. N Anil Kumar Reddy (DIN:00017586) was appointed as an Additional Director (Independent Director) of the Company w.e.f.15th May, 2019 under Section 161 of the Companies Act, 2013 pursuant to the recommendation of the Nomination and Remuneration Committee and the approval of Board of Directors, The appointment is subject to the approval of the shareholders at the General Meeting to be held immediately after the said appointment.

The company proposes to appoint Mr. N Anil Kumar Reddy as Independent Director of the company. The Company also received from Mr. Anil Kumar Reddy i) consent in writing to act as a Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; ii) Intimation in Form DIR-8 pursuant to terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified as per Section 164(2) of the Companies Act, 2013; and iii) a declaration to the effect that he meets the criteria of independence as provided under Section 149 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Mr. N Anil Kumar Reddy fulfills the conditions specified in the Companies Act, 2013 and the Rules framed there under and Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 for appointment as an Independent Director and he is independent of the management.

The Resolution set out at Item No.7 of the notice is put forth for consideration of the members as an Ordinary Resolution pursuant to Section 149 read with Schedule IV of the Companies Act, 2013 for appointment of Mr. Anil Kumar Reddy as an Independent Director of the Company. The terms and conditions of appointment of Mr. Anil Kumar Reddy shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

Brief profile of Mr. Anil Kumar Reddy is as follows:

Mr. N. Anil Kumar Reddy is a Member of Institute of Chartered Accountants of India, a Member of Institute of Company Secretaries of India and is a Post Graduate in Business Administration. He is aged 59 years and has over 38 years of experience in various functions of Financial Management, Company Management, Capital Market, Secretarial and other Managerial functions in Various Companies.

He was associated with Andhra Pradesh State Financial Corporation (APSFC) for 5 years in various functions including Project Appraisals and Accounting Functions. He was Managing Director of Novopan Industries Limited, a listed company for over 8 years till 2007. He had also held the positions of Managing Director of GVK Capital and Finance Limited and Executive Director of Pinakini Share and Stock Brokers Limited till 2007. He was a director on the Board of the TAJGVK Hotels & Resorts Ltd. and was Chairman of Audit Committee for more than 10 years till 2007. He is currently Managing Director of NR Investments and Consultants Private Limited and Director in Greenhouse Consultants Private Limited, LRN Securities Private Limited, and Green Woods Palaces and Resorts Private Limited.

He is not holding any equity shares of the Company and he is not related to any Director of the Company.

Save and except Mr. Anil Kumar Reddy and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at item No.7 of the Notice.

The Board of Directors of the Company recommend's the resolution at Item No.7 for approval of the members as Ordinary Resolution.

Item No. 8

The Board of Directors of the Company (the "Board"), at its meeting held on 15th May, 2019 on the recommendation of Nomination and Remuneration Committee and subject to the approval of members, re-appointed Mrs. Shalini Bhupal (DIN:00005431) as Whole Time Director designated as Joint Managing Director, for a period of 5 years from the expiry of her present term i.e. 15.06.2019, at the remuneration recommended by the Nomination and Remuneration Committee (the "NR Committee") of the Board.

It is proposed to seek the members approval for the re-appointment of Mrs. Shalini Bhupal (DIN:00005431) as Joint Managing Director in terms of the applicable provisions of the Companies Act, 2013.

Additional information in respect of Mrs. Shalini Bhupal pursuant to SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings is appended to the Notice. The Resolution set out at Item No.8 of the notice is put forth for consideration of the members as a Special Resolution pursuant to Section 2(54), 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Schedule V thereto for appointment of Mrs. Shalini Bhupal as the Joint Managing Director of the Company. The company proposes to pass the resolution as Special resolution because in any financial year in case of loss or the profits of the company are in-adequate, then the remuneration payable to her as per the resolution and terms of appointment shall be the minimum remuneration. The approval of the members of the company is hereby requested for the said resolution.

Mrs. Shalini Bhupal is also the CEO in Green Woods Palaces and Resorts Private Limited, Joint Venture of the Company and she was paid remuneration of Rs.69.95 lakhs for the financial year 2018-19.

Dr. GVK Reddy, Mrs. G Indira Krishna Reddy Mr. G V Sanjay Reddy, and Mr. Krishna R Bhupal being related to Mrs. Shalini Bhupal, are interested and concerned in the above resolution along with the incumbent, to the extent of their shareholding in the company.

Save and except Mrs. Shalini Bhupal (DIN:00005431) and her relatives to the extent of their shareholding interest, if any in the Company, none of the Directors / Key Managerial Personnel of the Company / their relatives or in any way concerned or interested Financially or otherwise in the Resolution set out at Item No.8 of the Notice.

The Board of Directors of the Company recommend's the resolution at Item No.8 for approval of the members as Special Resolution.

Item No. 9

Members are requested to note that the provisions relating to managerial remuneration contained in Sections 196, 197, 198, 200, 201 and Schedule V to the Companies Act, 2013 (the "Act") have been amended pursuant to the Companies (Amendment) Act, 2017 (the "Amendment Act"), which has come into force with effect from September 12, 2018 (the "Effective Date"). Pursuant to the amended Section 197 of the Act, companies have been permitted to pay remuneration to managerial personnel in excess of the limits prescribed under Section 197 read with Schedule V to the Act with the consent and approval of the Members of the company by way of a special resolution and without requiring the approval of the Central Government (as required under Section 197 read with Schedule V to the Act before the Effective Date). Further, pursuant to the amended Section 197 of the Act, any application pending with the Central Government under Section 197 on the Effective Date will automatically abate and the companies are required to seek approval from the Members of the company within a period of 1 (one) year from the Effective Date in relation to the remuneration paid to the managerial personnel or waiver of recovery of excess remuneration paid to the managerial personnel.

Members may recall that the Board of Directors of the Company at its meeting held on 29th January, 2015 and the Members at the Annual General Meeting ("AGM") of the Company held on 28th July, 2015, re-appointed Mrs. G Indira Krishna Reddy as Managing Director of the Company for a further period of 5 years with effect from 25th April, 2015 to 24th April, 2020, on a remuneration approved by the shareholders as placed before them, which shall be the minimum remuneration payable to her in case of loss or inadequacy of profits in any financial year during her tenure.

The details of excess remuneration paid to Managing Director for which the company made applications to Central Government and the approval is pending as on the effective date are as follows:

(Rs. In lakhs)

Financial Year	Actual Paid	Limit as per Section 198 of the CA 2013	Limit as per Sch V of the CA 2013	Excess paid as per section 198 of CA 2013	Excess paid as per Sch V of the CA 2013	AGM date for passing special resolution seeking waiver of excess remuneration paid
(1)	(2)	(3)	(4)	(5)=(2)-(3)	(6)= (2)-(4)	(7)
2014-15	216.48	12.09	125.10	204.39	91.38	28.07.2015
2015-16	243.97	103.82	125.10	140.15	118.87	04.08.2016
2016-17	271.53	118.16	191.42	153.37	80.11	01.08.2017
2017-18	333.21	186.98	191.42	146.23	141.79	03.08.2018

Subsequent to the passage of special resolution, the Company has filed applications for each financial years in Form MR-2 with the Central Government for obtaining its approval for waiver non-excess remuneration paid to Mrs. G Indira Krishna Reddy, Managing Director of the company. Members are requested to note as per the extant Law and guidelines the Company filed the requisite application to the Central Government seeking approval for the waiver or recovery of the excess remuneration paid to Managing Director as stipulated in Schedule V to the Act (prior to the Effective Date).

As on the Effective Date, the application(s) made by the Company seeking approval of the Central Government for the remuneration paid to Mrs. G Indira Krishna Reddy were pending and in light of the provisions of the Amendment Act, such application were automatically abated on the Effective Date. Pursuant to the provisions of the Amendment Act, the waiver or recovery of excess remuneration paid to the Managing Director now requires the approval of the Members of the Company.

The Nomination and Remuneration Committee of the Board and the Board of Directors at their meeting(s) held on 15th March, 2019 approved to waive or recovery of the excess remuneration paid to the Managing Director subject to the approval of members as per Section 197 of the Act (as amended). The excess remuneration paid during the relevant financial years for which the company proposes to take approval of the members of the company is detailed above. The company recommends the resolution for approval of the Members as special Resolution.

Members may also note that currently the Company has not defaulted in payment of its debts to any of its secured creditors; therefore, the prior approval of the secured creditors is not required.

There was no contract of service in writing with Mrs. G Indira Krishna Reddy. The terms set out in the resolutions may be treated as compliance of Section 190 of the Act.

Dr. GVK Reddy, Mrs. Shalini Bhupal Mr. G V Sanjay Reddy, and Mr. Krishna R Bhupal being related to Mrs. G Indira Krishna Reddy, are interested and concerned in the above resolution along with the incumbent.

Save and except Mrs. G. Indira Krishna Reddy (DIN:00005230) and her relatives to the extent of their shareholding interest, if any in the Company, none of the Directors / Key Managerial Personnel of the Company / their relatives or in any way concerned or interested Financially or otherwise in the Resolution.

The Board of Directors of the Company recommend's the resolution at Item No.9 for approval of the members as Special Resolution.

Item No. 10

As explained under Item No.9, certain provisions of the Act relating to managerial remuneration have been amended pursuant to the Amendment Act. Pursuant to the amended Section 197 of the Act, companies have been permitted to pay remuneration to managerial personnel in excess of the limits prescribed under Section 197 read with Schedule V to the Act with the consent and approval of the members of the company by way of a special resolution and without requiring the approval of the Central Government (as required prior to the Effective Date).

Further, pursuant to the amended Section 197 of the Act, any application pending with the Central Government under Section 197 on the Effective Date will automatically abate on the Effective Date and companies are required to seek approval from the members of the company within a period of 1 (one) year from the Effective Date in relation to the remuneration paid to the managerial personnel or waiver or recovery of excess remuneration paid to the managerial personnel.

Members may recall that the Board of Directors of the Company at its meeting held on 12th May, 2014 and the Members at the Annual General Meeting ("AGM") of the Company held on 1st August, 2014, re-appointed Mrs. Shalini Bhupal as Whole Time Director designated as Executive Director of the Company for a period of 5 years with effect from 16th June, 2014 to 15th June, 2019, on a remuneration as approved thereunder, which shall be the minimum remuneration payable to her in case of loss or inadequacy of profits in any financial year during her tenure.

The details of excess remuneration paid to Mrs. Shalini Bhupal for which the company made applications to Central Government and the approval is pending as on the effective date are as follows:

(Rs. In lakhs)

Financial Year	Actual Paid	Limit as per Section 198 of the CA 2013	Limit as per Sch V of the CA 2013	Excess paid as per section 198 of CA 2013	Excess paid as per Sch V of the CA 2013	AGM date for passing special resolution seeking waiver of excess remuneration paid
(1)	(2)	(3)	(4)	(5)=(2)-(3)	(6)= (2)-(4)	(7)
2014-15	157.83	12.09	125.10	145.74	32.73	28.07.2015
2015-16	147.56	103.82	125.10	43.74	22.46	04.08.2016
2016-17	158.77	118.16	191.42	40.61	Nil	01.08.2017

The Company has filed applications for each of the above financial years in Form MR-2 with the Central Government seeking its approval for waiver of excess remuneration, paid to Mrs. Shalini Bhupal. Members are requested to note that at that time the Company filed the application to the Central Government, such approval from the Central Government was required in accordance with Schedule V to the Act (prior to the Effective Date).

As on the Effective Date, the application made by the Company seeking approval of the Central Government for the excess remuneration paid to Mrs. Shalini Bhupal were pending and in light of the provisions of the Amendment Act, such application(s) were automatically abated on the Effective Date. Pursuant to the provisions of the Amendment Act, the waiver or non-recovery of excess remuneration paid to the Executive Director now requires the approval of the Members of the Company.

The Nomination and Remuneration Committee of the Board and the Board of Directors at their meeting(s) held on 15th March, 2019 approved to waive the excess remuneration paid to the Executive Director subject to the approval of members as per Section 197 of the Act (as amended). The excess remuneration paid during the relevant financial years for which the company proposes to take approval of the members of the company is detailed above. The company recommends the resolution for approval of the Members as special Resolution.

Members may also note that currently the Company has not defaulted in payment of its debts to any of its secured creditors; therefore, the prior approval of the secured creditors is not required.

There was no contract of service in writing with Mrs. Shalini Bhupal. The terms set out in the resolutions may be treated as compliance of Section 190 of the Act.

Dr. GVK Reddy, Mrs. G Indira Krishna Reddy, Mr. G V Sanjay Reddy and Mr. Krishna R Bhupal being related to Mrs. Shalini Bhupal, are interested and concerned in the above resolution along with the incumbent.

Save and except Mrs. Shalini Bhupal (DIN:00005431) and her relatives to the extent of their shareholding interest, if any in the Company, none of the Directors / Key Managerial Personnel of the Company / their relatives or in any way concerned or interested Financially or otherwise in the Resolution.

The Board of Directors of the Company recommend's the resolution at Item No.10 for approval of the Members as Special Resolution.

Item No. 11

The Company appointed Mrs. G. Indira Krishna Reddy (DIN:00005230) as Managing Director for a period of 5 years with effect from 25.04.2015 at the Annual General Meeting held on 28.07.2015, on a remuneration payable as per the terms of her appointment. The said remuneration shall also be the minimum remuneration payable to her in case of no profits / Inadequate profits in any financial year during the term of her appointment.

The Nomination and Remuneration Committee of the Board and the Board of Directors at their meeting(s) held on 15.05.2019 approved to waive the recovery of excess remuneration paid to Mrs. G. Indira Krishna Reddy, Managing Director for the financial year 2018-19 as given below and recommended the resolution for approval of the Members at the ensuing Annual General Meeting.

(Rs. In lakhs)

Financial Year	Actual Paid	Limit as per Section 198 of the CA 2013	Limit as per Sch V of the CA 2013	Excess paid as per section 198 of CA 2013	Excess paid as per Sch V of the CA 2013	Seeking waiver of excess remuneration paid by the shareholders at the ensuing AGM
(1)	(2)	(3)	(4)	(5)=(2)-(3)	(6)= (2)-(4)	(7)
2018-19	323.17	221.17	244.92	101.99	78.25	101.99

As explained in Item No. 9&10, approval of the Central Government is not required and the company shall place the resolution for approval of the members, pursuant to the amended provisions of Section 197 of the Companies Act, 2013.

Dr. GVK Reddy, Mrs. Shalini Bhupal, Mr. G V Sanjay Reddy, and Mr. Krishna R Bhupal being related to Mrs. G Indira Krishna Reddy, are interested and concerned in the above resolution along with the incumbent.

Save and except Mrs. G. Indira Krishna Reddy (DIN:00005230) and her relatives to the extent of their shareholding interest, if any in the Company, none of the Directors / Key Managerial Personnel of the Company / their relatives or in any way concerned or interested Financially or otherwise in the Resolution.

The Board of Directors of the Company recommend's the resolution at Item No.11 for approval of the Members as Special Resolution.

By Order of the Board of Directors
For TAJGVK Hotels & Resorts Limited

Place : Hyderabad
Date : 15.05.2019

J SRINIVASA MURTHY
CFO & Company Secretary
M. No. : FCS4460

Additional Information:

In accordance with the provisions of Schedule V to the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended) and the Secretarial Standard-2 issued by the Institute of Company Secretaries of India, the relevant details in relation to the resolutions at **Item No.8** are as under:

S.No.	Description	Remarks
I General Information		
1	Nature of Industry	The company is engaged in Hotel Industry
2	Date or expected date of commencement of commercial production	The Company is already in commercial operations.
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4	Financial performance based on given indicators	For the year ended 31st March, 2019, Gross Revenue from operations of your Company on Standalone basis was Rs.324.09 Crores. Profit before other income, Finance Cost, Depreciation, Exceptional Items, Tax & Amortisation (EBITDA) on standalone basis stood at Rs.38.13 Crores which is 18% higher than the previous financial year. The detailed balance sheet, profit & loss account and other financial statements forming part of the Annual Report 2018-19 are available on the website of the Company at www.tajgvk.in.
5	Foreign investments or collaborators if any	There are no foreign collaborators in your Company. Total shareholding of persons resident outside India, comprising of foreign institutional investors, overseas corporate bodies, non-resident incorporated bodies, non-resident Indian etc. as on 31st March, 2018 was approximately 1.87%
II Information about appointee		
1	Background details, recognition and awards	
2	Past remuneration	Mrs. Shalini Bhupal, has received of Rs.207.83 lakhs from the company during the financial year 2018-19 for services rendered as Executive Director of the company.
3	Job Profile and her suitability	Mrs Shalini Bhupal, is the Promoter Director of your Company and she is handling the Project Designs and execution of the projects. During her tenure as Executive Director the company successfully executed the TAJ Chandigarh, TAJ Club House, Chennai and Vivanta by TAJ Begumpet, Hyderabad, TAJ Sanctacruz Hotel projects. Taking into account Mrs. Shalini Bhupal's extensive experience in Project Design and Execution, her proposed appointment will be in the best interests of the Company.
4	Remuneration proposed	Please refer to Item No.8 and the Explanatory Statement thereto forming part of this AGM Notice.
5	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration of Mrs. Shalini Bhupal was determined and approved by the Nomination and Remuneration Committee after perusal of remuneration of managerial persons in the Hotel industry and other companies comparable with the size of the Company, industry benchmarks in general and the profile and responsibilities of Mrs. Shalini Bhupal. The remuneration recommended by the Nomination and Remuneration Committee was approved by the Board of Directors at its meeting held on 15th May, 2019.
6	Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any.	Dr. GVK Reddy, Mrs. G Indira Krishna Reddy, Mr. G V Sanjay Reddy and Mr. Krishna R Bhupal being related to Mrs. Shalini Bhupal, are interested and concerned in the above resolution along with the incumbent. Save and except Mrs. Shalini Bhupal (DIN:00005431) and her relatives to the extent of their shareholding interest, if any in the Company, none of the Directors / Key Managerial Personnel of the Company / their relatives or in any way concerned or interested Financially or otherwise in the Resolution set out at Item No.8 of the Notice.

III Other Information		
1	Reasons for loss or inadequate profits	The remuneration paid to Mrs. Shalini Bhupal as Executive Director for the FY 2018-19 is within in the limits of sections 197, 198 and read with Schedule V of the Companies Act, 2013.
2	Steps taken or proposed to be taken for improvement	The company is expecting the business environment to improve in the markets where the company hotels are situated.
3	Expected increase in productivity and profit in measurable terms	The company expects to grow the top line by around 5-6 percent in the next financial year and PAT by around 15%-20%.
4	Director Identification Number (DIN)	00005431
5	Date of Birth (Age)	21.07.1963 (55 years)
6	Date of First Appointment on the Board of Directors	17.06.2004
7	Relationship with other Directors, Managers or Key Managerial Personnel	Dr. GVK Reddy, Mrs. G Indira Krishna Reddy Mr. G V Sanjay Reddy, and Mr. Krishna R Bhupal being related to Mrs. Shalini Bhupal
8	Outside Directorship	Public Limited Companies – NIL
9	Committee Membership	Stakeholders Relationship Committee Risk Management Committee
10	Number of meeting of the Board attended during the relevant year	The attendance of Mrs. Shalini Bhupal has been provided under the 'Corporate Governance' section forming part of the Annual Report
IV Parameters for consideration of remuneration		
1	The financial and operating performance of the company during the three preceding financial years	The detailed balance sheet, profit & loss account and other financial statement forming part of the Annual Reports for the respective financial years are available on the website of the Company at www.tajgvk.in
2	The relationship between remuneration and performance	Please refer to the details provided in point 4 below.
3	Whether remuneration policy for directors differs from remuneration policy for other employees and if so, an explanation for the difference.	The Company has a separate Remuneration Policy for Board of Directors, Key Managerial Personnel and Senior Management. The Board on the recommendation of the Nomination and Remuneration Committee reviews and approves the remuneration payable to the Directors within the overall limits approved by the shareholders of the Company
4	The principle of proportionality of remuneration within the company, ideally by a rating methodology which compares the remuneration of directors to that of other directors on the board who receives remuneration and employees or executives of the company.	Please note that the remuneration paid to Mrs. Shalini Bhupal is in line with the Industry benchmarks and size of Industry and also in line with the Nomination and Remuneration Policy of the Company. The said remuneration is approved by the Nomination and Remuneration Committee, Board of Directors and placed before the Shareholders of the Company for approval considering the fact that she is highly experienced in Project Design and Execution and during her tenure as Executive Director the company successfully completed 4 hotel projects. She has successfully and in a sustained way contributed significantly towards growth and performance of the Company. She has extensive experience in business strategy and project development functions of the Company.
5	The securities held by the director, including options and details of the shares pledged, if any as at the end of the March 31, 2019.	Mrs. Shalini Bhupal holds 2,34,48,859 equity shares (37.40%) of Rs.2 each as on March 31, 2019.

By Order of the Board of Directors
For TAJGVK Hotels & Resorts Limited

Place : Hyderabad
Date : 15.05.2019

J SRINIVASA MURTHY
CFO & Company Secretary
M. No. : FCS4460

PROFILE OF DIRECTORS

Details of Directors Seeking Appointment and Re-appointment at the 24th Annual General Meeting of the Company (Pursuant to Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings issued by the Institute of Company Secretaries of India)

Name of the Director	Dr. GVK Reddy	Mr. Krishna R Bhupal
DIN	00005212	00005442
Date of Birth and Age	22.03.1937 (82 Years)	16.03.1983 (36 Years)
Date of first Appointment in the Board	02.02.1995	24.10.2009
Qualifications	B.A.,	Graduate in Finance & Accounting
Expertise in specific functional areas	Project Development and Execution	Finance & Accounting and Project development
Relationship with other Directors and other Key Managerial Personnel of the Company	Mrs. G Indira Krishna Reddy, Mrs. Shalini Bhupal, Mr. G V Sanjay Reddy and Mr. Krishna R Bhupal	Dr. GVK Reddy, Mrs. G Indira Krishna Reddy, Mrs. Shalini Bhupal and Mr. G V Sanjay Reddy
Nature of appointment (appointment/ reappointment	Retires by rotation and offers himself for re-appointment.	Retires by rotation and offers himself for re-appointment.
Terms and Conditions of appointment/ reappointment	Appointment as a Non-Executive Non-Independent Director subject to retirement by rotation.	Appointment as a Non-Executive Non-Independent Director subject to retirement by rotation
Remuneration last drawn by such person, if applicable and remuneration sought to be paid	Sitting fees paid to Dr GVK Reddy, the details are given in Corporate Governance Report	Sitting fees paid to Mr. Krishna R Bhupal the details are given in Corporate Governance Report
Shareholding in the Company	Nil	Nil
The number of Meetings of the Board attended during the year	5 out of 5	5 out of 5
List of Companies in which outside Directorship held as on 31.03.2019	1) GVK Power & Infrastructure Ltd.	1) GVK Power & Infrastructure Ltd.
	2) GVK Airport Developers Ltd.	2) GVK Energy Ltd.
	3) GVK Airport Holdings Ltd	3) Mumbai International Airport Ltd
	4) Mumbai International Airport Ltd	4) CRESCENT EPC Projects & Technical Services Ltd
	5) CRESCENT EPC Projects & Technical Services Ltd	5) GVK Airport Developers Ltd.
	6) GVK Natural Resources Pvt Ltd	6) GVK Airport Holdings Ltd
	7) Navi Mumbai International Airport Pvt Ltd	7) GVK Davix Technologies Pvt Ltd
	8) Westbury Projects & Technical Services Pvt Ltd	8) GVK Biosciences Pvt Ltd
	9) Jerico Projects & Technical Services Pvt Ltd.	9) GVK Technical and Consultancy Services Pvt Ltd.
	10) Goldgreen Land Holdings Pvt Ltd	10) Navi Mumbai International Airport Pvt Ltd
	11) Cygnus Real Estates Pvt Ltd	
	12) GVK Properties & Management Co. Pvt Ltd	
	13) GVK City Pvt Ltd	
	14) GVK Davix Technologies Pvt Ltd	
	15) Greenwoods Palaces and Resorts Pvt Ltd	
Chairman/Member of the *Committees of other Companies on which he is a Director as on 31.03.2019	Nil	Nil

*The Committees include the Audit Committee, the Nomination and Remuneration Committee and the Stakeholders Relationship Committee

Details of Directors Seeking Appointment and Re-appointment at the 24th Annual General Meeting of the Company (Pursuant to Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings issued by the Institute of Company Secretaries of India]

Name of the Director	Mr. A Rajasekhar	Mr. N Sandeep Reddy	Mr. N Anil Kumar Reddy
DIN	01235041	00483826	00017586
Date of Birth and Age	26.09.1968 (51 Years)	22.07.1958 (61 years)	05.10.1959 (59 Years)
Date of first Appointment in the Board	03.02.2014	15.05.2019	15.05.2019
Qualifications	Masters in Law	BS in Computer Science & Finance and MBA from IMD	CA, CS and Post Graduate in Business Administration
Expertise in specific functional areas	Finance and Corporate Advisory	Entrepreneurial activities tying opportunities in India to other parts of the World	Financial Management, Capital Market, Secretarial and other Managerial Functions
Relationship with other Directors and other Key Managerial Personnel of the Company	Not related to Directors, Manager and other Key Managerial Personnel of the Company.	Not related to Directors, Manager and other Key Managerial Personnel of the Company.	Not related to Directors, Manager and other Key Managerial Personnel of the Company.
Nature of appointment (appointment/ reappointment	Appointment as Independent Director for second term of 5 years	Appointment as Independent Director for first term of 5 years	Appointment as Independent Director for first term of 5 years
Terms and Conditions of appointment/ reappointment	Terms and conditions of re-appointment are as per the resolution at Item No.5 of the Notice convening Annual General Meeting read with explanatory statement thereto.	Terms and conditions of re-appointment are as per the resolution at Item No.6 of the Notice convening Annual General Meeting read with explanatory statement thereto.	Terms and conditions of re-appointment are as per the resolution at Item No 7 of the Notice convening Annual General Meeting read with explanatory statement thereto.
Remuneration last drawn by such person, if applicable and remuneration sought to be paid	Sitting fees paid to Mr. A Rajasekhar, the details are given in Corporate Governance Report	Sitting fees will be paid to Mr. N Sandeep Reddy	Sitting fees will be paid to Mr. N Anil Kumar Reddy
Shareholding in the Company	Nil	Nil	Nil
The number of Meetings of the Board attended during the year	5 out of 5	Appointed during the FY 2019-20	Appointed during the FY 2019-20
List of Companies in which outside Directorship held as on 31.03.2019	1) International Infrastructure Consultants Pvt Ltd	1) Sresta Natural Bioproducts Pvt Ltd	1) LRN Securities Pvt Ltd
	2) Anumolu Hi-Tec Promoter Pvt Ltd	2) UNIBIC Foods India Pvt Ltd	2) Greenhouse Consultants Pvt Ltd
	3) IC Infrasoft Solutions Pvt Ltd	3) UNIFI Capital Pvt Ltd	3) NR Investments and Consultants Pvt Ltd
	4) Newgen Power Company Pvt Ltd	4) Nektan Gaming Technologies Pvt Ltd	4) Green Woods Palaces and Resorts Pvt Ltd
		5) Ilabs Hyderabad Technology Centre Pvt Ltd	
		6) Southern India Chamber of Commerce & Industry	
		7) Medall Healthcare Pvt Ltd	
Chairman/Member of the *Committees of other Companies on which he is a Director as on 31.03.2019	Nil	Nil	Nil

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Twenty Fourth Annual Report of the Company together with the Consolidated and Standalone Audited Accounts for the year ended 31st March, 2019.

FINANCIAL RESULTS

The performance of the Company for the financial year ended 31st March, 2019 is as below:

(Rs. In Crores)

	Standalone		Consolidated	
Particulars	**2018-19**	**2017-18**	**2018-19**	**2017-18**
Total Revenue	**324.09**	290.88	**324.09**	290.88
Operating expenses	**247.68**	216.82	**247.60**	216.82
Depreciation	**16.70**	17.27	**16.70**	17.27
Finance cost	**21.58**	24.97	**21.58**	24.97
Profit Before Tax	**38.13**	32.20	**38.05**	32.20
Tax expense:				
Current tax	**12.37**	7.40	**12.37**	7.40
Deferred tax	**1.03**	3.61	**1.03**	3.61
Short provision of tax of earlier years	**0.41**	-	**0.41**	-
Profit After Tax	**24.32**	21.19	**24.24**	21.19
Total Comprehensive Income for the year	**24.24**	21.19	**27.11**	20.57
Share of profit / (loss) from joint venture	**-**	-	**2.88**	(0.62)
Profit brought forward from previous year	**231.18**	212.93	**219.61**	201.98
Profit available for appropriation	**255.42**	234.12	**246.73**	222.55
Less: Dividend paid	**3.76**	2.51	**3.76**	2.51
Less: Dividend tax	**0.66**	0.43	**0.66**	0.43
Profit carried forward to Balance Sheet	**251.00**	231.18	**242.31**	219.61
Earnings per share (Rs.)	**3.87**	3.38	**4.32**	3.28

COMPANY'S PERFORMANCE

The total income for the year ended 31st March, 2019 increased by Rs.33.21 crores or 11% to Rs.324.09 crores, within the total income the Room Revenue increased by 8.50% mainly on account of improved Average Room Revenue (ARR) and occupancies. Food & Beverages (F&B) increased by 9.50% over the last year aided by growth in Banqueting Income. The Company could achieve higher Room and F&B Income for the year under review, due to buoyancy in the markets, where the Company Hotels are located mainly aided by higher occupancy and improved Banqueting business.

The occupancy increased from 63% to 66% and REVPAR also increased from Rs.3281 to Rs.3573.

DEPRECIATION AND FINANCE COSTS

Depreciation for the year was lower at Rs.16.75 crores as compared to Rs.17.27 crores for the previous year.

Finance costs for the year ended 31st March, 2019 was Rs.21.58 crores, which is lower by Rs.3.39 crores than previous year, on account of repayment of term loans, reduction in interest costs of the term loan and better working capital management.

TRANSFER OF AMOUNT TO RESERVES

The company does not propose to transfer any amount to reserves.

DIVIDEND

The Board of Directors are pleased to declare a dividend of Rs.0.60 (Rupees Sixty Paisa) per equity share of Rs.2/- each (i.e. 30%) for the Financial Year 2018-19. The total dividend distribution for the financial year amounts to Rs.376 lakhs plus Dividend Distribution Tax of Rs.66 lakhs. The total dividend payout shall be 18% of Profit After Tax (PAT) for the year.

The Dividend subject to approval of the Members at the Annual General Meeting on 25th July, 2019 will be paid on or after 29th July, 2019 to the Members whose names appear in the Register of Members as on the date of Book closure i.e., 18th July, 2019 to 25th July, 2019 (both days inclusive).

FINANCIAL RESULTS OF JOINT VENTURE (JV) COMPANY

The performance of Green Woods Palaces and Resorts Private Limited, the JV Company for the financial year ended 31st March, 2019 is as below :

(Rs. In Crores)

Particulars	2018-19	2017-18
Total Revenue	**137.81**	122.73
Operating expenses	**80.97**	74.30
Depreciation	**25.17**	25.66
Finance cost	**23.67**	25.92
Profit / (Loss) Before Tax	**8.00**	(3.15)
Tax expense:		
Current tax	**-**	-
Deferred tax	**2.12**	(1.89)
Short provision of tax of earlier years	**-**	-
Profit / (Loss) After Tax	**5.88**	(1.26)
Earnings per share (Rs.)	**0.78**	(0.17)

CONSOLIDATED FINANCIAL PERFORMANCE

As required under the Listing Agreement entered into with the Stock Exchanges, a consolidated financial statement of the Company which includes Green Woods Palaces and Resorts Private Limited (the JV Company) is attached. The consolidated financial statements have been prepared in accordance with the relevant accounting standards as prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rule, 2015 (as amended). The Company consolidated the proportional Profit after tax /(Loss after Tax) in accordance with Accounting Standards of Ind AS 110 read with Ind AS 28.

BORROWINGS / INDEBTNESS

The total long term borrowings of the company stood at Rs197.88 crores for the year ended 31st March, 2019 as compared to Rs.228.60 crores as at 31st March, 2018. During the financial year under review, the company repaid Rs30.72 crores.

BENGALURU HOTEL PROJECT

The Company has been allotted around 7.5 acres land in Yellahanka, Bengaluru for the hotel project. The construction of 2 bridge(s) across the land abutting Company land to connect to the National Highway is completed. During the year under review, the Company has completed the construction of compound wall to secure the site and also completed the rejuvenation of lake in front of the site as per the terms of MOU signed with Bengaluru Development Authority (BDA). Recently Hon'ble Supreme Court has set aside the Hon'ble National Green Tribunal (NGT) order banning construction activity within 75 meters from the lake bed. On account of this favorable Judgement, the company is now planning to build around 250 rooms luxury hotel. The hotel building plans are under evaluation and the company is planning to submit the drawings shortly to government authorities.

HOTEL RENOVATION / REFURBISHMENTS :

TAJ KRISHNA

The Company has taken up the phased refurbishments works of Guest Rooms and during the financial year under review, the company completed the renovation/ refurbishment of 3 floors and also completed the renovation of Restaurants. The company is taking up renovation of 2 more floors during the financial year 2019-20.

TAJ DECCAN

The Company has taken up the phased refurbishments of Guest Rooms in TAJ Deccan and the mock-up construction in TAJ Deccan Rooms is underway and after receipt of mock-up approval, the renovation of 72 rooms will be taken up during Financial year 2019-20.

MEETINGS OF THE BOARD OF DIRECTORS

Five meetings of the Board of Directors were held during the year. Dates of the meetings are given in the Report on Corporate Governance.

DIRECTORS

Re-appointments

In accordance with the provisions of Companies Act, 2013 read with the Articles of Association of the Company, Dr.GVK Reddy and Mr. Krishna R Bhupal, Promoter Directors, retire by rotation and being eligible offered themselves for re-appointment.

Resignation/Cessation of office of Director

During the year Mrs. Santha Kunnenkeril John (DIN:00848172), has vacated the office of Director in the Company with effect from 01.02.2019 pursuant to provisions of section 167(1) of the Companies Act, 2013. The Board of Directors took the same on record. The Board of Directors placed on record its appreciation for the services rendered by her during the tenure as Director of company.

Mr. C D Arha (DIN:02226619) Non-Executive Independent Director of the Company completed his term of 5 years as Independent Director on 31.03.2019 and the Board of Directors placed on record its appreciation for the services rendered during his tenure as Director of the company.

Mr. A Rajasekhar (DIN:01235041), Non-Executive Independent Director of the Company completed his term of 5 years on 31.03.2019. The company proposes to re-appoint him for another term of 5 years and based on the recommendation of the Nomination and Remuneration Committee and Board of Directors appointed and recommends, the re-appointment of Mr. A Rajasekhar as Independent Director of the company by passing a special resolution.

Appointments

In order to comply with the SEBI (Listing Obligations and Disclosure Requirements) Regulations on Board composition of Promoter Directors and Independent Directors, the Board appointed Mr. A. Rajasekhar, Mr. N Sandeep Reddy and Mr. N Anil Kumar Reddy were appointed as an Additional Directors (Independent Directors) of the Company w.e.f. 15.05.2019 at their meeting held on 15.05.2019 under Section 161 of the Companies Act, 2013. The appointment is subject to the approval of the shareholders at the ensuing Annual General Meeting.

The Company also received i) consent in writing to act as a Directors in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; ii) intimation in Form DIR-8 pursuant to terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that they are not disqualified as per Section 164(2) of the Companies Act, 2013; and iii) a declaration to the effect that he meets the criteria of independence as provided under Section 149 of the Companies Act, 2013.

Mr. A.Rajasekhar, Mr. N Sandeep Reddy and Mr. N Anil Kumar Reddy, Independent Directors shall hold office for a term of 5 years i.e. 15.05.2019 to 14.05.2024.

Key Managerial Personnel (KMP)

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2019 are: Mrs. G Indira Krishna Reddy, Managing Director and Mr. J Srinivasa Murthy, CFO & Company Secretary of the Company.

PERFORMANCE EVALUATION CRITERIA FOR DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Board has carried out an Annual Evlauation of its own performance, Board Committees and Individual Directors.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc. Performance evaluation of independent directors was done by the entire Board, excluding the Independent Director being evaluated.

In a separate meeting of independent Directors, performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company and Whole time Directors was evaluated.

The Chairman of the Board and the Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria approved by the Board. Each Committee and the Board expressed satisfaction on the performance of each Director.

INDEPENDENT DIRECTORS DECLARATION

The Company has received declarations from all Independent Directors that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 (the Act) and the Listing Regulations.

MEETING OF INDEPENDENT DIRECTORS

A separate meeting of Independent Directors as required under the Schedule IV of the Companies Act, 2013 was held on 15th March, 2019, without presence of Executive Directors. Such meeting was conducted to review and evaluate a) the performance of Non-Independent Directors and the Board as a whole, (b) the performance of the Chairperson of the company, taking into account the views of Executive Directors and Non-Executive Directors and (c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The Independent Directors expressed their satisfaction with the performance of Non-Independent Directors and the Board as a whole and the Chairman of the Independent Directors meeting briefed the outcome of the meeting to the Chairman of the Board.

The Independent Directors expressed satisfaction with the overall performance of the Directors and the Board as a whole.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Directors have appointed M/s. Narender & Associates, Practicing Company Secretaries, (Certificate of Practice No.5024), Hyderabad to undertake the Secretarial Audit of your Company for the financial year 2018-19.

The Secretarial Audit Report does not contain any qualifications, reservation or adverse remarks. The Report in Form MR-3 is enclosed as **Annexure-1**.

AUDIT COMMITTEE

Details pertaining to composition of the Audit Committee are included in the Report on Corporate Governance. All the recommendations made by the Audit Committee were accepted by the Board.

There is no such incidence where Board has not accepted the recommendation of the Audit Committee during the year under review.

STATUTORY AUDITORS

M/s.M. Bhaskara Rao & Co., Chartered Accountants (Firm Registration No.000459S) were appointed as Statutory Auditors of your Company to hold office from the conclusion of the 22nd AGM held in the year 2017, until the conclusion of the 27th AGM to be held in the year 2022.

Accordingly, M/s.M. Bhaskara Rao & Co, Chartered Accountants, Statutory Auditors of the Company will continue till the conclusion of Annual General Meeting to be held in 2022. In this regard, the Company has received a Certificate from the Auditors to the effect that their continuation as Statutory Auditors, would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

Auditors Report

The Statutory Auditors have issued unmodified opinion in their Consolidated and Standalone Auditor's Report for the financial year ended 31st March, 2019 and there are no qualifications, reservations or adverse remarks in the Auditor's Report.

INTERNAL AUDITORS

The Board of Directors of the Company have appointed M/s. Price Waterhouse & Co., as Internal Auditors to conduct Internal Audit of the Company for the Financial Year 2018-19 and the Internal Auditors have presented the observations to the Audit Committee at their meeting held on 15.05.2019.

PUBLIC DEPOSITS

During the year under review, your company has neither invited nor accepted any deposits from the public.

INSURANCE

All properties and insurable interests of the Company including building, plant and machinery and stocks have been fully insured.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business of the Company.

THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS

There were no instances of non-compliance by the company and no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments in the business operations of the company for the financial year ended 31st March, 2019 to the date of signing of the Director's Report.

INFORMATION TO BE FURNISHED UNDER RULE 5(1) OF COMPANEIS (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Disclosure of information under Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in the Director's Report is annexed to this Report.

STATEMENT UNDER Rule 5(2) of COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

There are no employees drawing remuneration of more than Rs.102 lakhs or drawing remuneration of Rs.8.50 lakhs per month if employed part of the year as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

REPORT ON THE INTERNAL FINANCIAL CONTROLS

Internal Financial Controls are an integrated part of the risk management process, addressing financial and financial reporting risks. The internal financial controls have been documented, digitised and embedded in the business processes. Assurance on the effectiveness of internal financial controls is obtained through management reviews, control self-assessment, continuous monitoring by functional experts as well as testing of the internal financial control systems by the internal auditors during the course of their audits. We believe that these systems provide reasonable assurance that our internal financial controls are designed effectively and are operating as intended.

The statutory auditors of the company have tested the financial controls and they have not found any adverse/ non-compliance of the control mechanisms.

DIRECTORS' RESPONSIBILITY STATEMENT

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Act (to the extent notified) and guidelines issued by SEBI. Pursuant to the requirement under Section 134 of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, the Board of Directors of the Company hereby confirms:

a. In the preparation of the annual accounts, the applicable accounting standards (Ind AS) had been followed and that no material departures have been made from the same.
b. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year i.e. 31st March, 2019 and of the profit of the Company for that period.
c. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
d. that the Directors have prepared the Annual Accounts for the Financial Year ended 31st March, 2019 on a going concern basis.
e. They have laid down internal financial controls for the company and such internal financial controls are adequate and were operating efficiently, and
f. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

NOMINATION AND REMUNERATION COMMITTEE

Details pertaining to composition of the Audit Committee are included in the Report on Corporate Governance.

Brief description of terms of reference:

- Identifying persons who are qualified to become directors and
- Identifying persons who may be appointed as Key Managerial Personnel, senior management in accordance with the criteria laid down and recommend to the Board for their appointment and removal;
- Carry on the evaluation of every director's performance;
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director;
- Recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity; and
- Any other matter as the Board may decide from time to time.
- The Brief Policy for Selection of Directors and determining Directors' independence is annexed to this report.

NOMINATION AND REMUNERATION POLICY

The objectives of the Policy

1) To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
2) To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies.
3) To carry out evaluation of the performance of Directors.
4) To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.

5) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

The brief policy of Nomination and Remuneration is available on the Company's website at www.tajgvk.in under corporate policies.

CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of Corporate Governance. As required under Regulations 34 of the Listing Regulations, the report on Management Discussion and Analysis, Corporate Governance as well as the Auditors' certificate on the compliance of Corporate Governance are annexed and form part of the Annual Report.

RISK MANAGEMENT COMMITTEE

Pursuant to Regulations 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Listing Agreement entered with the Stock Exchanges, the Company has constituted a Risk Management Committee (RMC). The details of the Committee and its terms of reference are set out in the Corporate Governance Report. The RMC is entrusted with the responsibility to frame, implement and monitor the Risk Management Plan and also ensure its effectiveness. The Audit Committee has a oversight in the areas of financial risks and controls.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Auditor is well defined in the company. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of Internal Auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions suggested are presented to the Audit Committee of the Board.

SUBSIDIARY / ASSOCIATE COMPANIES

As per the provisions of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015 (as amended. A separate statement containing the salient features of the financial statements of the Joint Venture in Form AOC-1 is enclosed as **Annexure-2** to this Report.

EXTRACTS OF ANNUAL RETURN

As required by Section 92(3) of the Act read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of the Annual Return for the Financial Year 2019 is enclosed as **Annexure-3** in the prescribed Form MGT-9, which is a part of this report. The same is available on the Company's website at www.tajgvk.in/invester relations/annual report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Board of Directors has constituted a Corporate Social Responsibility (CSR) Committee to monitor implementation of CSR activities of your Company.

The detailed report on CSR as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 on the composition of the CSR Committee, CSR policy, CSR initiatives and activities during the year are enclosed as **Annexure - 4** to this Report.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The company has not given any Loans / Guarantees and not made any Investments during the FY 2018-19, as required under the provisions of section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, the disclosure in the prescribed format is annexed as **Annexure-5**.

VIGIL MECHANISM

Your Company's Vigil Mechanism provides a formal mechanism to the Directors and Employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The policy provides for adequate safeguards against victimization of Directors and Employees who avail of the mechanism and also have provided them direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The said policy is available on the Company's website at www.tajgvk.in under corporate policies.

MANAGEMENT DISCUSSION AND ANALYSIS

Management discussion and analysis of the financial condition and results of operations of the Company for the period under review as required under regulation 34(2) of the Listing Regulations, a Management Discussion and Analysis Report is set out part of this Report.

ECONOMY AND MARKETS

Economy and markets for the year under review is given in the Management Discussion and Analysis Report.

RELATED PARTY TRANSACTIONS

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on Company's website at www.tajgvk.in under corporate policies. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions which are of repetitive nature and / or entered in the Ordinary Course of Business and are at Arm's Length and on quarterly basis the transactions done during the quarter are placed before the audit committee for approval / ratification.

All Related Party Transactions are subjected to approval by Audit committee to establish compliance with the requirements of Related Party Transactions under the Companies Act, 2013 and Listing Regulations.

All Related Party Transactions entered during the year were in Ordinary Course of the Business and on Arm's Length basis. No Material Related Party Transactions, i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements, were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

OTHER INFORMATION

The Audit Committee of the Company reviewed the Consolidated and Standalone Financial statements for the year under review at its meeting held on 15th May, 2019 and recommended the same for the approval of the Board of Directors.

HUMAN RESOURCES

Your Company operating in a competitive and dynamic environment places great importance in the overall training and development of its employees, who make the decisive difference in the hotel industry.

Your Company understands the importance of having the right people with right skills, to deliver the strong and exceptional service and also requisite expertise, which is the basis of our relationships with the guests.

To deliver that service and expertise, we are continuously improving our talent pool and are committed to training and educating the future generation.

LEARNING AND DEVELOPMENT:

The employees are encouraged to develop and manage their careers and this is facilitated by providing relevant Job training and where appropriate, the Company encourages to fill vacancies with existing staff, when the employees are suitably qualified and experienced.

The Company is committed to improve employee engagement and learning more about the needs of our employees. In addition to our training and development programme, the Company also communicate frequently with the employees and value highly the commitment of the employees and recognize the important role, the communication has in festering the good working relationships.

The Company also ensure that employees are informed on matters relating to their employment and on financial and economic factors affecting the company's business. At this same time we also seek feedback and Ideas from employees to improve our operations.

The total strength of employees of your Company for the year under review was about 520 permanent employees which includes Unit staff and Deputed staff and 1215 employees on FTC and outsourced.

QUALITY

Your Company's Hotel properties at Hyderabad, Chandigarh & Chennai are certified by Food Safety and Standards Authority of India (FSSAI) for the desired norms in F&B operations and also TAJ Krishna, Hyderabad certified and assessed as meeting Gold Certification requirements of the Earth Check Standards during the year under review.

During the year Taj Krishna received "Excellent Energy Efficient Unit" award at 19th National Award for Excellence in Energy Management 2018 from Confederation of Indian Industry (CII)

LISTING

The Equity Shares of your Company are listed on Bombay Stock Exchange Limited (Scrip Code: 532390) and National Stock Exchange of India Limited (Scrip Code: TAJGVK). It may be noted that there are no payments outstanding to the Stock Exchanges by way of Listing Fees. The company has paid the listing fee for the financial year 2019-20.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Committee has been set up to redress complaints received regarding sexual harassment. The Company has designated the external independent member as a Chairperson of the Committee.

The following is a summary of sexual harassment complaints received and disposed off during the year 2018-19

Number of complaints received : 2 (Two)

Number of complaints disposed off : 2 (Two)

Compliance with Secretarial Standards

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India.

DISCLOSURE OF INFORMATION AS REQUIRED UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 (ACT) READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014

(I) CONSERVATION OF ENERGY

The Company continued to focus on energy conservation measures during the year. Measures include replacement of incandescent lights with low power consumption LED lights, compact fluorescent and IR lights, installation of solar films to reduce heat loads. Besides these, operational measures were continued to reduce energy consumption by regulating chiller set points according to ambient temperatures, minimizing steam consumption by optimizing steam utilization in kitchens and laundries.

Some of the actions planned for next year include replacement of energy intensive pumps with high efficiency pumping systems, replacement of energy intensive fans with energy efficient fans and the increased use of Secondary Treatment Plant water for cooling towers. Operational measures include close monitoring and control of energy consumption and frequent energy audits by the hotel Engineering Department.

Your Company remains focused on giving importance towards conservation of energy, which results in savings in consumption of electricity, a significant component of the energy cost, in an ongoing process.

(II) TECHNOLOGY ABSORPTION

The Company continues to absorb and upgrade modern technologies and advanced hotel management techniques in various guest contact areas, which includes wireless internet connectivity in all the hotels.

(III) FOREIGN EXCHANGE EARNINGS AND OUTGO

As required under Section 134(3) (m) of the Companies Act, 2013, read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the information relating to foreign exchange earnings and outgo is given hereunder.

(Rs. In lakhs)

Particulars	**March 31, 2019**	March 31, 2018
Earned	**4786.00**	4522.00
Used	**382.34**	346.34

ACKNOWLEDGEMENTS

Your Directors would like to express their grateful appreciation for the assistance and cooperation received from customers, bankers, suppliers, shareholders, Central and State Governments, other statutory authorities and others associated with the Company. Your directors also wish to place on record their deep sense of appreciation for the excellent contribution made by employees at all levels, during the year under review.

By Order of the Board of Directors
For TAJGVK Hotels & Resorts Limited

Place : Hyderabad
Date : 15.05.2019

Dr. GVK Reddy
Chairman
DIN:00005212

Annexure - 1

SECRETARIAL AUDIT REPORT

(as per Form No MR – 3)

For the Financial year ended 31.03.2019
(pursuant to section 204(1) of the Companies Act, 2013 and
Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To
The Members,
M/s TAJGVK Hotels & Resorts Limited,
(CIN: L40109TG1995PLC019349)
Taj Krishna, Road No.1,
Banjara Hills, Hyderabad – 500034.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. TAJGVK Hotels & Resorts Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

The maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.

The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.

The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Based on my verification of the M/s. TAJGVK Hotels & Resorts Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion the Company has, during the audit period covering the financial year ended on 31st March, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s TAJGVK Hotels & Resorts Limited for the financial year ended on 31st March, 2019 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the Rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the Rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; and
   d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
6. Labour and Industrial Laws, as applicable to the Company, as mentioned in the Annexure.
7. Other laws such as Environmental laws, as mentioned in the annexure, specifically applicable to the Company.
   I have also examined compliance with the applicable clauses of the following:
   i. Secretarial Standards issued by the Institute of Company Secretaries of India.
   ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Changes in the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company has not entered into / carried out any activity that has major bearing on the Company's affairs.

LIST OF LABOUR & INDUSTRIAL LAWS

1. The Telangana Shops and Establishment Act, 1988
2. Apprentices Act, 1961
3. Employees State Insurance Act, 1948
4. Employees Provident Fund and Misc. Provisions Act, 1952
5. The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959
6. Industrial Disputes Act, 1947
7. Payment of Bonus Act, 1965
8. Payment of Gratuity Act, 1972
9. Workmen's Compensation Act, 1923
10. Shops and Establishment Act, 1954
11. Minimum Wages Act, 1948
12. Payment of Wages Act, 1936
13. The Contract Labour (Regulation and Abolition) Act, 1970
14. Maternity Benefit Act, 1961
15. The Trade Unions Act, 1926
16. Equal Remuneration Act, 1976
17. Interstate Migrant Workmen Act, 1979
18. Bonded Labour System (Abolition) Act, 1976
19. Employers' Liability Act, 1938
20. Hotel Receipts Tax Act, 1980
21. Indian Boilers Act, 1923
22. Industrial Employment (Standing Orders) Act, 1946
23. Personal Injuries (Compensation Insurance) Act, 1963
24. The Sexual Harrassment of Women at Workplace (Prevention, Prohibition & Reddressal) Act, 2013.

LIST OF ENVIRONMENTAL LAWS

1. Air (Prevention and Control of Pollution) Act, 1981
2. Environment (Protection) Act, 1986
3. Water (Prevention and Control of Pollution), 1974

For Narender & Associates
Company Secretaries

Place : Hyderabad
Date : 15.05.2019

G Narender
Proprietor
FCS:4898, CoP:5024

Annexure-2

Part "B": Associates and Joint Ventures

Statement pursuant to section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

1.	Name of Joint Venture	Green Woods Palaces and Resorts Pvt Ltd
2.	Latest audited Balance Sheet Date	31.03.2019
3.	Shares of Associate / Joint Ventures held by the company on the year end	3,67,50,000
4 .	Amount of Investment in Associates / Joint Venture	Rs.11025 lakhs
5.	Extent of Holding %	48.99% of Equity Share Capital
6.	Description of how there is significant influence	As per the Shareholders Agreement, the Joint Venture (JV) Company is jointly controlled by Greenridge Hotels & Resorts LLP and TAJGVK Hotels & Resorts Limited. The Company has right to nominate Directors on the Board of JV Company
7.	Reason why the associate / joint venture is not consolidated	The company consolidated the proportional Profit after tax in accordance with Accounting Standards of Ind As 110 read with Ind As 28 as prescribed under section 133 of the Companies Act, 2013 and rules made thereunder.
8.	Net worth attributable to Shareholding as per latest audited Balance Sheet	Rs.(868.89) lakhs
9.	Profit / Loss for the year	
	i. Profit considered in Consolidation	Rs.287.97 lakhs
	ii. Not considered in Consolidation	Not applicable

By Order of the Board of Directors
For TAJGVK Hotels & Resorts Limited

Place : Hyderabad
Date : 15.05.2019

Dr. GVK Reddy
Chairman
DIN:00005212

Annexure-3

FORM NO.MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2019
[Pursuant to section 92(3) of the Companies Act, 2013 and
Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I). REGISTRATION AND OTHER DETAILS:

i.	CIN	L40109TG1995PLC019349
ii.	Registration Date	2nd February, 1995
iii.	Name of the Company	TAJGVK Hotels & Resorts Limited
iv.	Category / Sub-Category of the Company	Company Limited by Shares / Public Company
v.	Address of the Registered office and contact details	Taj Krishna, Road No.1, Banjara Hills, Hyderabad – 500 034, Telangana Ph No.040-66662323, Fax No.040-66625364 Email: tajgvkshares.hyd@tajhotels.com Website: www.tajgvk.in
vi.	Whether listed company	Yes Bombay Stock Exchange Limited (BSE) National Stock Exchange of India Limited (NSE)
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Venture Capital & Corporate Investments Pvt Ltd #12-10-167, Bharat Nagar, Hyderabad – 500 018, Telangana Ph No.040-2381 8475, Email id: info@vccipl.com

II). PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover (Consolidated) of the Company shall be stated :

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Rooms	55101	43.83%
2	Restaurants & Bars (F&B)	56301	44.15%
3	Banquets & other income	56210	12.02%

III). PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No.	Name and Address of the Company & PIN	CIN/GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section of Companies Act, 2013
1	M/s. Green Woods Palaces and Resorts Pvt Ltd 'Paigah House', 156-159, Sardar Patel Road, Secunderabad – 500 003	U61660TG2001PTC036666	Subsidiary (JV Company)	48.99%	2(6)

IV) Shareholding Pattern (Equity Share Capital Breakup as percentage of Total equity)

i) Category-wise Share Holding

S. No.	Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A.	**Promoter**									
1)	**Indian**									
a)	Individual/ HUF	31017806	-	31017806	49.47	31017806	-	31017806	49.47	-
b)	Central Government	-	-	-	-	-	-	-	-	-
c)	State Government(s)	-	-	-	-	-	-	-	-	-
d)	Bodies Corporate	16000000	-	16000000	25.52	16000400	-	16000400	25.52	-
e)	Banks / FI	-	-	-	-	-	-	-	-	-
f)	Any Other	-	-	-	-	-	-	-	-	-
	Sub-Total(A)(1)	**47017806**	**-**	**47017806**	**74.99**	**47017806**	**-**	**47017806**	**74.99**	**-**
2)	**Foreign**									
a)	NRIs-Individuals	-	-	-	-	-	-	-	-	-
b)	Other-Individuals	-	-	-	-	-	-	-	-	-
c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
d)	Banks / FI	-	-	-	-	-	-	-	-	-
e)	Any Other	-	-	-	-	-	-	-	-	-
	Sub-Total(A)(2)	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	47017806	-	47017806	74.99	47017806	-	47017806	74.99	-
B.	**Public Shareholding**									
1.	**Institutions**									
a)	Mutual Funds/Alternate investment Funds	5965622	80	5965702	9.65	6838670	80	6838750	10.91	1.26
b)	Banks / FI	217023	585	217608	0.35	187161	585	187746	0.30	(0.05)
c)	Central Government	-	-	-	-	-	-	-	-	-
d)	State Government(s)	-	-	-	-	-	-	-	-	-
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	-	-	-	-	-	-	-	-	-
g)	FIIs (Foreign Portfolio Investors)	799610	-	799610	1.28	562790	-	562790	0.90	(0.38)
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)	Others (Foreign Nation)	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	**6982255**	**665**	**6982920**	**11.28**	**7588621**	**665**	**7589286**	**12.10**	**0.82**
2.	**Non Institutions**									
a)	Bodies Corp	2227069	421520	2648589	4.22	2260776	422035	2682811	4.28	0.06
(i)	Indian	-	-	-	-	-	-	-	-	-
(ii)	Overseas (OCB)	-	-	-	-	-	-	-	-	-
b)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh	3943211	1003858	4947069	7.89	3765959	610928	4376887	6.98	(0.91)
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	232350	-	232350	0.37	164539	-	164539	0.26	(0.11)
c)	Others(Specify)	-	-	-	-	-	-	-	-	-
(i)	HUF	-	-	-	-	-	-	-	-	-
(ii)	Non Resident Individuals	372267	-	372267	0.59	405013	-	405013	0.65	0.06
(iii)	Trusts	1191	-	1191	-	1191	-	1191	-	-
(iv)	Clearing Members	120634	-	120634	0.19	48586	-	48586	0.08	(0.11)
(v)	IEPF Authority	378669	-	378669	0.60	414976	-	414976	0.66	0.06
	Sub-Total (B)(2)	**7275391**	**1425378**	**8700769**	**13.86**	**7061040**	**1032963**	**8094003**	**12.91**	**(0.95)**
	Total Public shareholding (B)=(B)(1)+ (B)(2)	**14257646**	**1426043**	**15683689**	**25.01**	**14649661**	**1033628**	**15683689**	**25.01**	**-**
C.	**Shares held by custodian for GDR&ADRs**	-	-	-	-	-	-	-	-	-
	Grand Total (A+B+C)	**61275452**	**1426043**	**62701495**	**100.00**	**61667867**	**1033628**	**62701495**	**100.00**	**-**

ii) Shareholding of Promoters

S. No	No. of Shares	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	%of Shares Pledged / encumbered to total shares	
1.	The Indian Hotels Company Limited	16000000	25.52	-	16000400	25.52	-	-
2.	Mr. Krishna R Bhupal	11723679	18.70	-	-	-	-	(18.70)
3.	Mrs. Shalini Bhupal	11725180	18.70	-	23448859	37.40	-	18.70
4.	Dr. GVK Reddy	3805981	6.07	-	-	-	-	-
5.	Mrs. G Indira Krishna Reddy	3762966	6.00	-	7568947	12.07	-	6.07
	Total	**47018206**	**74.99**	**-**	**47018206**	**74.99**	**-**	**-**

iii) Change in Promoter's Shareholding (please specify, if there is no change)

Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	There is no change in Promoter's Shareholding between 01.04.2018 to 31.03.2019			
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
At the End of the year				

iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Increase / decrease in shareholding during the year	Cumulative shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of shares	No. of Shares	% of total Shares of the Company
1	HDFC Small Cap Fund	1120000	1.79	686890	1806890	2.88
2	Damani Estate and Finance Pvt Ltd	1491299	2.38	-	1491299	2.38
3	Sundaram Mutual Fund	995522	1.59	168672	1164194	1.86
4	IDFC Classic Equity Fund	1302181	2.07	(253238)	1048943	1.67
5	Sundaram Alternative Opportunities Fund	880265	1.40	-	880265	1.40
6	LOBCO Limited	762200	1.22	(200000)	562200	0.90
7	L&T Mutual Fund Trustee Limited	-	-	583196	583196	0.93
8	G V Reddy	248000	0.39	-	248000	0.39
9	International Airport Hotels and Resorts Private Limited	-	-	236500	236500	0.38
10	Bright Star Investments Pvt Ltd	174506	0.28	-	174506	0.28

v) Shareholding of Directors and Key Managerial Personnel (KMP)

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Increase / decrease in shareholding during the year	Cumulative shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of shares	No. of Shares	% of total Shares of the Company
1.	Dr. GVK Reddy	3805981	6.07	(3805981)	-	-
2.	Mrs. G Indira Krishna Reddy	3762966	6.00	3805981	7568947	12.07
3.	Mrs. Shalini Bhupal	11725180	18.70	11723679	23448859	37.40
4.	Mr. Krishna R Bhupal	11723679	18.70	-	-	-
5.	Mr. G V Sanjay Reddy	-	-	-	-	-
6.	Mr. Puneet Chhatwal	-	-	-	-	-
7.	Mr. Rajendra Misra	-	-	-	-	-
8.	Mr. Giridhar Sanjeevi	-	-	-	-	-
9.	Mr. C D Arha*	-	-	-	-	-
10.	Mr. K Jayabharath Reddy	-	-	-	-	-
11.	Mr. M B N Rao	-	-	-	-	-
12.	Mr. CH G Krishna Murthy	-	-	-	-	-
13.	Mr. S Anwar	-	-	-	-	-
14.	Mr. A Rajasekhar	-	-	-	-	-
15.	Mrs. Santha John*	-	-	-	-	-
16.	Mr. D R Kaarthikeyan	-	-	-	-	-
17.	Mr. N Sandeep Reddy	-	-	-	-	-
18.	Mr. N Anil Kumar Reddy	-	-	-	-	-
	KMPs	-	-	-	-	-
1.	Mr. J Srinivasa Murthy	-	-	-	-	-

* Held Directorship upto 31.03.2019 and 01.02.2019 respectively.

V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

(Rs. In lakhs)

Particulars	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	22862.48	-	-	**22862.48**
ii) Interest due but not paid	-	-	-	**-**
iii) Interest accrued but not due	-	-	-	**-**
Total (i+ii+iii)	**22862.48**	**-**	**-**	**22862.48**
Change in Indebtedness during the financial year				
Addition	-	-	-	**-**
Reduction	(3075.00)	-	-	**(3075.00)**
Net change	(3075.00)	-	-	**(3075.00)**
Indebtedness at the end of the financial year				
i) Principal Amount	19787.48	-	-	**19787.48**
ii) Interest due but not paid	-	-	-	**-**
iii) Interest accrued but not due	-	-	-	**-**
Total (i+ii+iii)	**19787.48**	**-**	**-**	**19787.48**

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director and Joint Managing Director (Rs. In lakhs)

S. No	Particulars of Remuneration	Mrs. G Indira Krishna Reddy Managing Director	Mrs. Shalini Bhupal Joint Managing Director	Total Amount
1.	Gross Salary	365.08	207.83	**572.91**
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	-	-
	b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	-	-	-
	c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission as % of profit	-	-	-
5.	Others	-	-	-
	Total (A)	**365.08**	**207.83**	**572.91**
	Ceiling as per section 197 and 198 of the Act	216.21	216.21	**432.42**
	Ceiling as per Schedule V of the Act	244.87	244.87	**489.74**

B. Remuneration to other Directors (in Rs.)

S. No	Particulars of Remuneration	Mr. D R Kaarthikeyan	Mr. C D Arha	Mr. K Jayabharath Reddy	Mr. M B N Rao	Mr. Ch G Krishna Murthy	Mr. S Anwar	Mr. A Rajasekhar	Mrs. Santha John	Total Amount (Rs)
1.	Independent Directors Fee for attending Board / Committee meetings	175000	165000	205000	205000	195000	185000	145000	75000	1350000
	Commission	0	0	0	0	0	0	0	0	0
	Others, Please Specify	0	0	0	0	0	0	0	0	0
	Total (1)	175000	165000	205000	205000	195000	185000	145000	75000	1350000
2.	Other Non-Executive Directors	Dr. GVK Reddy	Mr. G V Sanjay Reddy	Mr. Krishna R Bhupal	Mr. Puneet Chhatwal	Mr. Rajendra Misra	Mr. Giridhar Sanjeevi			
	Fee for attending Board / Committee meetings	125000	100000	185000	0	0	0			
	Commission	0	0	0	0	0	0			
	Others, Please Specify	0	0	0	0	0	0			
	Total (2)	125000	100000	185000	0	0	0			410000
	Total (B)=(1+2)									1760000
	Ceiling as per the Act		(Rs.43.24 lakhs i.e. 1% of profit calculated under section 198 of Companies Act, 2013)							
	Total Managerial Remuneration (Rs in lakhs)									**590.51**
	Overall ceiling as per the Act	(Rs. In lakhs 11% of profit calculated under section 198 of Companies Act, 2013)								**475.64**

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD (Rs. In lakhs)

S. No	Particulars of Remuneration	Mr. J Srinivasa Murthy CFO & Company Secretary
1.	Gross Salary	97.25
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-
	b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	-
	c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission as % of profit	-
5.	Others	-
	Total	**97.25**

VII) PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

A. Company

Type	Section of the Companies Act	Brief description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD/ NCLT/COURT)	Appeal made, if any (Give Details)
Penalty	NIL				
Punishment					
Compounding					

B. Directors

Type	Section of the Companies Act	Brief description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD/ NCLT/COURT)	Appeal made, if any (Give Details)
Penalty	NIL				
Punishment					
Compounding					

C. Other Officers in Default

Type	Section of the Companies Act	Brief description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD/ NCLT/COURT)	Appeal made, if any (Give Details)
Penalty	NIL				
Punishment					
Compounding					

By Order of the Board of Directors
For TAJGVK Hotels & Resorts Limited

Place : Hyderabad
Date : 15.05.2019

Dr. GVK Reddy
Chairman
DIN:00005212

Annexure-4

CORPORATE SOCIAL RESPONSIBILITY

Report on Corporate Social Responsibility as per
Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014

Brief outline of the Company's CSR Policy, Including overview of projects/programmes undertaken

In terms of section 135 read with Schedule VII of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014, the details of Corporate Social Responsibility (CSR) expenditure incurred by the Company for the FY 2018-19 are provided herein below:

1.	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	The CSR Committee discussed and approved to spend amount towards contribution to rejuvenation of Lake at Bengaluru. Weblink:The Corporate Social Responsibility (CSR) Policy of the Company, as approved by the Board of the Directors, is available on the Company's website at www.tajgvk.in under corporate policies.
2.	The Composition of the CSR Committee.	Mr. Ch G Krishna Murthy - Chairman (Independent) Mrs. G Indira Krishna Reddy - Member (Executive) Mr. D R Kaarthikeyan - Member (Independent)
3.	Average net profit of the company for last three financial years.	Rs.2245.58 Lakhs
4.	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above).	Rs.44.91 Lakhs
5.	Details of CSR expenses spent during the financial year 2018-19	Rs.44.91 Lakhs (Total of a+b)
	(a) Total amount to be spent for the financial year 2018-19	Rs.44.91 Lakhs
	(b) Amount un spent, if any;	Nil

(c) Manner in which the amount spent during the financial year is detailed below.

(Rs. In lakhs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified.	Sector In which The Project Is Covered.	Projects or programs 1) Local area or other 2) Specify the State and district where projects or programs was undertaken.	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (l) Direct on projects or progarms- (2) Overheads:	Cumulative Expenditure upto the reporting Period.	Amount spent Direct or through implementing Agency.
1	Excavation and rejuvenation of Lake	Excavation of Lake	Local Area, Yelahanka, Bengaluru, Karnataka	44.91	44.91	140.06	Direct
	Total			44.91	44.91	140.06	

Annexure-5

Annexure to Director's Report

Disclosure of Particulars of Loans, Guarantees and Investments under section 186 of the Companies Act, 2013
Amount outstanding as at 31st March, 2019

(Rs. In Lakhs)

Particulars	FY2018-19	FY2017-18
Loans given	Nil	Nil
Guarantees given	Nil	Nil
Investments made	11026.80	11026.80

By Order of the Board of Directors
For TAJGVK Hotels & Resorts Limited

Place : Hyderabad
Date : 15.05.2019

Dr. GVK Reddy
Chairman
DIN:00005212

Disclosure of Particulars of Contracts / Arrangements entered into by the Company

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/arrangements entered into by the Company during the year under review with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto (1. Contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 which are at arms length basis):

S. No	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any	Justification for entering into contracts
NIL							

By Order of the Board of Directors
For TAJGVK Hotels & Resorts Limited

Place : Hyderabad
Date : 15.05.2019

Dr. GVK Reddy
Chairman
DIN:00005212

Annexure to Director's Report

I Information pursuant to Section 134(3)(q) and Section 197 (12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31st March, 2019 and forming part of the Directors' Report for the said financial year is as under.

i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

(Rs. In lakhs)

S. No.	Name of the Director / KMP and Designation	Remuneration of Director /KMP for financial year 2018-19	% increase in Remuneration in the Financial year 2017-18	Ratio of remuneration of each Director / to median remuneration of employees
1.	Mrs. G Indira Krishna Reddy Managing Director	365.08	9.56%	69.53
2.	Mrs. Shalini Bhupal Executive Director	207.83	7.37%	39.59
3.	Mr. J Srinivasa Murthy CFO & Company Secretary	97.25	22.31%	18.52

The Independent Directors of the Company are entitled to sitting fees only as per the statutory provisions Act. The details of remuneration of Non-Executive Directors are provided in the Corporate Governance Report.

ii) The median remuneration of permanent employees of the Company during the financial year 2018-19 was Rs.5.87 lakhs.

iii) In the financial year, there was an increase of 13.50% in the median remuneration of employees;

iv) There were 520 permanent employees which includes the Unit staff and Deputed Staff as on March 31, 2019. The number of employees on FTC/outsourced are 1215.

v) Price Earnings ratio of the Company was 62 as at March 31, 2019 and was 51 as at March 31, 2018.

vi) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2018-19 was 13.50% whereas the increase in the managerial remuneration for the financial year was 10.85%.

vii) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

The brief policy of Nomination and Remuneration is available on the Company's website at www.tajgvk.in under corporate policies.

By Order of the Board of Directors
For TAJGVK Hotels & Resorts Limited

Place : Hyderabad
Date : 15.05.2019

Dr. GVK Reddy
Chairman
DIN:00005212

MANAGEMENT DISCUSSION AND ANALYSIS

FORWARD LOOKING STATEMENT

The report contains forward-looking statements, identified by words like ‘plans’, ‘expects’, ‘will’, ‘anticipates’, ‘believes’, ‘intends’, ‘projects’, ‘estimates’ and so on. All statements that address expectations or projections about the future, but not limited to the Company’s strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realised. The Company’s actual results, performance or achievements could thus differ from those projected in any forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events. The Company disclaims any obligation to update these forward-looking statements, except as may be required by law.

INDIA: THE YEAR IN REVIEW

India continued to build its lead as one of the fastest growing large economies in the world during FY 2018-19. Recent estimates as per the Central Statistical Office pegged GDP growth for FY 2018-19 at 7% led by government expenditure on roads and affordable housing, strong gross capital formation and improved exports. A moderate, but resilient private consumption and steady construction activity remain enablers to this growth (Source: Monetary Policy Committee of RBI, April 2019). Domestic consumption is expected to grow into a $6 trillion opportunity by 2030 (Source: WEF Future of Consumption in Fast-Growth Consumer Markets: India, January 2019). Healthy savings by Indian households (22% of their income), higher proportion of young, working population and policy reforms are the long term drivers for India’s Economic growth in future.

Inflation, as measured by the Consumer Price Index (CPI), remained modest for major part of the year owing to benign food inflation (forms ~46% of CPI). The soft food inflation appears to be structural in nature given the increased agricultural productivity in India. Wholesale Price Index (WPI) inflation too remained in low single digits in FY 2018-19 on account of marginal increase in fuel prices. Weak inflation propelled the Reserve Bank of India (RBI) to go back to its ‘neutral’ stance from ‘calibrated tightening’ (briefly adopted between October and December 2018). The apex bank announced a 25 basis points cut in repo rate in its last policy of the financial year, in a bid to improve economic growth, as well as inflation. The Government of India adopted prudent policies and hence has managed to keep fiscal deficit in a narrow band during the year. This metric is pegged at 3.4%, slightly higher than the targeted level of 3.3%. The Indian Rupee (INR) remained weak for most part of the year and hit an all-time low of Rs.74.48 against the US Dollar (USD) due to higher oil prices, improving US yields, weak domestic fundamentals and outflows from domestic markets.

ADVANTAGES OF INDIAN ECONOMY

India’s economy will most likely be powered by private consumption, investments and exports in future.

Private consumption: Softer interest rates, improving farm realizations and higher disposable incomes will enable this metric.

Investments: Overall investments rebounded in FY 2018-19 with fixed investments growing 12.2%, up from 7.6% in FY 2017-18. Moreover, the investment ratio (investment/GDP) is estimated to have surged to 32.9% after being range bound at 30-31% in the past four to five years.

Exports: India’s exports grew at a healthy pace in FY 2018-19, albeit on a low base. The primary factors propelling India’s exports during the year under review were the easing constraints posed by Goods and Services Tax (GST) implementation, improved manufacturing and tailwinds of 2017 global trade revival.

GLOBAL ECONOMY: THE YEAR IN REVIEW

Rising trade tensions between the US and China; financial tightening amid normalisation of monetary policies in larger advanced economies; tighter credit policies in China; volatile crude oil prices and moderating industrial production resulted in a slow-down of global economic activity notably in the second half of 2018. Amongst the advanced economies, the United States’ economy grew by 2.9% as per 2018 estimates, higher than the previous two years. Growth in the United Kingdom moderated from 1.7% in 2017 to 1.3% in 2018 mainly due to the uncertainty of its exit from the European Union (Source: World Bank Report on Global Economic Prospects, January 2019).

INDIAN HOSPITALITY AND TOURISM INDUSTRY

Travel and tourism industry contributed 9.2% to India’s GDP and registered a growth of 6.7% in 2018 (Source: WTTC). The industry supported 43 million jobs in the country (8.1% of total employment). India offers a diverse portfolio of niche tourism products, including cruises; adventure medical; wellness; sports; meetings incentives, conventions and exhibitions (MICE) eco-tourism; films; rural and religious tourism. The country has been recognised as a destination for spiritual tourism for domestic and international tourists. Besides, the introduction of a new category of visa—the medical visa or M visa—is expected to encourage medical tourism in India.

Total contribution by travel and tourism sector to India’s GDP is expected to increase from Rs 15.24 trillion (US$ 234.03 billion) in 2018 to Rs 32.05 trillion (US$ 492.21 billion) by 2028.

India was ranked 7th among 184 countries in terms of travel & tourism's total contribution to GDP in 2017. Travel and tourism is the third largest foreign exchange earner for India. During 2018, FEEs from tourism increased 4.70 per cent year-on-year to US$ 28.59 billion. Foreign Tourist Arrivals (FTAs) increased 5.20 per cent year-on-year to 10.56 million in the same period.

During 2018, arrivals through e-tourist visa increased 39.60 per cent year-on-year to 2.37 million. During January 2019, arrivals through e-tourist visa increased by 21.10 per cent year-on-year to 0.29 million.

It is estimated that 81.1 million people are employed in the tourism sector in India which was 12.38 per cent of total employment in the country. The Government of India has set a target of 20 million foreign tourist arrivals (FTAs) by 2020 and double the foreign exchange earnings as well.

In September 2018, the Indian government launched the 'Incredible India Mobile App' to assist the traveller to India and showcase major experiences for travelling. The Government of India is working to achieve one per cent share in world's international tourist arrivals by 2020 and two per cent share by 2025.

In October 2018, Statue of Sardar Vallabhbhai Patel, also known as 'Statue of Unity', was inaugurated as a tourist attraction. It is the tallest statue in the World standing at a height of 182 metre. It is expected to boost the tourism sector in the country and put India on the world tourism map.

The Government has also been making serious efforts to boost investments in tourism sector. In the hotel and tourism sector, 100 per cent FDI is allowed through the automatic route. A five-year tax holiday has been offered for 2, 3 and 4 star category hotels located around UNESCO World Heritage sites (except Delhi and Mumbai).

Total FDI received by Indian hotel & tourism sector was US$ 12 billion between April 2000 and December 2018. India is a large market for travel and tourism. It offers a diverse portfolio of niche tourism products - cruises, adventure, medical, wellness, sports, MICE, eco-tourism, film, rural and religious tourism. India has been recognized as a destination for spiritual tourism for domestic and international tourists.

- Focus on improving infrastructure, including airports, roads and rail connectivity across the country
- Positive amendments to Coastal Regulation Zones Rules are expected to facilitate development of beach resorts across the coastline
- Digitisation of services, including payment mechanisms
- E-visas offered to nationals of 166 countries is expected to increase foreign travellers
- New avenues of funding Real Estate and Hospitality assets through institutional equity by way of listing Real Estate Investment Trusts (REIT) and Initial Public Offers (IPOs) of certain hospitality companies
- Introduction of the Insolvency and Bankruptcy Code (IBC) to resolve insolvencies efficiently, which in turn gives rise to opportunities for expansion.

The industry's concern however, are high GST rates, which at 28% for room tariffs above Rs.7,500 are amongst the highest in South East Asia positioning the country as an expensive destination in comparison with regional peers. Further, the recent turmoil within the airline industry in India leading to a decline in flights has impacted travel, notwithstanding the high demand for air travel.

INDUSTRY MEGATRENDS

The hospitality industry has been undergoing tremendous changes and disruptions over the last two decades. The key trends that are reshaping the industry are listed here:

- Virtual communities across social networks like TripAdvisor and Google, among others influence tourists and lead to more transparency
- Online Travel Agents (OTAs) have altered distribution channels, facilitated a shift towards large brands and have built enduring relations with travelers
- Digitalised guest experiences through apps are increasingly helping hoteliers manage many aspects of the guest cycle and experience
- Booming global tourism, owing to enablers like low-cost carriers and healthy GDP growth in emerging markets.
- Rising trend of experience economy wherein customers request extreme personalisation, unique experiences, and so on

OUTLOOK

India is expected to lean towards domestic factors to drive its progress owing to a weak global economic environment. In FY 2019-20, India's economy is likely to grow by 7.2% (Source:RBI). The country's GDP growth will primarily be driven by continued momentum in private investment, as well as gross capital formation, growth in bank credit and strong financial flows to the commercial sector. Normal monsoon and lower oil prices will also augur well for the economy. However, India has been witnessing some downside on the domestic front since April 2019. Primarily, these were weakness in consumption led by automobiles and two-wheelers, reduction in non-banking financial companies credit funding, impact on exports from moderating global demand and political uncertainty in anticipation of general elections, which has led to mixed views on whether the downside is transient or structural. There have been some recent forecasts, which have pegged the estimated growth of the Indian economy to sub-7% levels.

The headwinds that the global economy is facing, including faster-than-anticipated deceleration in global growth, volatility in financial markets, geo-political events and worsening trade disputes could further impact businesses in developed markets as well as emerging markets and cause a plateauing of growth.

The hospitality industry is evolving with the advent of new technology and concepts. While technology plays a significant role as a differentiator in the industry, sustainable practices are growing fast to become a major determinant of success for tourism businesses. Overall, hoteliers need to understand what's at stake and focus on the following five dimensions:

- Standardisation can no longer be the norm: It is becoming critical to personalise and tailor services to the needs and preferences of travelers
- Technology as an accelerator for business: Technology will be at the core of the hotel experience both in rooms, and before and after the trip. This will lead to the evelopment of new concepts and more innovation in the industry
- Social responsibility is an economic obligation: It is essential for governments and corporations to build real, sustainable business models for the travel and tourism industry
- Develop more responsive and durable business models: Agility and resilience is very important for efficiently mitigating risks facing the industry
- Manage talents actively: Attracting, developing and retaining the right talent in the hospitality industry continues to remain a core challenge

FINANCIALS

Revenues: Income has increased by 11.42% to Rs.324.09 crores from Rs.290.88 crores in the previous year.

The room revenues rose by 8.5% to Rs.139.81 crores from Rs.128.83 crores. The Food & Beverage income was Rs.147.60 crores a rise of 9.5% compared to previous year's Rs.134.77 crores.

Expenditure:

- The total expenditure increased by 14.47% to Rs.247.76 crores from Rs.216.44 crores in the previous year due to the ongoing renovation expenses of Rs.19.50 crores in various properties as well as the effect of inflation.
- Payroll cost increased by 4.45% from Rs.62.48 crores to Rs.65.26 crores.

Earnings before Interest, Depreciation, Tax and Amortisation (EBITDA): EBIDTA registered an increase of Rs.2.16 crores to Rs.76.41 crores in 2018-19 from Rs.74.25 crores in the previous year.

Profit before Tax:
The company reported a Profit before tax of Rs.38.13 crores as compared to profit before tax of Rs.32.01 crores in the previous year.

Profit after Tax:
The company reported a Profit after tax of Rs.24.24 crores as compared to a proft after tax of Rs.21.19 crores in the previous year.

Financial Position: The Company's interest coverage ratio for the year ended 31st March, 2019 is 2.77 times

(2018: 2.28 times).

As at 31st March, 2019 the Company had 1.41 crores of cash and bank balance and Rs.30 crores as undrawn credit facilities, which provide the Company financial flexibility.

As at 31st March, 2019 the Company's Net debt amounted to Rs.197.87 crores (2018: 228.62 crores).

Internal Controls
Your Company's Internal Auditors carryout audit of the transactions of the Company at all the hotels and the corporate office periodically, in order to ensure that recording and reporting are adequate and proper. The Internal Audit also verifies whether internal controls and checks & balances in the systems are adequate, proper and up to date. Corrective actions for any weaknesses in the system that may be disclosed by the Audits are taken.

HUMAN RESOURCES:

Human Capital

The term human capital formation means, "The process of acquiring and increasing the number of persons who have the skills, education and experience which are critical for the development of the company. Modern technology is becoming more and more complex. With the growth of science, machinery and equipment are becoming more sophisticated. Their efficient operation requires skill and technical knowledge. Therefore, capital development is very significant and your Company endeavours to take a more strategic and supportive approach to recruiting and retention to find and retain the new breed of evolving talent.

Recognition & Communication

Your Company has inculcated the best practices of Human Resources of Taj Group to weight its Human resources capital. In line with the corporate guidelines, the 'STARS'-Special Thanks and Recognition System is being followed to motivate the associates who excel in their service standards and reward them accordingly. The TATA core values are imparted to associates including new inductees, through the Tata Code of Conduct-TCOC as a group policy along with the Sexual Harassment Redressal Policy-SHRP. An Employee Satisfaction Survey is conducted at the end of every financial year by an external organization, the Gallup Organization to provide feedback to the company on the satisfaction levels so as to enable the Company to frame necessary measures to improve the work environment. Acts of excellence are recognized by displaying the names of the employees on the notice board.

A continuous dialogue between the management and the associates is promoted through the monthly Town Hall meetings. Customary meetings are organized with the associates at department and hotel level.

CORPORATE GOVERNANCE

Our Corporate Framework ensures that we make timely disclosures and share accurate information regarding our financial performance as well as disclosures related to the leadership and governance of the company.

In May, 2018, SEBI released the SEBI (Listing Obligations and Disclosures Requirements) (Amendment) Regulations, 2018 to adopt and give effect to several recommendations that were proposed in a report given by the Kotak Committee on 5th October, 2017. Hereinafter, SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and SEBI (Listing Obligations and Disclosures Requirements) (Amendment) Regulations, 2018 will be collectively referred to as "The Listing Regulations". We are in compliance with all the applicable provisions of the Listing Regulations.

Report Pursuant to Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, compliance with the requirements of Corporate Governance is set out below:

1. A. Related Party Disclosure

In line with the requirements of the Act and the Listing Regulations, your Company has formulated a policy on dealing with Related Party Transactions ('RPTs') which inter alia provides for the parameters to grant omnibus approval(s) by the Audit Committee.

The Policy is available on the Company's website at www.tajgvk.in/investors/corporate governance/corporate policies.

The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties. A statement on RPT's specifying the details of the transactions, pursuant to each omnibus approval granted, has been placed on a quarterly basis for review by the Audit Committee.

All contracts/arrangements/transactions entered by the Company during the year under review with related parties were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act.

Further, in Financial Year 2018-19, there were no material transactions of the Company with any of its related parties. Accordingly, the Company has provided Nil details in the Form No. AOC-2.

B. Management Discussion and Analysis (MDA) Report

1. The report on MDA is annexed to the Boards' Report.

2. Disclosure of Accounting Treatments:

The Company has followed the Indian Accounting Standards (Ind AS) in preparation of its Financial Statements.

C. Corporate Governance:

The Company is committed to implement sound corporate governance practices with a view to bring about transparency in its operations and maximize shareholder value. The Company's core philosophy on the code of Corporate Governance is to ensure:

- Fair and transparent business practices;
- Accountability for performance;
- Compliance of applicable statute;
- Transparent and timely disclosure of financial and management information;
- Effective management control and monitoring of executive performance by the Board; and
- Adequate representation of Promoter, Executive and Independent Directors on the Board.

Corporate Governance is the interaction between various participants (Shareholders, Board of Directors, and Company's Management) in shaping corporation's performance and the way it is proceeding towards carrying the business as per the stakeholders' desires and it is actually conducted by the Board of Directors and the concerned committees for the company's stakeholder's benefit. It is all about balancing individual and societal goals, as well as, economic and social goals.

Your Company is continuing the implementation of "Green Initiative in Corporate Governance" as per the directions of Ministry of Corporate Affairs by allowing paper less compliances by Company's through electronic mode. It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow public at large to contribute towards a greener environment. The necessary documents including Annual Report etc., has been posted in the Company's website www.tajgvk.in to enable the members to view the same.

2. Board of Directors

The Company is in compliance with the Corporate Governance norms in terms of constitution of the Board of Directors. The Board of the Company is composed of eminent individuals from diverse fields. As on the date of this report, the Board of Directors comprises 16 Directors (one Non-Executive Chairman, one Managing Director, one Joint Managing Director, eight Non-Executive Independent Directors, and five Non-Executive Promoter Directors). During the year 2018-19, Mrs. Santha John has vacated the office of Director and Mr. C D Arha completed his term of 5 years as Independent Director. Mr. N Sandeep Reddy and Mr. N Anil Kumar Reddy were appointed as Additional Directors (Independent) and Mr. A Rajasekhar is appointed for another term of 5 years as Independent Director.

The names and categories of directors, their attendance at the Board meetings, number of Directorships and Committee memberships held by them in other companies are given hereunder:

Name	Category	Directorships in companies under Section 165 as on 31st March, 2019			No. of other Committee positions held	
		Listed Public	Unlisted Public	Unlisted Private	Member (1)	Chairman (2)
Dr. GVK Reddy DIN 00005212	Promoter Non-Executive Chairman	2	4	10	-	-
Mrs. G Indira Krishna Reddy DIN 00005230	Promoter Managing Director	1	-	7	2	-
Mrs. Shalini Bhupal DIN 00005431	Promoter Joint Managing Director	1	1	2	2	-
Mr. G V Sanjay Reddy DIN 00005282	Promoter Non-Executive	2	6	9	-	-
Mr. Krishna R Bhupal DIN 00005442	Promoter Non-Executive	2	5	3	2	-
Mr. Puneet Chhatwal DIN 07624616	Promoter Non-Executive	4	4	Nil	6	1
Mr. Rajendra Misra DIN 07493059	Promoter Non-Executive	1	-	-	-	-
Mr. Giridhar Sanjeevi DIN 06648008	Promoter Non-Executive	2	4	-	1	-
Mr. K Jayabharath Reddy DIN 00038342	Independent Non-Executive	2	-	-	-	3
Mr. D R Kaarthikeyan DIN 00327907	Independent Non-Executive	5	1	2	2	-
Mr. C D Arha* DIN 02226619	Independent Non-Executive	1	4	2	1	-
Mr. M B N Rao DIN 00287260	Independent Non-Executive	4	5	4	5	4
Mr. CH G Krishna Murthy DIN 01667614	Independent Non-Executive	2	2	1	3	5
Mr. S Anwar DIN 06454745	Independent Non-Executive	2	-	-	2	1
Mr. A Rajasekhar*** DIN 01235041	Independent Non-Executive	1	-	4	-	-
Mrs. Santha John** DIN 00848172	Independent Non-Executive	2	-	1	-	-
Mr. N Sandeep Reddy*** DIN 00483826	Independent Non-Executive	-	-	6	-	-
Mr. N Anil Kumar Reddy*** DIN 0017586	Independent Non-Executive	-	-	4	-	-

Notes:

1) Excluding directorships outside of India.
2) Membership or Chairmanship in Audit Committee and Stakeholder Relationship Committee of all public limited companies as on 31st March, 2019, whether listed or not, including TAJGVK.
3) *Resigned as Director on 31.03.2019
4) ** Vacated office w.e.f 01.02.2019
5) *** Appointed w.e.f 15.05.2019
6) None of the directors is a member in more than ten committees and act as a chairman in more than five committees across all companies in which he is a director.

a) Board Meetings

During the year ended 31st March, 2019, Five Board Meetings were held on 17.05.2018, 03.08.2018, 01.11.2018, 01.02.2019 and 15.03.2019. Attendance details of each Director at the Board Meetings during the financial year ended 31st March, 2019 and the last Annual General Meeting are given below:

Name	Number of Board Meetings		Attendance at 23rd AGM held on 3rd August, 2018
	Held	Attended	
Dr. GVK Reddy DIN 00005212	5	5	Yes
Mrs. G Indira Krishna Reddy DIN 00005230	5	5	Yes
Mrs. Shalini Bhupal DIN 00005431	5	5	Yes
Mr. G V Sanjay Reddy DIN 00005282	5	4	Yes
Mr. Krishna R Bhupal DIN 00005442	5	5	Yes
Mr. Puneet Chhatwal DIN 07624616	5	5	Yes
Mr. Rajendra Misra DIN 07493059	5	3	NA
Mr. Giridhar Sanjeevi DIN 06648008	5	5	Yes
Mr. K Jayabharath Reddy DIN 00038342	5	5	Yes
Mr. D R Kaarthikeyan DIN 00327907	5	5	Yes
Mr. C D Arha DIN 02226619	5	5	Yes
Mr. M B N Rao DIN 00287260	5	5	Yes
Mr. CH G Krishna Murthy DIN 01667614	5	5	Yes
Mr. S Anwar DIN 06454745	5	5	Yes
Mr. A Rajasekhar DIN 01235041	5	5	Yes
Mrs. Santha John DIN 00848172	3	3	Yes

b) Disclosure of relationship between directors inter-se

List of relatives of Dr GVK Reddy, Chairman

Name and Designation	Relationship
Mrs. G Indira Krishna Reddy, Managing Director	Spouse
Mrs. Shalini Bhupal, Joint Managing Director	Daughter
Mr. G V Sanjay Reddy, Director	Son
Mr. Krishna R Bhupal, Director	Grandson

List of relatives of Mrs. G Indira Krishna Reddy, Managing Director

Name and Designation	Relationship
Dr GVK Reddy, Chairman	Spouse
Mrs. Shalini Bhupal, Joint Managing Director	Daughter
Mr. G V Sanjay Reddy, Director	Son
Mr. Krishna R Bhupal, Director	Grandson

List of relatives of Mrs. Shalini Bhupal, Joint Managing Director

Name and Designation	Relationship
Dr GVK Reddy, Chairman	Father
Mrs. G Indira Krishna Reddy, Managing Director	Mother
Mr. G V Sanjay Reddy, Director	Brother
Mr. Krishna R Bhupal, Director	Son

All the other Directors on the Board are not relate to each other.

c) Shares held by Non-Executive Directors

All the Non-Executive Directors are not holding any shares in the Company.

d) Familiarization program imparted to Independent Directors

Senior management personnel of the Company make presentations to the Board Members on a periodical basis, briefing them on the operations of the Company, loans, strategy, risks involved, new initiatives, etc., and seek their opinions and suggestions on the same. In addition, the Directors are briefed on their specific responsibilities and duties that may arise from time to time. Any new Director who joins the Board is presented with a brief background of the Company, its operations and is informed of the important policies of the Company including the Code of Conduct for Directors and Senior Management Personnel, the Code of Conduct for Prevention of Insider Trading, Policy on Related Party Transactions, Policy on Remuneration, Policy on material events, Policy on material subsidiaries, Whistle blower policy, Risk Management Policy, Policy on Anti-Corruption and Anti-Bribery, Policy on Prevention of Sexual Harassment and Corporate Social Responsibility policy.

e) Profile of Board of Directors

Brief resume of the Directors, nature of their expertise in specific functional areas and names of companies in which they hold Directorship and the membership of the Committees of the Board are furnished hereunder:

Dr. GVK Reddy, Non Executive Chairman

Dr GVK Reddy has been a pioneer in India's infrastructure sector. Guided by his vision and leadership, GVK Group has successfully implemented projects in record time.

- GVK Group set up India's first Independent Power Project (IPP) in the private sector at Jegurupadu, Andhra Pradesh to generate 217 MW power and added another 228 MW in the second phase. GVK Group commissioned another power plant at Kakinada, AP, to generate 469 MW power.
- GVK Group has successfully executed India's first six-lane expressway connecting Jaipur to Kishangarh in the state of Rajasthan.
- GVK Group has developed a four-lane road project between Deoli and Kota in Rajasthan and a six-lane project between Bagodara and Vasad in Gujarat.
- GVK Group has developed and commissioned a 330MW hydro power project in the state of Uttarakhand, and 540MW thermal power project in the state of Punjab.
- GVK Group is engaged in the operation and modernization of Mumbai's Chhatrapati Shivaji International Airport, which has been termed as one of the most challenging infrastructure projects in the world. GVK CSIA's new integrated Terminal 2 which commenced operations on 12 February, 2014, has bagged many awards and accolades and attained an iconic status across the globe for integrating a world-class design, infrastructure and operational efficiency.
- Dr. GVK Reddy heads GVK EMRI, one of the most significant Corporate Social Responsibility initiatives of GVK Group. This is an emergency response services provider under a Public Private Partnership model spread across 15 states and two UTs of India. Dr. GVK Reddy is a philanthropist and a keen supporter of India's budding sporting talent

Mr. G Indira Krishna Reddy, Managing Director

Mrs. G Indira Krishna Reddy is Science Graduate and has over 34 years of versatile experience in the fields of Project Development, Finance, Strategy and Administration. Prior to TAJGVK, she worked as Managing Director of Novopan Industries Ltd., a pioneer in Particle Board Industry. She has been working as Managing Director of the company for the last 18 years and under her able guidance, the Company expanded business to other cities viz: Chennai, Chandigarh and Mumbai.

Mrs. Shalini Bhupal, Joint Managing Director

Mrs. Shalini Bhupal a Graduate in Bachelor of Arts. Mrs. Bhupal is the promoter Director of the company and in the year 2004 she was appointed as an Executive Director of the Company to look after the expansion projects particularly in the areas of project design, planning and execution. Mrs. Bhupal has more than two decades of experience in Administration, finance and strategic planning. Under the guidance of Mrs. Bhupal, the Company has successfully completed 4 hotels projects viz Taj Club House, Chennai, Taj Chandigarh, VBT Begumpet, Hyderabad and Taj Santacruz, Mumbai.

Mrs. Bhupal is continuously providing her expertise and guidance in the Interior Design, Project design and at this point in time the company is undertaking the renovation works in Taj Krishna and Taj Deccan and also planning to construct a 5-Star Luxury Hotel project in Yelahanka Bengaluru.

Mrs. Bhupal is Chief Executive Officer of the Green Woods Palaces and Resorts Private Limited – a JV company operating Taj Santacruz Hotel, Mumbai.

She has expertise in the areas of administration, finance and general management. She is currently on the Boards of Orbit Travel and Tours Pvt. Ltd..

Mr. G V Sanjay Reddy, Non-Executive Director

Mr. G V Sanjay Reddy, holds a Bachelors Degree in Industrial Engineering from Purdue University, USA and MBA (Finance).

He is the Vice Chairman of GVK, a conglomerate with interests in Energy, Airports, Transportation, Resources, Real Estate, Hospitality and Life Sciences. While he is involved in all areas of businesses, he is instrumental in making GVK the leading private operator in India with Mumbai Airport and now with the development of the Navi Mumbai Airport. He founded GVK Biosciences, which is one of Asia's largest contract research organizations employing more than 2000 scientists. He is involved with GVK EMRI 108 service, which is the world's largest ambulance service offered free of cost to over 800 million people across India and having saved more than two million lives until date. In recognition of his extensive career accomplishments, he was declared the "Emerging Business Leader of the Year" by AIMA Managing India Awards and is one of the 25 Indians chosen as Young Global Leader by the World Economic Forum.

He currently serves on the Purdue-India Executive Council and also a member of the Advisory Board of the Ross Business School at The University of Michigan. He has served as the Chairman of the Southern Region Council and the Chairman of Infrastructure Council of the Confederation of Indian Industry; he is an active member of the Young President's Organization (YPO) & the Chief Executives Organization (CEO) and is on the Board of the Jagdish and Kamala Mittal Museum of Indian Art, among others.

Mr. Krishna R Bhupal, Non-Executive Director

Mr. Krishna R Bhupal is a third generation entrepreneur who has successfully planned and implemented large infrastructure projects. He has completed both his primary and secondary education in USA by graduating with a double major in Finance and Accounting.

He is the Promoter Director of GVK Power & Infrastructure Limited, a leading Indian conglomerate having interests in Airport, Highways, Power, Hospitality and Bio-Sciences. Mr. Krishna now plays a key role by keenly overseeing the planning / architectural / construction activities of the construction of the upcoming Navi Mumbai International Airport at Mumbai (NMIA).

Mr. Krishna took charge and oversaw the concept to commissioning of the 330 MW Hydro power project on river Alaknanda in the state of Uttarakhand. Simultaneously, Mr. Krishna took up the implementation of 540 MW Thermal power project located at Goindwal Sahib in the State of Punjab.

Added to his planning and implementation capabilities, Mr. Krishna adds successful oversight to all of GVK Group Companies. He is also a founder member of the GVK EMRI (Emergency Management and Research Institute) which is India's largest provider of the '108' free emergency services.

Apart from the Groups foray Mr. Krishna is a Member of the Entrepreneurs' Organization (EO) and Young Presidents Organization (YPO). He is also one of the youngest and active members of the Confederation of Indian Industry (CII). Mr. Krishna is also the youngest entrepreneur to have been conferred with the prestigious Fellowship by GITAM School of International Business, GITAM University, Vishakapatnam, India. He has been chosen as GQ's Most Influential Young Indians for two consecutive years of 2016 and 2017.

Mr. Puneet Chhatwal, Non-Executive Director

Mr. Puneet Chhatwal is the Managing Director and CEO of The Indian Hotels Company Limited (IHCL).

Mr. Puneet Chhatwal is a hospitality industry veteran, with an experience of over three decades. He was previously the Chief Executive Officer of Deutsche Hospitality / Steigenberger Hotels AG. Mr. Puneet Chhatwal was Chief Executive Officer (CEO) and Member of Executive Board for close to 5 years for the most traditional German hotel company, Deutsche Hospitality / Steigenberger Hotels AG. Prior to this position, Chief Development Officer (CDO) for over 6 years and Member of Executive Committee of The Rezidor Hotel Group and in senior international leadership roles for almost 20 years. He is a specialist in driving profitable growth leveraging different business models (Managed, Owned, Franchised and Leased) by brand and by geography. Completed over 500 contracts in last 25 years in Europe, Middle East, Africa and Asia.

Mr. Giridhar Sanjeevi, Non-Executive Director

Mr. Giridhar is the Chief Financial Officer of The Indian Hotels Company Limited (IHCL). Prior to IHCL, he was with Merck & Co, the American Pharma company, where he was the CFO for South Asia and the Business Head for Pakistan, Bangladesh, Sri Lanka and Nepal.

Mr. Giridhar started his career in ITC Ltd, where he did a variety of roles across businesses in India and the Middle East. Subsequently, he joined IL&FS as an Investment Banker and head of M&A. In addition, he was also the Head of the operations at Eastern India. Mr. Giridhar spent several years with Diageo plc as their Global Business Development Director at London, covering M&A and Strategy. Earlier, he was the Finance Director at Singapore for large parts of Asia. In a career spanning 30 years, Mr. Giridhar has built a broad based career, both in finance and commercial, and across multiple businesses – FMCG, Financial services, Retail and Pharma - and across multiple geographies Asia and Europe.

Mr. Rajendra Misra, Non-Executive Director
Mr. Rajendra Misra is the General Counsel Taj group of companies. The Legal and Company Secretarial functions at the Taj group report to him. He holds a Bachelor of Laws degree (LLB) from the University of Calcutta, and is a Post Graduate Diploma in Patents Law (PGDPL) from the National Academy of Legal Studies and Research University(NALSAR). He has also completed the Hawkesmere Course on International Intellectual Property Law from London.

Mr. Misra is a seasoned legal professional with more than 24 years experience in the legal field. During this period, he has served as in-house legal counsel of several leading business corporations like Hindustan Unilever Limited (HUL) and ITC Limited. He has extensive experience and expertise in various legal fields including Litigation Management, Intellectual Property Management, Competition law, corporate laws, etc.,

Before joining the Taj group, Mr. Misra was the Senior Legal Counsel of HUL and a member of the HUL Leadership Team. He led the Legal team partnering the Personal Care and Home Care businesses of HUL, and was the Global Brand Legal Counsel for two iconic Unilever brands - Lifebuoy and Fair & Lovely, apart from erving as the Brand Development Counsel for the South Asia region. Prior to joining HUL, Mr. Misra was the Associate General Counsel of ITC. He began his career as in-house counsel with the Indian Aluminium Company Limited (INDAL).

Mr. K Jayabharath Reddy, Non-Executive Independent Director
He is a retired IAS officer appointed as director in the year 2009. Mr. Reddy served the Government of Andhra Pradesh as Chief Secretary and accumulated a wealth of versatile experience in General and Public Administration, Financial and Industrial Management. He has held positions with immediate and direct responsibility for policy formulation and decision making in the Central and State Government. He had considerable exposure to the Corporate Sector since 1976 both as a member in the Boards of Companies and Corporations as well as managing large undertakings and development organisation as Chief Executive. He was also a visiting fellow of Oxford University.

Mr. D R Kaarthikeyan, Non-Executive Independent Director
He is a retired IPS officer appointed as director in the year 2001, he is a Graduate in Bachelor of Science (Chemistry and Agriculture) and also in Law.. Practiced as Lawyer for three years and then joined the Indian Police Service and held challenging positions like Chief of Investigation of former Prime Minister Rajiv Gandhi assassination case; Director-General of Central Reserve Police Force, the largest para-military force in India and perhaps in the entire World; Director of the prestigious Central Bureau of Investigation of India; and Director-General in the National Human Rights Commission.

Mr. M B N Rao, Non-Executive Independent Director
He is appointed as director in the year 2009. He is a Graduate in Agriculture B.Sc., and has joined as Probationary Officer in the year 1970 in Indian Bank. During his career path till 2008 he has worked in different capacities in different banks and positions held by him during his career and experience is furnished hereunder.

- Chairman & Managing Director, Canara Bank, Bangalore (2005 - 2008)
- Chairman of Canara Bank Subsidiaries in Insurance, Mutual Fund, Venture Capital, Factoring, Computer Services, and Online Trading & Broking. (2005 - 2008)
- Vice Chairman, Commercial Bank of India, Moscow (2005 - 2008)
- Chairman, Indian Banks' Association (2007 - 2008)
- Chairman & Managing Director, Indian Bank (2003 - 2005)
- Executive Director, Indian Bank (2000 - 2003)
- General Manager, Indian Bank, Chennai (1995 - 2000)
- General Manager & CVO, Central Bank of India, Mumbai (1992 - 1994)
- Chief Executive, Indian Bank, Singapore (1987 - 1992)

Mr. Ch G Krishna Murthy, Non-Executive Independent Director
He was appointed as director in the year 2012, he is a Chartered Accountant and holds a Masters degree in Arts and a LL.B degree. He has been a member, Law Commission India and has served on the Income Tax Appellate Tribunal in various capacities including President. He has also been a Chairman of the Oil Selection Board, Ministry of Petroleum for the states of Karnataka, Andhra Pradesh and Orissa. He is also a practicing Chartered Accountant.

Mr. S. Anwar, Non-Executive Independent Director
He is retired IAS Officer and appointed as Director on 04.02.2013. He had his early education at Bangalore and Post Graduation from Delhi University. During his carrier he had held various post viz;

1. Joint Secretary - Home Department;
2. M.D. - A.P. Tourism Corporation;
3. Principal Secretary - Panchayat Raj Department;
4. Principal Secretary - Tourism and Youth Services;
5. Chief Commissioner of Land Administration, Andhra Pradesh
6. Special Chief Secretary to the Governor of Andhra Pradesh and served with three Governors.

7. Principal Secretary - Medical and Health;
8. Chief Commissioner of Land Administration, Andhra Pradesh;

Mr. A Rajasekhar, Non-Executive Independent Director
Mr. A Rajasekhar is a Post Graduate in Law from University of Tubingen, Germany. His specialization is in International and Commercial Law. He is having more than 20 years of professional experience in Financial and Corporate Advisory services across various sectors in the infrastructure space. His Competencies across: Corporate Finance - Buy and Sell Side Advisory, Strategic Management Advisory and Debt Syndication.

Before moving to India, he worked in a senior position in one of the largest Investment Bank in Europe handling multiple tasks in project finance advisory and Mergers & Acquisitions advisory desk.

Mr. N Anil Kumar Reddy, Non-Executive Independent Director
Mr. N. Anil Kumar Reddy is a Member of Institute of Chartered Accountants of India, a Member of Institute of Company Secretaries of India and is a Post Graduate in Business Administration. He is aged 59 years and has over 38 years of experience in various functions of Financial Management, Company Management, Capital Market, Secretarial and other Managerial functions in Various Companies.

He was associated with Andhra Pradesh State Financial Corporation (APSFC) for 5 years in various functions including Project Appraisals and Accounting Functions. He was Managing Director of Novopan Industries Limited, a listed company for over 8 years till 2007. He had also held the positions of Managing Director of GVK Capital and Finance Limited and Executive Director of Pinakini Share and Stock Brokers Limited till 2007. He was a director on the Board and was Chairman, Audit Committee of TAJGVK Hotels and Resorts for more than 10 years till 2007. He is currently Managing Director of M/s NR Investments and Consultants Private Limited and Greenhouse Consultants Private Limited which are engaged in Financial, Investment and allied financial services.

Mr. N Sandeep Reddy, Non-Executive Independent Director
Mr. Sandeep is a qualified BS in Computer Science & Finance from Utah State University and MBA from IMD. He has more than 10 years of experience in Strategy consulting with Price Waterhouse in San Francisco and with Andersen Consulting, London.

Mr. Sandeep is a Founder and Managing Director of Peepul Capital, an India –Centric Private Equity Investor with investments focussed on execution risk and have spanned Early stage, Growth and Buy-out opportunities in its chosen domain across the sectors of Technology Products & Services, Media & Entertainment, Consumer Products & Services and Specialized Engineering.

He has been one of the early participants in the evolving Indian Private Equity Industry having been active for more than 2 decades. He takes overall responsibility in defining and executing the Peepul's Strategy. In that role, he has spawned and built a number of entities as well as driven migration through their lifecycles.

Peepul capital has been involved in sponsoring more than 30 companies. He is intimately involved in entrepreneurial activities trying opportunities in India to other parts of the world, as well as participating in the relevant forums in India for Commerce & Industry.

f) Confirmation from the Board

The Board of Directors be and hereby confirm that in the opinion of the Board, the Independent Directors fulfill the conditions specified by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are independent of the management.

3. Audit Committee

a) Brief description of terms of reference
The terms of reference of the Audit Committee are covering the matters specified for Audit Committees under Regulation 18 read with Part C of Schedule II to the Listing Regulations and Section 177 of the Act. The terms of reference of the Audit Committee inter alia, is to review the financial statements including changes in accounting policies and practices before submission to the Board, recommended the appointment of statutory and internal auditors including fixation of audit fee, discussed the internal auditors' findings and reviewed the company's financial and risk management policies.

b) Composition and attendance details of the Committee meetings are as follows
The Audit Committee consists of 6 Non-Executive Directors, of whom 4 are Independent Directors. The Audit Committee has met 4 times during the financial year 2018-19 on 17.05.2018, 03.08.2018, 01.11.2018 and 01.02.2019.

The constitution of the Audit Committee and attendance details during the financial year ended 31st March, 2019, are given below:

Name of the Member	Designation	No. of meetings held	No. of meetings attended
Mr. K Jayabharath Reddy	Chairman, Independent Director	4	4
Mr. Krishna R Bhupal	Member, Non-Executive Director	4	4
Mr. Puneet Chhatwal	Member, Non-Executive Director	4	4
Mr. M B N Rao	Member, Independent Director	4	4
Mr. Ch G Krishna Murthy	Member, Independent Director	4	4
Mr. S Anwar	Member, Independent Director	4	4

The representatives of Statutory Auditors are permanent invitees to the Audit Committee meetings. The representatives of Statutory Auditors, Executives from Accounts department, Finance department and Secretarial department attend the Audit Committee meetings. The Internal Auditors attend the Audit Committee meeting where Internal audit report is discussed. The Internal Auditor reports directly to the Audit Committee. The minutes of the meetings of the Audit Committee are circulated to all the Members of the Board.

The Chairman of the Audit Committee was present at the last Annual General Meeting held on 3rd August, 2018.

4. Nomination and Remuneration Committee

a) Brief description of terms of reference

The terms of reference of the Committee are in line with the requirements of the Act and Regulation 19 read with Part D of Schedule II to the Listing Regulations. The Committee has been constituted to recommend/review the remuneration package of the Managing/ Whole-Time Directors, nomination of Directors / Key Managerial Personnel and one level below the Board along with the heads of department apart from deciding other matters such as framing and implementation of stock option plans to employees, etc. The remuneration policy is directed towards rewarding performance based on review of achievements which are being reviewed periodically which is in consonance with the existing industry practices.

b) Composition, name of members and Chairperson

The Nomination and Remuneration Committee consists of 6 Non-Executive Directors, of whom 4 are Independent Directors. The Nomination and Remuneration Committee has met 2 times during the financial year 2018-19 on 17.05.2018 and 15.03.2019.

The constitution of the Audit Committee and attendance details during the financial year ended 31st March, 2019, are given below:

Name of the Member	Designation	No. of meetings held	No. of meetings attended
Mr. K Jayabharath Reddy	Chairman, Independent Director	2	2
Mr. Krishna R Bhupal	Member, Non Executive Director	2	2
Mr. Puneet Chhatwal	Member, Non Executive Director	2	2
Mr. M B N Rao	Member, Independent Director	2	2
Mr. D R Kaarthikeyan	Member, Independent Director	2	2
Mr. C D Arha*	Member, Independent Director	2	2

* Resigned as Director on 31.03.2019

c) Nomination and Remuneration policy

- The compensation of the Executive Directors comprises a fixed component and commission. The compensation is determined based on the remuneration prevailing in the industry and the performance of the Company. The remuneration package of the Executive Directors is periodically reviewed and suitable revision is recommended to the Board by the Committee.
- The Non-executive Directors are paid sitting fees and commission for attending meetings of the Board/Committees

d) Performance evaluation of Directors

Pursuant to applicable provisions of the Companies Act, 2013 and Listing Regulations, the Board, in consultation with its Nomination & Remuneration Committee has formulated a framework containing, inter-alia, the criteria for performance evaluation of the Independent Directors, Board of Directors, Committees of Board, Individual Directors including Managing Director and Non-Executive Directors and Chairperson of the Board.

The evaluation of Independent Directors, Board of Directors, Managing Director, Non-Executive Directors, Chairperson of the Board, evaluation of Commitees are already discussed in Directors Report.

Evaluation of all Board members is performed on an annual basis. The evaluation is performed by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

In line with Securities and Exchange Board of India Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/004, dated January 5, 2017, the Company has adopted the recommended criteria by the SEBI. The Directors were given six forms for evaluation of the following:

i) Evaluation of the Board;
ii) Evaluation of Committees of the Board;
iii) Evaluation of Independent Directors;
iv) Evaluation of Chairperson;
v) Evaluation of Non-executive and Non-independent Directors; and
vi) Evaluation of the Whole Time Directors

The Directors were requested to give the following ratings for each criteria:
1. Could do more to meet expectations;
2. Meets expectations; and
3. Exceeds expectations.

The Directors have sent the duly filled forms to Mr K Jayabharath Reddy, after evaluation. Mr K Jayabharath Reddy, based on the evaluation done by the Directors, has prepared a report and submitted the evaluation report.

The Chairperson, based on the report of the Mr K Jayabharath Reddy, has informed the rankings to each Director and also informed that based on the evaluation done by the Directors and also report issued by Mr K Jayabharath Reddy, the performance of Directors is satisfactory and they are recommended for continuation as Directors of the Company.

5. Meeting of Independent Directors

A Separate meeting of the Independent Directors was held on 15.03.2019, inter-alia, to discuss evaluation of the performance of Non-Independent Directors, the Board as a whole, evaluation of the performance of the Chairman, taking into account the views of the Executive and Non-Executive Directors and the evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Independent Directors expressed satisfaction with the overall performance of the Directors and the Board as a whole and Chairman of the Company. Inputs and suggestions received from the Directors were considered at the Board meeting and have been implemented.

6. Lead Independent Director

The Board has appointed Mr K Jayabharath Reddy, Chairperson of the Independent Directors Meeting, as the Lead Independent Director. The role of the Lead Independent Director is to provide leadership to the Independent Directors, liaise on behalf of the Independent Directors and ensure the Board's effectiveness to maintain high-quality governance of the organisation and the effective functioning of the Board.

7. Succession planning

The Nomination and Remuneration Committee works with the Board on succession plan to ensure orderly succession in appointments to the Board and in the senior management. The Company strives to maintain an appropriate balance of skills and experience within the Board of Directors and the organization to introduce new perspectives while maintaining experience and continuity.

8. Remuneration of Non-Executive Directors

- There were no pecuniary transactions with any Non-Executive Directors of the Company.
- Non-Executive Directors other than IHCL Nominee Directors are paid Sitting Fees for attending the Board Meetings / Committee meetings the details of which are given in Board Report.
- The Remuneration paid to the Whole time Director during the year ended 31st March, 2019 is as follows:

(Rs in lakhs)

Name of the Director	Gross Salary	Stock option	Sweat Equity	Commission	Total	No. of shares held
Mrs. G Indira Krishna Reddy Managing Director	365.08	-	-	-	**365.08**	7568947
Mrs. Shalini Bhupal Joint Managing Director	207.83	-	-	-	**207.83**	23448859

9. Stakeholders Relationship Committee

The Committee comprises of three Members Mr. Ch G Krishna Murthy, Chairman, Mrs. G Indira Krishna Reddy, Mrs. Shalini Bhupal, Members and Mr. J Srinivasa Murthy, Company Secretary and Compliance Officer acts as Secretary of the Committee. The responsibilities of the Committee include Redressal of all shareholders complaints and grievances

Terms of reference of Stakeholders' Relationship Committee inter alia include the following

- Oversee and review all matters connected with the transfer of the Company's securities
- Approve issue of the Company's duplicate share / debenture certificates
- Consider, resolve and monitor redressal of investors' / shareholders' / security holders' grievances related to transfer of securities, non-receipt of Annual Report, non-receipt of declared dividend and so on.
- Oversee the performance of the Company's Registrars and Transfer Agents
- Recommend methods to upgrade the standard of services to investors
- Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading
- Perform such other functions as may be necessary or appropriate for the performance of its duties
- Carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification / amendment or modification as may be applicable.

The Committee has met 4 times during the financial year 2018-19 on 17.05.2018, 03.08.2018, 01.11.2018 and 01.02.2019. The attendance details for the Committee meeting is as follows:

Name of the Member	Designation	No. of meetings held	No. of meetings attended
Mr. Ch G Krishna Murthy	Chairman, Independent Director	4	4
Mrs. G Indira Krishna Reddy	Member, Executive Director	4	4
Mrs. Shalini Bhupal	Member, Executive Director	4	4

The Share Transfer Committee of the Company, which addresses the issues of transfer and transmission of shares, issue of duplicate share certificates, etc. The Committee has been meeting at regular intervals, generally not exceeding a fortnight.

The Company has received the following communications from the shareholders during the period April, 2018 to March, 2019, and all these were replied / resolved to the satisfaction of the shareholders

Sl. No.	Nature of Request / Complaint	Received	Resolved
1	Non-receipt of share certificate sent for Transfer	-	-
2	Non-receipt of dividend warrant	118	118
3	Non-receipt of Demat credit / Remat certificate	-	-
4	Non-receipt of Annual Report	11	11
5	Change of Address	--	--
6	Bank Details / Mandate	--	--
7	Issuing new share certificate(s) in lieu of erstwhile Hotel Sree Krishna Limited share certificate(s) received for exchange	41	41
8	Stop Transfer / Procedure for duplicate share certificate	--	--
9	Indemnity / Affidavit – duplicate	--	--
10	Remat Request	-	-
11	Revalidation / Replacement of Dividend Warrant	-	-
12	Procedure for Transfer / Transmission / Name Deletion	--	--
13	Registration of Signature	-	-
14	Confirmation of details	-	-
15	Others	--	--
	TOTAL	171	171
	Complaints received from:		
1	SEBI	1	1
2	Stock Exchange	-	-

10. Corporate Social Responsibility Committee

The CSR Committee provides guidance on CSR activities to be undertaken by the Company. The terms of reference for the CSR Committee include:

1. Formulate a CSR policy which shall indicate activities to be undertaken by the Company
2. Recommend the CSR policy to the Board
3. Recommend the amount of expenditure to be incurred on the activities
4. Monitor the policy from time to time as per the CSR policy.

During the year ended 31st March, 2019, one CSR Committee Meetings were held on 17.05.2018. The constitution of the CSR Committee and attendance details during the financial year ended 31st March, 2019 are given below:

Name of the Member	Designation	No. of meetings held	No. of meetings attended
Mr. Ch G Krishna Murthy	Chairman, Independent Director	1	1
Mrs. G Indira Krishna Reddy	Member, Executive Director	1	1
Mr. D R Kaarthikeyan	Member, Independent Director	1	1

11. Risk Management Committee

Risk Management Committee consists of the following persons namely Mrs. G. Indira Krishna Reddy, Managing Director, Mrs. Shalini Bhupal, Executive Director, General Managers of Hotel Taj Krishna, Hotel Taj Deccan, Hotel Taj Banjara and Hotel Vivanta By Taj, Begumpet. Mr. J Srinivasa Murthy, CFO & Company Secretary acts as secretary to the committee.

The Company has a robust Risk Management framework to identify and evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on business objective and enhance the Company's competitive advantage. The risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting.

The framework enables risks to be appropriately rated and graded in accordance with their potential impact and likelihood. The two key components of risks are the probability (likelihood) of occurrence and the impact (consequence) of occurrence, if the risk occurs. Risk is analyzed by combining estimates of probability and impact in the context of existing control measures.

Existing control measures are evaluated against Critical Success Factors (CSFs) and Key Performance Indicators (KPIs) identified for those specific controls. Guiding principles to determine the risk consequence (impact), probability of occurrence (likelihood factor) and mitigation plan effectiveness have been set out in Risk Register.

12. Compliance Officer

Mr. J. Srinivasa Murthy, CFO & Company Secretary and Chief Compliance Officer of the Company, is the Compliance Officer for complying with requirements of Securities Laws.

13. Prevention of Insider Trading

As per the provisions of SEBI (Prohibition of Insider Trading) Regulation, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. The Company has appointed Mr. J Srinivasa Murthy, CFO & Company Secretary as Compliance Officer, who is responsible for setting forth procedures and implementation of the code for trading in Company's securities. The Code of Conduct is applicable to all Directors and such identified employees of the Company who are expected to have access to unpublished price sensitive information relating to the Company. During the year under review there has been due compliance with the said code.

14. Compliance

The Company Secretary, while preparing the agenda, notes on agenda and minutes of the meeting(s), is responsible for and is required to ensure adherence to all applicable laws and regulations, including the Companies Act, 2013 read with rules issued thereunder, as applicable and Secretarial Standard-1 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India.

15. Post Meeting Follow-Up Mechanism

The guidelines for Board and Board Committee meetings facilitate an effective post meeting follow-up, review and reporting process for decisions taken by the Board and Committees thereof. Important decisions taken at Board/ Committee meetings are communicated promptly to the concerned departments/ divisions. Action taken report on decisions/minutes of the previous meeting(s) is placed at the succeeding meeting of the Board/Committees for noting.

16. Recording Minutes of Proceedings at Board and Committee Meetings

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board/ Committee members for their comments. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.

17. Compliance of Corporate Governance Requirements Specified in Regulation 17 to 27 and Regulation 46(2)(B) to (I) of Listing Regulations

Regulation	Particulars of Regulations	Compliance status during the financial year 2018-19
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of listed entity	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to Directors and Senior Management	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i)	Website	Yes

18. General Body Meetings

a) The details of date, location and time of the last three Annual General Meetings held are as under

Year	Date	Time	Meeting	Venue
2017-18	03.08.2018	11.30 A.M.	AGM	Sri Sathya Sai Nigamagamam, Srinagar Colony, Hyderabad
2016-17	01.08.2017	11.30 A.M.	AGM	Sri Sathya Sai Nigamagamam, Srinagar Colony, Hyderabad
2015-16	04.08.2016	11.30 A.M.	AGM	Sri Sathya Sai Nigamagamam, Srinagar Colony, Hyderabad

b) Special Resolutions passed during last three Annual General Meetings

Year	Date	Meeting	Special resolutions passed with requisite majority
2017-18	03.08.2018	AGM	1) Waiver of excess remuneration paid to Managing Director for the financial year 2017-18
2016-17	01.08.2017	AGM	1) Waiver of excess remuneration paid to Managing Director for the financial year 2016-17 2) Waiver of excess remuneration paid to Executive Director for the financial year 2016-17
2015-16	04.08.2016	AGM	1) Waiver of excess remuneration paid to Managing Director for the financial year 2015-16 2) Waiver of excess remuneration paid to Executive Director for the financial year 2015-16 3) Change the Registrar and Share Transfer Agent of the Company from M/s. Karvy Compoutershare Pvt Ltd to M/s. Venture Capital and Corporate Investments Pvt Ltd.

c) Special Resolutions passed last year through postal ballot

During the year ended 31.03.2019 the company conducted Postal Ballot.

As per amended regulation 17(1A) of SEBI (Listing Obligations and Disclosures Requirements) (Amendment) Regulations, 2018 with effect from 1st April, 2019 all the listed entities are required to obtain the approval of Members by way of Special Resolution to appoint or continue the Directorship of any Non-Executive Director who has attained the age of 75 years and above.

The Company in order to comply with the Regulations 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amended) Regulations, 2018 for continuation of Directorship of Dr. GVK Reddy (DIN:00005212) as Non-Executive Director, Mr. K Jayabharath Reddy (DIN:00038342), Dr. D R Kaarthikeyan (DIN:00327907) and Mr. Ch G Krishna Murthy (DIN:01667614), as Non-Executive Independent Directors who have attained the age of 75 years passed Special Resolutions through Postal Ballot dated 30.03.2019.

d) Extraordinary General Meeting

No Extraordinary General Meeting of the Members was held during the year 2018-19.

19. Means of Communication

Quarterly, Half-Yearly and Annual results of the Company are published in newspapers, Business Standard and Andhra Prabha. These results are promptly submitted to the Stock Exchanges facilitating them to display the same on their website.

The Board of Directors receive from time to time disclosures relating to financial and commercial transactions from key management personnel of the Company as and when they and / or their relatives have personal interest in any of the pecuniary transactions with the Company. There are no materially significant related party transactions, which have potential conflict with the interest of the Company at large.

The Company's results and other quarterly reports are available on the Company's website www.tajgvk.in/invester relations

a) Quarterly results:
The quarterly results of the Company are published in accordance with the requirements of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015.

b) Newspapers wherein results normally published:
The results of the Company are published in widely circulated newspapers namely Business Standard (English daily) and Andhra Prabha (Telugu daily).

c) Any website, where displayed:
The Financial results of the Company are displayed on the Company's website: www.tajgvk.in

d) Whether it also displays official news releases:
Official news releases along with quarterly results are displayed on the Company's website: www.tajgvk.in

e) Presentations made to institutional investors or to the analysts:
Nil presentations are made to the investors/ analysts during the year

20. Shareholders Information:

1.	**Annual General Meeting**	
	Date, time & Venue	25th July, 2019, 11.30 A.M. Sri Sathya Sai Nigamagamam 8-3-987/2, Srinagar Colony, Hyderabad – 500 073
2.	**Share transfer book closure dates**	18th July, 2019 to 25th July, 2019 (Both days inclusive)
3.	**Financial Year Calendar 2019-20** Financial Results Reporting	
	For the quarter ending June 30, 2019	25th July, 2019
	For the quarter ending September 30, 2019	1st November, 2019
	For the quarter ending December 31, 2019	29th January, 2020
	For the quarter ending March 31, 2020	April/May, 2020
4.	**Listing of Stock Exchanges**	**Company's equity shares are listed at:**
	Name and Address of the Stock Exchange	**Scrip Code**
	National Stock Exchange of India Ltd Exchange Plaza, 5th Floor, Plot No.C/1, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400 051	TAJGVK
	Bombay Stock Exchange Ltd 1st Floor, New Trading, Ring Rotunda Building, P J Towers, Dalal Street, Fort, Mumbai – 400 013	532390
	Listing fees for and up to the year 2019-20 have been paid to the above Stock Exchanges.	
5.	**Demat ISIN Numbers in NSDL & CDSL Equity shares**	INE586B01026

21. Statement of changes in share capital

Date of Allotment	Number of Shares	Issue Price (Rs.)	Consideration	Reasons for Allotment	Cumulative Paid up Capital (Rs.)	Cumulative Share Premium (Rs.)
2nd February, 1995	700	10	Cash	Subscribers to Memorandum	7,000	-
28th June, 2000	10,164,599	10	Other than cash	As per Scheme of Arrangement	101,652,990	73,075,000
28th June, 2000	2,375,000	10	Other than cash	As per Scheme of Arrangement	125,402,990	346,200,000
18th October, 2005	62,701,495	2	Other than cash	Stock Split of Rs.10/- FV to Rs.2/- FV	125,402,990	346,200,000

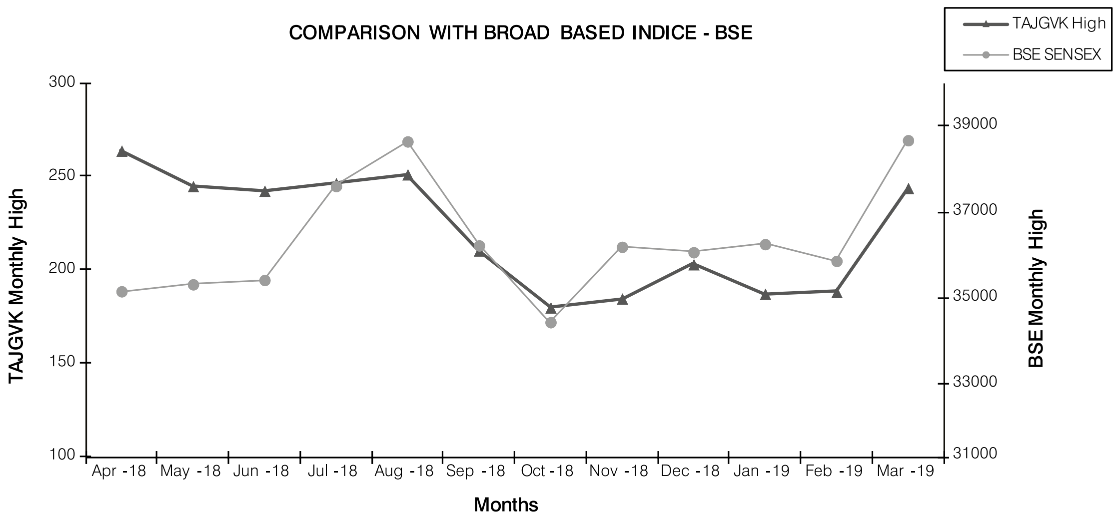
22. Distribution of Shareholding as on 31st March, 2019

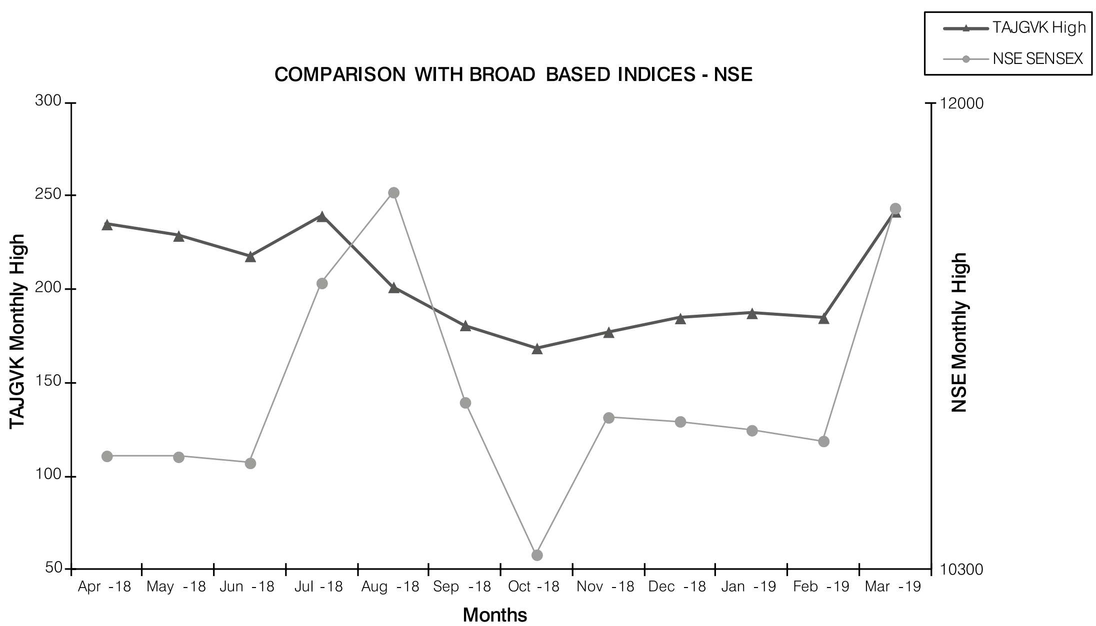
Shareholding as on 31st March, 2019

No. of shares held	No. of Share	% of Share capital	No. of Shareholders	% of total no. of shareholders
Upto - 500	25118	95.41	2514519	4.01
501 - 1000	677	2.57	536640	0.86
1001 - 2000	273	1.04	420742	0.67
2001 - 3000	77	0.29	194801	0.31
3001 - 4000	40	0.15	140410	0.22
4001 - 5000	38	0.14	179783	0.29
5001 - 10000	29	0.11	222418	0.35
10001 and above	74	0.28	58492182	93.29
Total	26326	100.00	62701495	100.00

23. Stock Market Data

Month & Year	Bombay Stock Exchange (BSE)		National Stock Exchange (NSE)	
	Month's High Price (Rs.)	Month's Low Price (Rs.)	Month's High Price (Rs.)	Month's Low Price (Rs.)
April, 2018	263.10	163.30	263.50	163.00
May, 2018	244.75	209.50	244.80	208.25
June, 2018	242.30	186.20	232.10	190.00
July, 2018	246.35	199.60	231.65	205.00
August, 2018	251.10	191.05	233.10	197.55
September, 2018	210.25	160.00	199.00	175.80
October, 2018	179.65	150.10	197.50	158.60
November, 2018	184.45	152.50	171.20	155.00
December, 2018	202.85	140.00	190.15	159.80
January, 2019	187.00	170.10	180.30	171.50
February, 2019	187.95	169.65	181.35	173.00
March, 2019	243.75	183.00	232.25	189.50





24. Share Transfer System: Share transfer requests, which are received in physical form, are processed and the share certificates returned within a period of 15 days in most cases, and in any case within 30 days, from the date of receipt, subject to the documents being in order and complete in all respects.

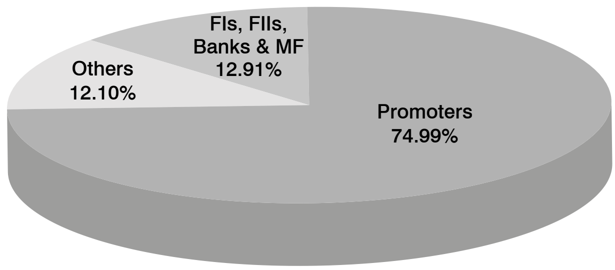
25. Reconciliation of Share Capital Audit: Share Capital Audit is being carried out every quarter by a Practicing Company Secretary and the audit report is placed before the Board for its perusal and filed regularly with the Stock Exchanges within the stipulated time.

26. Dematerialization of shares & Facility of simultaneous transfer :

98.98% of the shares issued by the Company have been dematerialized up to 31st March, 2019. Trading in equity shares of your Company on any Stock Exchange is permitted only in the dematerialized mode with effect from 2nd July, 2001.

Shareholders interested in dematerialized their shares are requested to write to the Registrar & Transfer Agent through their Depository Participants.

Shareholders	Shares	Percentage of shares
Promoters	47018206	74.99%
FIs, FIIS, Banks & MF	7589286	12.10%
Others	8094003	12.91%



27. Unit Locations

i.	**Taj Krishna -** Road No.1, Banjara Hills, Hyderabad – 500 034 Phone: 040-66662323, Fax:040-66661313, Email: krishna.hyderabad@tajhotels.com
ii.	**Taj Deccan -** Road No.1, Banjara Hills, Hyderabad – 500 034 Phone: 040-66663939, Fax:040-23392684, Email: deccan.hyderabad@tajhotels.com
iii.	**Taj Banjara -** Road No.1, Banjara Hills, Hyderabad – 500 034 Phone: 040-66669999, Fax:040-66661919, Email: banjara.hyderabad@tajhotels.com
iv.	**Taj Chandigarh -** Block No.9, Sector 17A, Chandigarh – 160 017 Phone:0172-6613000, Fax:01726614000, Email: taj.chandigarh@tajhotels.com
v.	**Taj Club House, Chennai -** No.2, Club House Road, Chennai – 600 002 Phone:044-66313131, Fax:044-66313030, Email: clubhouse.chennai@tajhotels.com
vi.	**Vivanta By Taj Begumpet -** 1-10-147 & 148, Mayuri Marg, Begumpet, Hyderabad – 500 016 Phone : 040-67252626, Email: vivanta.begumpet@tajhotels.com

28. Address of Registrar & Share Transfer Agents & Electronic Voting Service:

Venture Capital and Corporation Investments Pvt Ltd

Unit: **TAJGVK Hotels & Resorts Limited**
#12-10-167, Bharat Nagar, Hyderabad – 500 018
Tel: 040-23818475, 23818476
Fax: 040-23868024
Email : info@vccipl.com; info@vccilindia.com
Website : www.vccipl.com

Note: Shareholders holding shares in electronic mode should address all correspondence to their respective depository participants.

29. Any query on Annual Report:

CFO & Company Secretary

TAJGVK Hotels & Resorts Limited
Taj Krishna, Road No.1, Banjara Hills,
Hyderabad – 500 034
Email: tajgvkshares.hyd@tajhotels.com
website : www.tajgvk.in

30. Other Disclosures

a) During the year ended 31st March, 2019 there were no materially significant related party transactions, which had potential conflict with the interests of the Company at large

b) Details of non-compliance:
A Statement on Compliance with all Laws and Regulations as certified by the Managing Director and Company Secretary is placed at periodic intervals for review of the Board. There were no instances of non-compliance, penalty or strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years No penalty has been imposed by any Stock Exchange, SEBI or any other regulatory authority nor has there been any instance of non-compliance with any legal requirements, or on matters relating to the capital markets over the last three years.

c) Details of establishment of Vigil Mechanism:
The Board of Directors of the Company had adopted the Vigil Mechanism Policy. A mechanism has been established for all stakeholders including Directors, employees, vendors and suppliers to report concerns about unethical behaviour, actual or suspected fraud, or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimisation of employees who avail of the mechanism and allows direct access to the Chairperson of the audit committee in exceptional cases

The Audit Committee reviews periodically the functioning of Vigil Mechanism Policy. No personnel has been denied access to the Audit Committee. A copy of the Vigil Mechanism Policy is also available on the website of the Company: www.tajgvk.in under corporate policies. The company has not received any complaint during the Financial Year ended 31.03.2019.

d) The policy on dealing with related party transactions is available on the website of the Company: www.tajgvk.in under corporate policies.

e) The Company has adopted the policy on preservation of documents in accordance with Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Documents Preservation Policy is available on the website of the Company: www.tajgvk.in under corporate policies.

f) The Company has not raised any funds through preferential allotment or qualified institutions placement during the Financial Year ended 31.03.2019.

g) There has been no such incidence where the Board has not accepted the recommendation of the Committees of the Company during the year under review.

h) Given below are the details of fees paid to M/s. M Bhaskara Rao & Co., Chartered Accountant, Statutory Auditors of the Company on a Consolidated basis during the Financial Year ended 31.03.2019:

S. No.	Payments to the Statutory Auditors (excluding taxes)	Amount (Rs. In lakhs)
1	Audit fees paid for Standalone and Consolidated Financials	22.00
2	Tax Audit and Quarterly Limited Review Reports	6.00
3	Reimbursement of out of pocket expenses	0.05

j) SEBI Complaints Redressal System (SCORES):

SEBI has initiated SCORES for processing the investor complaints in a centralized web based redress system and online redressal of all the shareholders complaints. The Company is in compliance with the SCORES and redressed the shareholders complaints well within the stipulated time.

k) NSE Electronic Application Processing System (NEAPS):

The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS

l) BSE Corporate Compliance & Listing Centre (the Listing Centre):

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

31. The Company Complied with the requirements of Schedule V Corporate Governance Report sub-paras (2) to (10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

32. Details of Compliance with Mandatory Requirements and adoption of Discretionary Requirements

The Company has complied with all the mandatory requirements of Corporate Governance as specified in Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

With regard to discretionary requirements,the Company has adopted clauses relating to the following:

i) Board: The Company has Non-Executive Chairperson and position of Chairman, Managing Director are held by separate Directors.

ii) Reporting of Internal Auditor: Internal Auditors reports directly to the Audit Committee.

33. Code of Conduct and Business Ethics

The Company has adopted a Code of Conduct and Business Ethics for Directors and Senior Management of the Company, as required under Regulation 17(5)(a) of the Listing Regulations. The Board has laid down Code of Conduct policy covering the ethical requirements to be complied with covering all the Board members and all employees of the Company. An affirmation of compliance with the code is received from them on an annual basis. The Code has been displayed on the Company's website www.tajgvk.in/investor relations/code of conduct.

34. Disclosure with respect to Demat suspense account/unclaimed suspense account

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company reports the following details in respect of equity shares lying in the suspense account:

Unclaimed Equity shares of the company and held as suspense account maintained with Zen Securities Limited, Hyderabad, Telangana State, India vide Client ID: 10405287 and DP ID: IN302863

S. No.	Particulars	No. of shareholders	No. of Equity shares
1	Aggregate number of shareholders and the outstanding shares in the suspense account as on 01.04.2018	3963	388190
2	Shareholders who approached the Company for transfer of shares from Unclaimed Suspense account during the year.	103	11940
3	Shareholders to whom shares were transferred from the Unclaimed Suspense account during the year	103	11940
4	Shareholders whose shares are Transferred to Demat account of the IEPF Authority as per section 124 of the Act	-	-
4	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense account at the end of the year i.e., 31.03.2019	3860	376250

The voting rights on the shares outstanding in the suspense account as on 31.03.2019 shall remain frozen till the rightful owner of such shares claim the shares.

35. Transfer of unclaimed/unpaid Dividend amounts to the Investor Education and Protection Fund:

Pursuant to sections 124 and 125 of the Act read with the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and Amendment Rules, 2017 notified by the Ministry of Corporate Affairs, the Company is required to transfer all shares to Investor Education and Protection Fund ("IEPF") in respect of which dividend has not been paid or claimed by the members for seven consecutive years or more. Adhering to various requirements set out in the Rules, the Company has taken appropriate action for transferring the shares to the Demat Account opened by the IEPF Authority.

In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website www.tajgvk.in/Investor Relations/Dividend.

The shares transferred to IEPF Suspense Account including all benefits accruing on such shares, if any, can be claimed by the members from IEPF Authority, after following the procedure prescribed under the Rules.

In light of the aforesaid provisions, the Company has during the year under review, transferred to IEPF the unclaimed dividends, outstanding for 7 consecutive years, of the Company. Further, shares of the Company, in respect of which dividend has not been claimed for 7 consecutive years or more from the date of transfer to unpaid dividend account, have also been transferred to the demat account of IEPF Authority. The details of unclaimed dividends and shares transferred to IEPF are as follows:

Financial year	Amount of unclaimed dividend transferred (In Rs.)	Date of unclaimed dividend transferred	No. of equity shares transferred
2009-10	23,22,752	23.08.2017	3,78,669
2010-11	23,68,930	04.09.2018	36,307

Members who have not en-cashed their dividend warrants for the financial year 2011-12 and thereafter are requested to write to CFO & Company Secretary, TAJGVK Hotels & Resorts Limited, Taj Krishna, Road No.1, Banjara Hills, Hyderabad – 500 034, e-mail:tajgvkshares.hyd@tajhotels.com or the Company's Registrar and Share Transfer Agents, for obtaining payment in lieu of such dividend warrants. The detailed dividend history and the due dates of transfer to IEPF are available on the website of the company www.tajgvk.in. Information in respect of such unclaimed dividend due for transfer to the Investor Education and Protection Fund (IEPF) are given below:

Financial Year	% of Dividend Declared	Date of Declaration of Dividend	Last date for claiming unpaid dividend	Unclaimed Dividend (In Rs.)	Due date for transfer to the IEPF A/c
2011-12	75%	27.07.2012	26.07.2019	20,66,528.00	26.08.2019
2012-13	25%	30.07.2013	29.07.2020	7,82,554.00	29.08.2020
2013-14	10%	01.08.2014	31.07.2021	3,43,833.00	30.08.2021
2014-15	The Company has not declared dividend for this financial year				
2015-16	20%	04.08.2016	03.08.2023	6,46,810.00	02.09.2023
2016-17	20%	01.08.2017	31.07.2024	2,97,280.40	01.09.2024
2017-18	30%	03.08.2018	07.09.2025	3,36,388.80	06.10.2025

DECLARATION BY MANAGING DIRECTOR / CEO

I, G Indira Krishna Reddy, Managing Director of TAJGVK Hotels & Resorts Limited hereby declare that all the Board Members and Senior Managerial Personnel have affirmed for the year ended 31st March, 2019 compliance with the code of conduct of the Company laid down for them.

Place: Hyderabad
Date : 15.05.2019

G Indira Krishna Reddy
Managing Director
DIN:00005230

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

As per Chapter IV of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

To
The Members of
TAJGVK Hotels & Resorts Limited

We have reviewed the compliance of conditions of Corporate Governance by TAJGVK Hotels & Resorts Limited, for the year ended 31st March, 2019, as stipulated in Chapter IV of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the certificate of Corporate Governance as stipulated in the said Clause. It is neither an Audit nor an expression of opinion on the financial statements of the Company.

No investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Narender & Associates
Company Secretaries

Place : Hyderabad
Date : 15.05.2019

G Narender
Proprietor
FCS:4898, CoP:5024

CERTIFICATE BY CEO/CFO

Pursuant to the provisions under Schedule V to the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, it is hereby certified that for the period ended 31st March, 2019:

A. We have reviewed the financial statements and the cash flow statements for the period ended 31st March, 2019 and that to the best to our knowledge and belief, these statements:

1. do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading:
2. together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the period under review that are fraudulent, illegal or violative of the Company's Code of Conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take, to rectify these deficiencies.

D. We have indicated to the Auditors and the Audit Committee:

1. significant changes in internal control over financial reporting during the period under review;
2. significant changes in accounting policies during the period and that the same have been disclosed in the notes to the financial statements; and
3. instances of significant fraud, if any, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

G Indira Krishna Reddy
Managing Director
DIN:00005230

J Srinivasa Murthy
CFO & Company Secretary
M. No. FCS4460

Place: Hyderabad
Date: 15.05.2019

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members,
M/s.TAJGVK Hotels & Resorts Limited,
(CIN: L40109TG1995PLC019349)
Taj Krishna, Road No.1,
Banjara Hills, Hyderabad – 500034.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of TAJGVK Hotels & Resorts Limited (hereinafter referred to as 'the Company') having CIN: L40109TG1995PLC019349 and having registered office at Taj Krishna, Road No.1, Banjara Hills, Hyderabad – 500034, produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S. No.	Name of the Director	Designation	DIN	Date of Appointment in Company
1	Dr G V K Reddy	Director	00005212	02/02/1995
2	Mrs. G Indira Krishna Reddy	Managing Director	00005230	25/04/2015
3	Mrs. Shalini Bhupal	Joint Managing Director	00005431	17/06/2004
4	Mr. G V Sanjay Reddy	Director	00005282	02/02/1995
5	Mr. Krishna R Bhupal	Director	00005442	24/10/2009
6	Mr. Puneet Chhatwal	Director	07624616	02/02/2018
7	Mr. Rajendra Misra	Director	07493059	13/05/2016
8	Mr. Giridhar Sanjeevi	Director	06648008	01/08/2017
9	Mr. K Jayabharath Reddy	Director	00038342	30/04/2009
10	Mr. M B N Rao	Director	00287260	24/10/2009
11	Mr. D R Kaarthikeyan	Director	00327907	27/04/2001
12	Mr. Ch G Krishna Murthy	Director	01667614	30/04/2012
13	Mr. S Anwar	Director	06454745	04/02/2013
14	Mr. A Rajasekhar	Director	01235041	01/08/2014
15	N Sandeep Reddy	Director	00483826	15/05/2019
16	N Anil Kumar Reddy	Director	0017586	15/05/2019

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **NARENDER & ASSOCIATES**
Company Secretaries

Place: Hyderabad
Date: 15th May, 2019

G NARENDER
Proprietor
FCS-4898, COP-5024

STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To The Members of
TAJGVK Hotels & Resorts Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of TAJGVK Hotels & Resorts Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of matter

Without qualifying our opinion, we draw attention to Note No.23 to the Financial Statements about the excess remuneration paid to the Managing Director during the year pending approval of the Shareholders.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No	Key Audit Matter	Auditor's Response
1	**Revenue Recognition** To ensure accuracy of recognition, measurement, presentation and disclosures of revenues and related accounts	**Principal Audit Procedures** • We have assessed the Company's internal controls surrounding its revenue transactions; • We tested the key controls identified, • We performed substantive detail testing by selecting a sample of revenue transactions, that we considered appropriate to test the evidence of effectiveness of the internal controls and adherence to accounting policies in recognising the revenue, and the rebates and discounts thereagainst.
2	**Fees and reimbursements to the Operating Company** To ensure accounting of the expenses comprising the Basic Fee, Incentive Fee and reimbursement of expenses based on the terms of the Agreements entered into with the Operating Company and on the operating results of the respective Hotel properties under Agreement	**Principal Audit Procedures** Our audit approach was as follows: • Review of each of the Hotel operating agreements entered into. • Validation of the Gross Income, the Gross Operating profit of each of the property from the books and records of the property. • Verification of the calculation of the Fees and reimbursement of expenses as per the terms of the aforesaid Agreements.

S. No	Key Audit Matter	Auditor's Response
3	**Renovation expenses incurred during the year** To establish proper categorisation of expenses, and appropriate recognition thereof including the consequential derecognition of the carrying amounts of the existing assets appropriately.	**Principal Audit Procedures** Our audit approach was a combination of test of internal controls and substantive procedures which included the following: • Review of works carried out under the renovation and the expenses thereagainst. • Review of the Fixed assets identified for replacement and the carrying amounts thereof to the extent ascertainable from the Register of Fixed Assets. • Verification of the carrying amounts if any to be considered for derecognition, • Validation of the entries in the Register of Fixed Assets to confirm the derecognition and recognition of the assets arising from the renovation • Review of the terms of the contracts entered into for the renovation and compliance with the terms thereof.
4	**Tax liabilities including MAT Credit** Evaluation of uncertain tax positions The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.	**Principal Audit Procedures** • Obtained details of completed tax assessments, demands and appeals thereagainst as at March 31, 2019. • Review the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes, based on legal and other precedents in evaluating management's position on these uncertain tax positions.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

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

In preparing the standalone 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.

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

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

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Rules made thereunder and in force for the time being.

   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 of the Company, 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

We report that the excess over minimum remuneration paid to the Managing Director for the year 2018-19 and also the excess remuneration to the Managing Director and Executive Director in some of the earlier years is being presented to the ensuing AGM for its approval in accordance with the amended provisions of the Companies Act, 2013.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

For **M BHASKARA RAO & Co**
Chartered Accountants
(Firm's Registration No. 000459S)

M. BHASKARA RAO
Partner
(Membership No.5176)

Place: Hyderabad,
Date: May 15, 2019

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of TAJGVK Hotels & Resorts Limited of even date)

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

We have audited the internal financial controls over financial reporting of TAJGVK Hotels & Resorts Limited (“the Company”) as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company 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 respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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.

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 financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

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

Without qualifying our opinion, we report that, the company noticed a breach of some of the internal financial controls by some employees of the company resulting in a loss of Rs.126 Lakhs, as explained in foot note to Note No.21 to the financial statements. The said internal financial controls have since been restored at the date of the Balance Sheet.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls 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 **M BHASKARA RAO & Co**
Chartered Accountants
(Firm's Registration No. 000459S)

M. Bhaskara Rao
Partner
(Membership No.5176)

Place: Hyderabad
Date: May 15, 2019

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of TAJGVK Hotels & Resorts Limited of even date)

i. In respect of the Company's fixed assets:
   (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
   (b) The Company has a program 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, some of the 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 furnished to us, and based on the records examined by us, the title deeds of immovable properties included in the fixed assets register are held in the name of the Company.

ii. According to the information and explanations furnished to us, the Company's Management has physically verified its inventories of stores, consumables and spares. In our opinion, having regard to the nature of its business and location of its stocks, the frequency of verification is reasonable. As per the information and explanations furnished to us the discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.

iii. According to the information and explanations 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. Accordingly, 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 furnished to us, the Company has not granted any loans, or made any investments or provided any guarantees or security during the year to any of the parties specified in Sections 185 and 186 of the Companies Act, 2013. Accordingly, the provisions of Clause 3 (iv) of the said Order are not applicable to the Company.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed thereunder to the extent notified. Accordingly, reporting under provisions of paragraph 3(v) of the Order does not arise.

vi. According to the information furnished to us, maintenance of Cost Records has not been specified by the Central Government under Section 148(1) of the Companies Act 2013, for the business carried out by the company. Thus, reporting under Clause 3(vi) of the Order does not arise.

vii. According to the information and explanations furnished to us,
   (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other all statutory dues applicable to it, with the appropriate authorities, and there were no such dues on the date of the Balance Sheet

   (b) Details of disputed dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value added Tax which have not been deposited as on March 31, 2019 are as below:

Name of the Statute	Nature of Dues	Amount Rs. In Lakhs	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax,	7.60	2009-10	Assessing officer
		51.57	2006-07	CIT (Appeals)
		151.08	2012-13	ITAT, Hyderabad
AP VAT Act	VAT	294.04	2008-09 to 2010-11	Hon'ble High Court of Andhra Pradesh
		13.36	2008-09	Sales Tax Tribunal
Service Tax	Service Tax	0.57	2005-06 to 2008-09	Commissioner of Appeals, Chandigarh
		2477.10	2006 to 2011	CESTAT, Hyderabad
		64.08	2009-10 to 2011-12	CESTAT, Hyderabad

viii. According to the information and explanations given to us, and based on the records examined by us, the Company has not defaulted in respect of repayment of loans or borrowings to financial institutions, banks and government. The Company has not issued debentures.

ix. According to the information furnished to us, during the year under report, the company did not have any moneys raised from Initial Public Offering or Further Public Offering, that remained to be applied for the purposes for which they were raised. Thus, reporting under Clause 3(ix) of the Order does not arise.

x. To the best of our knowledge and according to the information and explanations furnished to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year. However, attention is drawn to foot note to Note No 21 of the financial statements about the misappropriation of funds estimated at Rs.126 Lakhs by some of the employees of the company.

xi. According to the information and explanations given to us and based on the records examined by us, we report that Excess over Minimum Remuneration paid to the Managing Director for the year 2018-19 and also the excess remuneration to the Managing Director and Executive Director in some of the earlier years is being presented to the ensuing AGM for its approval in accordance with the amended provisions of the Companies Act 2013.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order does not arise.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable Accounting Standards.

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order does not arise.

xv. In our opinion and according to the information and explanations furnished to us, during the year, the Company has not entered into any non-cash transactions, to which the provisions of Section 192 0f the Companies Act, 2013 apply, with its directors or persons connected with them.

xvi. In our opinion, based on the information and explanations furnished to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **M BHASKARA RAO & Co**
Chartered Accountants
(Firm's Registration No. 000459S)

M. Bhaskara Rao
Partner
(Membership No.5176)

Place: Hyderabad
Date: May 15, 2019

TAJGVK HOTELS & RESORTS LIMITED (All amounts are Rs.in Lakhs, otherwise stated)

STANDALONE BALANCE SHEET AS AT MARCH 31, 2019

Particulars	Note	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	1	**41,407.92**	42,442.27
Capital work-in-progress		**9,231.65**	8,144.53
Intangible Assets	1	**161.09**	216.23
		50,800.66	50,803.03
Financial Assets			
Investments	2	**11,026.80**	11,026.80
Other financial assets	3	**367.50**	394.83
Tax Assets (Net)		**2,541.09**	2,946.78
Other non current assets	4	**2,945.05**	3,720.80
		16,880.44	18,089.21
		67,681.10	68,892.24
Current Assets			
Inventories	5	**751.18**	859.94
Financial Assets			
Trade Receivables	6	**1,866.05**	1,934.00
Cash and Cash Equivalents	7	**141.59**	1,461.18
Bank balances other than cash and cash equivalents	7	**44.73**	65.06
Other financial assets	3	**512.78**	963.60
Other Current assets	4	**945.85**	628.44
		4,262.18	5,912.22
TOTAL ASSETS		**71,943.28**	74,804.46
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	8	**1,254.03**	1,254.03
Other Equity	9	**38,801.24**	36,819.49
Total Equity		**40,055.27**	38,073.52
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	10	**16,011.36**	19,666.13
Other financial Liabilities	12	**213.26**	169.83
Provision for Employee benefits	13	**277.21**	328.44
Deferred Tax Liabilities (net)	15	**6,066.09**	5,966.81
		22,567.92	26,131.21
Current Liabilities			
Financial Liabilities			
Trade Payables			
- Micro and Small Enterprises	11	**-**	-
- Others	11	**4,320.16**	6,243.54
Other financial Liabilities	12	**4,233.63**	3,583.69
Other current liabilities	14	**766.30**	772.50
		9,320.09	10,599.73
Total Equity and Liabilities		**71,943.28**	74,804.46
Summary of Significant Accounting Policies			
The accompanying notes form an integral part of the Financial Statements			

Per our report of even date

For **M.BHASKARA RAO & CO.,**
Chartered Accountants
Firm Regn No.000459S

M. Bhaskara Rao
Partner
Membership No.005176

Place : Hyderabad
Date : May 15, 2019

For and on behalf of the Board

G Indira Krishna Reddy
Managing Director
DIN:00005230

Dr. G V K Reddy
Chairman
DIN:00005212

J Srinivasa Murthy
CFO & Company Secretary
M.No.FCS4460

(All amounts are Rs.in Lakhs, otherwise stated)

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

Particulars	Note	Current Year	Previous year
Revenue from Operations	16	**31,687.46**	28,825.04
Other Income	17	**722.01**	263.25
Total Income		**32,409.47**	29,088.29
EXPENSES			
Food and Beverages Consumed	18	**3,484.02**	3,160.49
Employee Benefit Expense and Payment to Contractors	19	**6,526.14**	6,248.22
Finance Costs	20	**2,158.42**	2,496.95
Depreciation and Amortisation	1	**1,670.01**	1,726.84
Other Operating and General Expenses	21	**14,758.04**	12,254.43
Total Expense		**28,596.63**	25,886.93
Profit Before Exceptional Items And Tax		**3,812.84**	3,201.36
Exceptional Items		**-**	-
Profit Before Tax		**3,812.84**	3,201.36
Tax Expense			
Current Tax		**1,237.00**	740.00
Deferred Tax		**103.38**	360.66
Tax relating to earlier years		**41.14**	-
Total Tax Expense		**1,381.52**	1,100.66
PROFIT FOR THE PERIOD		**2,431.32**	2,100.70
Other Comprehensive Income, Net Of Tax			
Items that will not be reclassified to profit and loss			
Actuarial gain / (loss) on employee gratuity (net of tax)		**(7.64)**	18.51
Total Comprehensive Income For The Year		**2,423.68**	2,119.21
Earnings Per Share			
No. of equity shares of Rs.2/-each		**62,701,495**	62,701,495
1) Basic		**3.87**	3.38
2) Diluted		**3.87**	3.38

Per our report of even date

For **M.BHASKARA RAO & CO.,**
Chartered Accountants
Firm Regn No.000459S

M. Bhaskara Rao
Partner
Membership No.005176

Place : Hyderabad
Date : May 15, 2019

For and on behalf of the Board

G Indira Krishna Reddy
Managing Director
DIN:00005230

Dr. G V K Reddy
Chairman
DIN:00005212

J Srinivasa Murthy
CFO & Company Secretary
M.No.FCS4460

TAJGVK HOTELS & RESORTS LIMITED (All amounts are Rs.in Lakhs, otherwise stated)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

Particulars	Current Year		Previous Year	
A) CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit Before Tax		**3,812.84**		3,201.36
Adjustments for :				
Depreciation	**1,670.01**		1,726.84	
Miscellaneous Expenditure Written off	**15.00**		15.00	
Loss on sale of assets	**7.63**		1.67	
Profit on sale of assets	**(20.17)**		(0.53)	
Bad debts written off	**69.35**		-	
Provision for Bad & Doubtful Debts	**49.34**		-	
Provision for bad & doubtful debts credited back	**(0.67)**		(2.06)	
Interest expenses	**2,158.42**		2,496.95	
Interest earned	**(30.46)**		(10.60)	
		3,918.45		4,227.26
Operating Profit before working capital changes		**7,731.29**		7,428.63
Adjustments for :				
Trade Receivables	**(50.08)**		(791.18)	
Inventories	**108.76**		42.75	
Non-current and current financial assets	**477.60**		343.95	
Other Non-current and current assets	**(36.60)**		(579.56)	
Non-current and current financial liabilities	**51.39**		(711.13)	
Other Current Liabilities	**(6.19)**		66.35	
Employee benefit obligations	**(51.24)**		24.55	
Trade payables	**(1,923.37)**	**(1,429.73)**	1,440.76	(163.31)
Cash generated from operations		**6,301.56**		7,265.32
Less: Taxes paid / (refund received)		**405.69**		(193.49)
Net Cash In Flow From Operating Activities		**5,895.86**		7,458.81
B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets /addition to CWIP	**(1,682.02)**		(830.26)	
Interest Received	**31.01**		10.34	
Sale of Fixed Assets	**26.92**		5.65	
Net Cash Out Flow From Investing Activities		**(1,624.09)**		(814.27)
C) CASH FLOW FROM FINANCING ACTIVITIES				
Long term loans (repaid)	**(3,075.00)**		(2,775.00)	
Working capital borrowings	**-**		-	
Long term deposits raised/(paid back)	**43.44**		21.70	
Interest paid	**(2,138.20)**		(2,476.73)	
Dividend paid	**(376.21)**		(250.81)	
Taxes on dividend paid	**(65.73)**		(43.40)	
Net Cash Out Flow From Financing Activities		**(5,611.70)**		(5,524.23)
Net increase in cash and cash equivalent		**(1,339.92)**		1,120.30
Cash and Cash equivalents as at beginning of the year		**1,526.24**		405.94
Cash and Cash equivalents as at end of the year		**186.32**		1,526.24

Note: The Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard, Ind AS - 7 : Statement of Cash Flows

Per our report of even date

For **M.BHASKARA RAO & CO.,**
Chartered Accountants
Firm Regn No.000459S

M. Bhaskara Rao
Partner
Membership No.005176

Place : Hyderabad
Date : May 15, 2019

For and on behalf of the Board

G Indira Krishna Reddy
Managing Director
DIN:00005230

Dr. G V K Reddy
Chairman
DIN:00005212

J Srinivasa Murthy
CFO & Company Secretary
M.No.FCS4460

(All amounts are Rs.in Lakhs, otherwise stated)

Financial Liability Statement

Particulars	Current Year	Previous Year
1) Net debt		
Cash and cash equivalents	**186.32**	1,526.24
Current Investment	**-**	-
Total Liquid Investment - (a)	**186.32**	1,526.24
Long term Borrowings (Including Current portion)	**19,787.48**	22,862.48
Short Term Borrowings	**-**	-
Gross Debt - (b)	**19,787.48**	22,862.48
Net Debt (b) - (a)	**19,601.16**	21,336.24
2) Other financial Liabilities		
Derivatives	**-**	-
Interest Accrued but not due/unclaimed interest*	**-**	-
Total Other financial Liabilities	**-**	-
Grand Total	**19,601.16**	21,336.24

Particulars	Other assets		Liabilities from financing activities				Total
	Cash and cash equivalents	Current Investment	Gross Debt	Net Debt	Derivatives	Interest Accrued but not due/ unclaimed interest*	
As at 1 April 2018	1,526.24	-	22,862.48	21,336.24	-	-	21,336.24
Cash flows	(1,339.92)	-	(3,075.00)	(1,735.08)	-	-	(1,735.08)
As at 31 March 2019	186.32	-	19,787.48	19,601.16	-	-	19,601.16

Statement of Changes in Equity as at March 31, 2019

Particulars	Equity Share Capital Subscribed	Reserves and Surplus				Total
		Capital Reserve	Securities Premium Account	Retained Earning		
				General Reserve	Profit & Loss B/fd	
Balance at the beginning of the year (April 1, 2018)	1,254.03	3,469.30	3,132.00	7,100.00	23,118.20	38,073.53
Add:						
Profit for the year	-	-	-	-	2,431.32	2,431.32
Other Comprehensive Income for the period, net of taxes, excluding actuarial gain/ (losses)	-	-	-	-	(7.64)	(7.64)
Dividends paid for FY 2017-18	-	-	-	-	376.21	376.21
Tax on Dividend	-	-	-	-	65.73	65.73
Balance at the end of the year (Mar 31, 2019)	1,254.03	3,469.30	3,132.00	7,100.00	25,099.94	40,055.27

1. General information

TAJGVK Hotels & Resorts Limited (“TAJGVK” / “the Company”) was incorporated on 2nd February, 1995 in the erstwhile state of Andhra Pradesh, India. The Company is a joint venture between the GVK Group and Indian Hotels Company Limited. The Company is primarily engaged in the business of owning, operating & managing hotels, palaces and resorts with the brand name of “TAJ”.

2. These financial statements were authorized for issue by a resolution of the Board of Directors passed on May 15, 2019.

3. Summary of Significant Accounting Policies

i. Statement of compliance:

These 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 from time to time. 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:

These 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, revenues and expenses and disclosure of contingent liabilities at the date of the financial statements. 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 the 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 it is :

a) Expected to be settled in the normal operating cycle;
b) Held primarily for the purpose of trading;
c) Expected 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

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 and non-current classification of assets and liabilities.

v. Exceptional Items

Items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items are disclosed separately as exceptional items.

vi. Revenue Recognition:

a. Income from guest accommodation is recognised on a day to day basis after the guest checks into the Hotels. Income from Food and Beverages are recognised 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.
b. Shop rentals are recognized on accrual basis.

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

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

vii. Inventories:

Inventories comprise Raw Material, Stores & Spares and are valued at cost ascertained under Weighted Average Method.

viii. Property Plant and equipment:

a. Property Plant and equipment are stated at cost, net of credit availed in respect of any taxes, duties less accumulated depreciation. Cost comprises 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.

c. In the transition to Ind-AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

iv. 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”.

b. In the transition to Ind-AS, the Company has elected to continue with the carrying value of all of its intangible assets recognized as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

v. 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 under 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 & fittings	:	8 years
End User devices- Computers, Laptops, etc	:	6 years

Intangible assets with finite lives are amortized over their estimated useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization periods are reviewed and impairment evaluations are carried out once a year. The rates currently used for amortizing intangible assets are as under:

Computer Software	:	6 years

vi. Leases:

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of lease.

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 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.

Lessor:

Rental income from operating lease is recognised on a straight line basis over the lease term unless payments to the Company are structured to increase in line with expected general inflation to compensate for the 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 recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

vii. Foreign Exchange Transactions:

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

viii. Unamortised Expenses:

Payment on assignment of Taj Banjara hotel lease is being written off over the remaining period of the lease.

ix. 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 recognised in profit or loss on the earlier of:

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

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

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

Remeasurement, comprising 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. Remeasurement 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.

x. 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.

xi. 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 utilized.

   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.

c. Minimum alternate tax (MAT) credit: MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal tax within the specified period and the MAT credit available can be utilized. Such asset is reviewed at each Balance Sheet date and the carrying amount is written down if considered not recoverable within the specified period.

xii. 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.

xiii. 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 recognised in the statement of profit and loss.

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

xiv. Provisions:

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

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

xv. Contingent Liabilities and Contingent Assets:

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.

xvi. License fee payable to Hotel Banjara Limited and landlords of Vivanta by Taj Begumpet hotel and Operating & Management fee payable to Indian Hotels company Limited is recognized as expense as per the agreements entered with them.

xvii. 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.

xviii. Investment in subsidiaries, associates and joint ventures

A joint venture is a type of joint arrangement where under the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Company has accounted for its investment in joint ventures at cost.

Transition to Ind-AS: On transition to Ind AS, the Company has elected to continue with the carrying value of all its Investment in joint ventures recognised as at 1 April 2015 measured as per previous GAAP.

xix. Financial assets

Initial recognition and measurement:

All financial assets are recognised 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)

De-recognition:

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts 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 recognised in the profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised 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 amortisation is included as finance costs in the statement of profit and loss.

Derecognition :

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

xx. 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 recognised 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 Judgements, estimates and assumptions which have significant effect on the amounts recognised in the financial statements:

Provisions and Contingency : The Company has assessed the probable unfavourable outcomes and creates provisions where necessary. Where these are assessed as not probable or where they are probable upon a contingency, they are disclosed as contingent liability.

Taxes

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

Based on future projections of taxable profit and MAT, the Company has assessed that the entire MAT credit can be utilised.

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 intervals 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.

Notes to Financial Statements for the year ended March 31, 2019

Note 1 - Property, Plant and Equipment (Owned, unless otherwise stated)

Particulars	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Total	Capital Work in Progress	Intangible Assets
Gross Block at Cost									
At April 1, 2018	4,244.11	30,994.25	10,526.54	1,477.21	292.48	99.73	47,634.32	8,144.53	379.09
Additions	-	-	232.38	340.22	19.20	-	591.79	1,087.12	3.11
Disposals	-	-	15.22	0.06	-	39.24	54.52	-	-
As At Mar 31, 2019	4,244.11	30,994.25	10,743.70	1,817.37	311.68	60.49	48,171.59	9,231.65	382.20
Depreciation									
At April 1, 2018	1.83	1,618.57	2,813.54	511.57	165.86	80.67	5,192.05	-	16 2.87
Charge for the period	-	543.34	884.13	136.14	38.93	9.22	1,611.77	-	58.24
Disposals	-	-	7.56	-	-	32.59	40.15	-	-
As At Mar 31, 2019	1.83	2,161.91	3,690.11	647.71	204.80	57.31	6,763.67	-	221.11
Net Block									
As At Mar 31, 2019	4,242.27	28,832.34	7,053.59	1,169.66	106.88	3.18	41,407.92	9,231.65	161.09
As at Mar 31, 2018	4,242.27	9,375.68	7,713.00	965.64	126.61	19.06	42,442.27	8,144.53	216.23

Note: 1) Hotel at Chandigarh is constructed on land taken on lease for 99 years.

2) Vivanta by Taj - Begumpet is on land and superstructure taken on lease for 60 years, extendable by further period of 30 years.

Note 2 - Investments

Particulars	Face Value Rs.	As at March 31, 2019		As at March 31, 2018	
		No. of shares	Rs.lakhs	No. of shares	Rs.lakhs
Non-Current Investments - Unquoted			-		-
(i) Investment in Joint Venture * Green Woods Palaces and Resorts Pvt Ltd (fully paid Equity shares)	10/-	**36,750,000**	**11,025.00**	36,750,000	11,025.00
(ii) Others ** Green Infra Windfarms Limited (fully paid Equity shares)	10/-	**18,000**	**1.80**	18,000	1.80
Total Non-current Investments			**11,026.80**		**11,026.80**

* Represents investment in equity shares of Rs.10/- each at a premium of Rs.20/- per share in the said company, which is a jointly controlled entity in terms of Ind AS 111 - Joint Arrangements

** Investment in Green Infra Windfarms Ltd is for purchase of power of 3 million units or 5.65% of its actual generation whichever is less, to comply with regulatory requirement, to purchase renewable energy

Note 3 - Other Financial Assets

Particulars	As at March 31, 2019	As at March 31, 2018
A) Non Current		
Deposits with Public Bodies and Others	**367.50**	383.58
Unamortized Expenditure	**-**	11.25
	367.50	**394.83**
B) Current		
Deposit with public bodies and others	**3.74**	2.97
Other advances	**169.58**	384.60
Claims Receivable	**1.38**	1.22
Interest accrued	**7.46**	8.02
Other receivables	**330.62**	566.79
	512.78	**963.60**

TAJGVK HOTELS & RESORTS LIMITED (All amounts are Rs.in Lakhs, otherwise stated)

Note 4 - Other assets

Particulars	As at March 31, 2019	As at March 31, 2018
A) Non current (Unsecured considered good)		
Capital Advances	**10.51**	908.98
Other advances recoverable	**2,135.11**	1,989.98
Prepaid Expenses	**143.25**	160.05
Advance lease payments	**592.43**	605.07
Deposits for tax and other statutory dues	**63.75**	56.72
	2,945.05	**3,720.80**
B) Current (Unsecured considered good)		
Prepaid Expenses	**301.31**	295.71
Indirect tax recoverable	**51.55**	55.67
Advance to Suppliers	**213.34**	74.38
Advance to Employees	**19.50**	27.52
Export benefit receivable	**360.15**	175.16
	945.85	**628.44**

Note 5 - Inventories

Particulars	As at March 31, 2019	As at March 31, 2018
Food and Beverages	**469.45**	540.19
Stores and Operating Supplies	**281.73**	319.75
	751.18	**859.94**

Note 6 - Trade receivables

Particulars	As at March 31, 2019	As at March 31, 2018
Considered good - Unsecured	**1,866.05**	1,934.00
Credit impaired	**137.60**	88.93
	2,003.65	**2,022.92**
Less : Provision for Trade Receivables which are credit impaired	**137.60**	88.93
	1,866.05	**1,934.00**

There are no receivables from Directors or other officers of the Company or debts due from firms or private companies in which any Director is a partner or a director or member as on the Balance Sheet date other than in the normal course of business within the established credit policies

Note 7 - Cash and bank balances

Particulars	As at March 31, 2019	As at March 31, 2018
Cash and cash equivalents		
Cash on hand	**30.71**	26.34
Balances with banks in current account	**109.72**	1,432.52
Margin money deposits	**1.16**	2.32
	141.59	**1,461.18**
Bank balances other than cash and cash equivalents		
Earmarked balances with banks on account of unclaimed dividends	**44.73**	65.06
	44.73	**65.06**

Note 8 - Equity Share Capital

Particulars	As at March 31, 2019	As at March 31, 2018
Authorised Share Capital 170500000 (170500000) Equity Shares of Rs.2/- each	**3,410.00**	3,410.00
	3,410.00	3,410.00
Issued Share Capital 62701495 (62701495) Equity Shares of Rs.2/- each fully paid-up	**1,254.03**	1,254.03
	1,254.03	1,254.03
Subscribed and Paid Up Share Capital 62701495 (62701495) Equity Shares of Rs.2/- each fully paid-up	**1,254.03**	1,254.03
	1,254.03	1,254.03

i) Reconciliation of equity shares outstanding :

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	Rs.lakhs	No. of shares	Rs.lakhs
Shares outstanding at the beginning of the year	62,701,495	1,254.03	62,701,495	1,254.03
Add : Shares Issued during the year	-	-		-
Shares outstanding at the end of the year	62,701,495	1,254.03	62,701,495	1,254.03

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

Name of Shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Dr. GVK Reddy	**-**	**-**	3,805,981	6.07
Mrs. G. Indira Krishna Reddy	**7,568,947**	**12.07**	3,762,966	6.00
Mrs. Shalini Bhupal	**23,448,859**	**37.40**	11,725,180	18.70
Mr. Krishna R Bhupal	**-**	**-**	11,723,679	18.70
The Indian Hotels Company Limited	**16,000,400**	**25.52**	16,000,000	25.52

i) As per records of the Company including its register of shareholders / members, the above shareholding represents both legal and beneficial ownership of shares

ii) Rights, preferences and restrictions attached to Equity shares including declaration of dividend:

The company has one class of equity shares having par value of Rs.2 per share. Equity shares are attached with one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their shareholding, after discharging all preferential creditors. The equity shareholders are eligible to receive any dividend that is declared by the Company as per provisions of the Companies Act, 2013

Note 9 - Other Equity

Particulars	As at March 31, 2019	As at March 31, 2018
Reserves and Surplus		
Capital Reserve	**3,469.30**	3,469.30
Securities Premium Account	**3,132.00**	3,132.00
General Reserve	**7,100.00**	7,100.00
Retained Earnings		
Surplus in the Profit And Loss	**23,118.20**	21,293.18
Add: Current period profits	**2,431.32**	2,100.71
Less: Dividends	**376.21**	250.81
Less: Dividend tax	**65.73**	43.40
Total Retained Earnings	**25,107.57**	23,099.68
Reserves and Surplus	**38,808.87**	36,800.98
Other Comprehensive Income (loss) (net of taxes)	**(7.64)**	18.51
Total Other Equity	**38,801.24**	36,819.49

Note 10 - Borrowings

Particulars	As at March 31, 2019	As at March 31, 2018
A) Long term borrowings Term Loan from Banks		
Secured	**19,787.48**	22,862.48
Less: Unamortized Borrowing Cost	**101.12**	121.35
Total Long term borrowings	**19,686.36**	22,741.13
Less: Current maturities of Long term borrowings (shown under Other current financial liabilities)	**3,675.00**	3,075.00
	16,011.36	19,666.13
B) Short term borrowings Loans repayable on demand from Banks		
Secured	**-**	-
Total Short term borrowings	**-**	-
Total Borrowings	**16,011.36**	19,666.13

i) Term Loans from Banks:

a) Rs.103.13 crores from HDFC Bank Ltd at an interest rate of 1 year MCLR + spread of 135 bps.viz. 10.05% p.a is secured by first charge on all assets of Taj Chandigarh, Chandigarh repayable in 32 equal instalments starting from 1st November, 2016. The loan is sanctioned with a moratorium of 2 years from the date of first disbursement. ie. August, 2014.

b) Rs.94.75 crores from AXIS Bank Ltd at an interest rate of 1 year MCLR + spread of 70 bps.viz. 9.50% p.a is secured by first charge on all assets of Taj Club House, Chennai repayable in 26 structured instalments starting from 31st March 2017. The loan is sanctioned with a moratorium of 2.5 years from the date of first disbursement. ie. July 2014.

ii) Loans repayable on demand from Banks

Bank Overdraft from AXIS Bank Ltd Rs.Nil (2018 : Rs.Nil) at an interest rate of 1 month MCLR + spread of 165 bps.viz. 10.10% per annum is secured by first charge on current assets of the Company, ranking pari passu with IDBI Bank Ltd, further secured by second charge on fixed assets of Taj Club House.

Bank Overdraft from IDBI Bank Ltd Rs.Nil (2018 : Rs.Nil) at an interest rate of 9.65% per annum is secured by first charge on current assets of the Company, ranking pari passu with AXIS Bank Ltd.

Note 11 - Trade Payables

Particulars	As at March 31, 2019	As at March 31, 2018
Dues to Micro and Small Enterprises (Refer Note (i))	**-**	-
Others	**3,530.46**	5,093.32
Accrued expenses and others (Refer Note (ii))	**789.70**	1,150.22
	4,320.16	6,243.54

Note : The amount due if any to Micro and Small Enterprises as defined in the “The Micro, Small and Medium Enterprises Development Act, 2006” is determined to the extent such parties have been identified on the basis of information received from them by the Company.

Note 12 - Other financial liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
A) Non Current financial liabilities		
Deposits refundable	**165.60**	168.34
Creditors for Capital goods and services	**47.67**	1.49
	213.27	169.83
B) Current financial liabilities		
Current maturities of long term borrowings	**3,675.00**	3,075.00
Deposits from others	**11.28**	13.16
Creditors for capital expenditure	**193.36**	181.53
Unclaimed dividend	**44.73**	65.06
Employee Related Liabilities	**267.12**	212.01
Others	**42.14**	36.93
	4,233.63	3,583.69

Note 13 - Provision for Employee Benefits

Particulars	As at March 31, 2019	As at March 31, 2018
Non Current		
Post-retirement compensated absences	**171.09**	151.04
Gratuity	**106.12**	177.40
	277.21	328.44

Note 14 - Other non financial Liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Advances towards revenues	**371.13**	381.50
Statutory dues	**395.18**	391.00
	766.31	772.50

(All amounts are Rs.in Lakhs, otherwise stated)

Note 15 - Deferred Tax Liabilities (Net)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred Tax Liabilities:		
Depreciation on Fixed Assets	**6,225.22**	6,114.26
Amortization of finance cost	**35.34**	42.00
Total (A)	**6,260.56**	6,156.26
Deferred Tax Assets:		
Provision for Doubtful Debts	**48.08**	30.78
Employee Benefits	**96.87**	113.67
Amortization of prepaid lease payments	**49.51**	45.00
Total (B)	**194.46**	189.45
Net Deferred Tax Liabilities (A-B)	**6,066.10**	5,966.81

Note 16 - Revenue from Operations

Particulars	Current Year	Previous Year
Room Revenue, Food, Restaurants and Banquet Revenue	**30,073.35**	27,449.08
Shop rentals	**527.79**	661.72
Membership fees	**55.50**	65.02
Export benefits	**184.99**	102.71
Others	**845.84**	546.51
Total	**31,687.47**	28,825.04

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.

Note 17 - Other Income

Particulars	Current Year	Previous Year
Interest Income at amortised cost		
Deposits with banks	**5.43**	-
Others	**9.43**	10.60
Interest on Income Tax Refunds	**15.60**	-
Total	**30.46**	10.60
Profit on sale of assets	**20.17**	0.53
Exchange Gain (Net)	**5.04**	10.48
Others	**666.33**	241.64
Total	**722.00**	263.25

Note 18 - Food and Beverages Consumed

Particulars	Current Year	Previous Year
Food and Beverages Consumed	**3,484.02**	3,160.49

Note 19 - Employee Benefit Expense

Particulars	Current Year	Previous Year
Salaries, Wages, Bonus etc.	**3,976.42**	3,794.69
Company’s Contribution to Provident and Other Funds	**279.03**	234.42
Reimbursement of Expenses on Personnel Deputed to the Company	**1,026.77**	965.72
Contractor employee expenses	**616.42**	571.85
Staff Welfare Expenses	**627.50**	681.54
Total	**6,526.14**	6,248.22

Note 20 - Finance costs

Particulars	Current Year	Previous Year
Interest Expense	**2,138.20**	2,476.73
Other borrowing costs	**20.22**	20.22
	2,158.42	2,496.95
Less : Interest Capitalised	**-**	-
Total	**2,158.42**	2,496.95

Note 21 - Other Operating and General Expenses

Particulars	Current Year	Previous Year
(i) Operating expenses consist of the following :		
Linen and Room Supplies	**675.60**	566.23
Catering Supplies	**300.61**	268.48
Other Supplies	**24.98**	19.95
Fuel, Power and Light	**2,820.62**	2,775.93
Repairs to Buildings	**1,030.20**	420.91
Repairs to Machinery	**1,103.28**	678.22
Repairs to Others	**869.02**	165.45
Linen and Uniform Washing and Laundry Expenses	**454.18**	418.07
Payment to Orchestra Staff, Artistes and Others	**386.61**	355.37
Guest Transportation	**160.11**	180.25
Travel Agents' Commission	**795.48**	587.47
Credit card Commission	**239.38**	206.75
Other Operating Expenses	**839.67**	691.10
Total	**9,699.74**	7,334.18
(ii) General expenses consist of the following :		
Rent	**189.30**	228.86
Licence Fees	**822.92**	814.30
Rates and Taxes	**1,095.64**	891.37
Insurance	**102.43**	91.78
Advertising and Publicity	**675.25**	434.39
Printing and Stationery	**131.08**	121.82
Passage and Travelling	**41.23**	51.91
Communication expenses	**271.58**	281.71
Provision for Doubtful Debts	**49.34**	-
Bad debts written off	**69.36**	-
Expenditure on Corporate Social Responsibility	**44.91**	22.42
Donations	**-**	62.20
Operating & Management Fees	**885.98**	1,259.75
Professional Fees	**227.05**	244.13
Outsourced Support Services	**165.15**	134.52
Loss on Sale of Fixed Assets	**7.63**	1.66
Payment made to Statutory Auditors		
i. As Auditors	**22.00**	22.00
ii. For Tax Audit	**3.00**	3.00
iii. For certification	**3.00**	0.25
Directors' Sitting Fees	**17.60**	11.25
Amortized expenses	**15.00**	15.00
Other Expenses	**218.85**	227.93
Total	**5,058.30**	4,920.25
	14,758.04	12,254.43

Note: During the year, one of the hotel received a complaint from a guest(s) that the hotel failed to provide rooms for the wedding function as committed. An internal inquiry revealed some irregularities committed by some of the employees, resulting in a net estimated loss of Rs. 126 lakhs of which Rs. 39 lakhs has been provided for as doubtful debts and Rs.87 lakhs has been written off under the other expenses. The company has taken appropriate steps to strengthen the related internal controls and further continue to take necessary steps to recover the amount from the concerned employees.

22. Commitments and Contingent liabilities not provided for in respect of Commitments:

Estimated amount of contracts remaining to be executed on capital account, net of advances Rs.Nil (2018: Rs. Nil).

Contingent liabilities not provided for in respect of

Particulars	As at March 31, 2019	As at March 31, 2018
Value added tax matters (2019: Rs.97.20 lakhs [2018: Rs.101.99 lakhs] paid under protest against the demands)	**307.40**	344.65
Income tax matters (2019: Rs.102.30 lakhs [2018: Rs.260.72 lakhs] paid under protest against the demands)	**259.00**	411.80
Service tax matters	**2541.76**	2541.76
Probable customs duty payable on the Equipment Imported under Export Promotion Capital Goods Scheme	**371.06**	118.04
Letters of Credit	**-**	67.93
Bank Guarantees – Others	**90.00**	65.33

23. (a) Due to inadequacy of, profits computed in accordance with the provisions of section 198 of the Companies Act read with Schedule V thereto, the remuneration paid to the Managing Director for the financial year 2018-19 is in excess of the limits specified under section 198 of the Companies Act, 2013, aggregating to Rs.148.87 lakhs. The Nomination and Remuneration Committee of the Board and Board of Directors at their meeting held on 15th May, 2019 approved and waived the recovery of excess remuneration paid to Managing Director. The Company shall place the said resolution for approval of the shareholders at the ensuing Annual General Meeting as required under the amended provisions of the Companies Act, 2013.

(b) During the following financial years, the remuneration paid to Managing Director exceeded the maximum ceiling of 5% of the Net profits calculated under section 198 of the Companies Act, 2013. The Nomination and Remuneration Committee of the Board and Board of Directors respectively approved the excess remuneration paid to Managing Director and accordingly passed the special resolution at the respective years' AGMs as detailed below.

Financial Year	Actual Paid	Limit as per Section 198 of the CA 2013	Excess paid as per section 198 of CA 2013	AGM date for passing special resolution seeking waiver of excess remuneration paid
2014-15	216.48	12.09	204.39	28.07.2015
2015-16	243.97	103.82	140.15	04.08.2016
2016-17	271.53	118.16	153.37	01.08.2017
2017-18	333.21	186.98	146.23	03.08.2018

During the following financial years, the remuneration paid to Executive Director exceeded the maximum ceiling of 5% of the Net profits calculated under section 198 of the Companies Act, 2013. The Nomination and Remuneration Committee of the Board and Board of Directors respectively approved the waiver seeking refund of excess remuneration paid to Executive Director and accordingly passed the special resolution at respective year AGM's as detailed below.

Financial Year	Actual Paid	Limit as per Section 198 of the CA 2013	Excess paid as per section 198 of CA 2013	AGM date for passing special resolution seeking waiver of excess remuneration paid
2014-15	157.83	12.09	145.74	28.07.2015
2015-16	147.56	103.82	43.74	04.08.2016
2016-17	158.77	118.16	40.61	01.08.2017

The Company made applications to the Central Government / Ministry of Corporate Affairs (MCA) seeking waiver/ exemption for payment of excess remuneration for the above said financial years to Managing Director and Executive Director.

Following the amendment to the Companies Act in 2018, the Ministry has notified the rules vide notification dated 12.09.2018 amending sections 196, 197 and 198 and Schedule V of the Companies Act, 2013. As per the notification, the approval of the Central Government / MCA is not required for payment of excess remuneration to managerial personnel and all the pending applications with the MCA seeking approval for payment of managerial remuneration in excess of the limits laid down would automatically abate and companies are given one year time to approach the shareholders for passing necessary resolution seeking waiver of the excess remuneration paid to managerial personnel.

The Nomination and Remuneration Committee of the Board and Board of Directors at their meeting held on 15th March, 2019 approved the excess remuneration paid to Managing Director and Executive Director for the respective years and waived the recovery of the excess remuneration from Managing Director and Executive Director of the company. The Company is placing the said resolution for approval of the shareholders at the ensuing Annual General Meeting as required under the amended provisions of the Companies Act, 2013.

24. i) Disclosure of Trade Payables under Current Liabilities is based on the information furnished by the vendors and available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development (MSMED) Act, 2006".

TAJGVK HOTELS & RESORTS LIMITED (All amounts are Rs.in Lakhs, otherwise stated)

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	-	-
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	-	-

25. Disclosure as per Ind AS 24 on Related Party transactions

a. Key Managerial personnel:

Whole Time Directors:	
Name of the Related Party	**Relationship**
Mrs. G. Indira Krishna Reddy	Managing Director
Mrs. Shalini Bhupal	Joint Managing Director
Non-Whole Time Directors:	
Name of the Related Party	Relationship
Dr. GVK Reddy	Non-Executive Chairman
Mr. G V Sanjay Reddy	Promoter Director
Mr. Krishna R Bhupal	Promoter Director
Mr. Puneet Chhatwal	Promoter Director
Mr. Giridhar Sanjeevi	Promoter Director
Mr. Rajendra Misra	Promoter Director
Mr. K Jayabharath Reddy	Independent Director
Mr. D R Kaarthikeyan	Independent Director
Mr. Ch G Krishna Murthy	Independent Director
Mr. M B N Rao	Independent Director
Mr. S Anwar	Independent Director
Mr. A Rajasekhar	Independent Director
Mr. C D Arha	Independent Director
Mrs. Santha John	Independent Director
Mr. N Sandeep Reddy	Independent Director
Mr. N Anil Kumar Reddy	Independent Director
Chief Financial Officer and Company Secretary:	
Mr. J. Srinivasa Murthy	Chief Financial Officer & Company Secretary

b. Other related parties:

Name of the Related Party	**Relationship**
Green Woods Palaces and Resorts Pvt Ltd	Jointly controlled entity
The Indian Hotels Company Limited	Joint Venturer

c. Companies/Firms/Trust in which the key management and their relatives are interested:

GVK Gautami Power Ltd	GVK Industries Ltd
GVK Airport Developers Ltd	GVK EMRI
GVK Biosciences (P) Ltd	GVK Jaipur Expressway Private Ltd
GVK Foundation	Mumbai International Airport Ltd
GVK Energy Ltd	GVK Power & Infrastructure Ltd
Orbit Travel & Tours (P) Ltd	Crescent EPC Projects & Technical Services Ltd
Navi Mumbai International Airport Pvt. Ltd	

Transactions during the year

Name of the related party	Current Year	Previous Year
Key Management Personnel:		
Salaries and other employee benefits to Whole Time Directors and Chief Financial Officer & Company Secretary	**670.16**	604.52
Sitting fees to other non executive / Independent Directors	**17.60**	11.25
Joint Venturer:		
Indian Hotels Company Limited		
Management fee	**885.98**	1259.75
Reimbursement of advertisement expenses	**395.29**	331.44
Deputed Staff Salaries	**1026.76**	965.72
Enterprises in which key management personnel and / or their relatives have significant influence:		
Orbit Tours and Travels (P) Ltd - Purchase of travel tickets	**25.37**	57.73
GVK Foundation – Donation	**-**	62.20
Income from sale of rooms and food & beverages:		
- GVK Gautami Power Ltd	**2.73**	1.64
- Mumbai International Airport Pvt Ltd	**4.00**	6.41
- GVK Biosciences Pvt Ltd	**5.48**	4.99
- GVK Industries Ltd	**0.46**	2.53
- GVK Jaipur Expressway Pvt Ltd	**0.16**	0.17
- GVK Power and Infrastructure Ltd	**4.94**	1.54
- GVK Energy Ltd	**0.13**	1.15
- GVK EMRI	**0.32**	-
- GVK Airport Developers Ltd	**0.06**	2.30
- Crescent EPC Projects & Technical Services Ltd	**4.53**	-
- Navi Mumbai International Airport Pvt. Ltd	**2.48**	-

Balances Outstanding as of 31 March, 2019:

Name of the related party	Current Year	Previous Year
Joint Venturer: Indian Hotels Company Limited Operating fee, reimbursable expenses and current account dues payable (net)	**919.54**	2126.00
Jointly controlled entity: Green Woods Palaces & Resorts (P) Ltd Investment in Equity Shares	**11025.00**	11025.00

26. The Company has given certain assets on operating lease, on which the minimum future lease rentals receivable, are as follows:

Particulars	As at March 31, 2019	As at March 31, 2018
Not later than one year	**829.28**	620.63
Later than one year but not later than five years	**356.04**	42.88
Later than 5 years	**-**	-

The Company has taken certain assets on operating lease, on which the minimum future lease rentals payable, are as follows:

Particulars	As at March 31, 2019	As at March 31, 2018
Not later than one year	**400.87**	398.61
Later than one year but not later than five years	**1667.23**	1639.41
Later than 5 years	**9700.21**	10131.18

27. Employee benefits

Defined contribution plan:

Amount recognized as an expense in statement of profit and loss Rs.100.03 lakhs (2018: Rs.95.41 lakhs) on account of provident fund and Rs.62.67 lakhs (2018: Rs.68.93 lakhs) on account of Employee State Insurance.

TAJGVK HOTELS & RESORTS LIMITED (All amounts are Rs.in Lakhs, otherwise stated)

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 separation 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 Rs.20,00,000/-

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

a. Statement of Profit and Loss and Statement of Other Comprehensive Income

Particulars	Current Year	Previous Year
Current Service Cost	**29.28**	39.01
Past Service Cost	**-**	(66.09)
Interest on Net Defined Benefit liability / (asset)	**12.70**	14.41
Changes in financial assumptions	**4.90**	(23.35)
Changes in demographic assumptions	**(0.18)**	-
Experience adjustments	**8.91**	(3.23)
Actuarial return on plan assets less interest on plan assets	**(1.90)**	(1.72)
Net charge to Profit & Loss and OCI	**53.71**	(40.97)

b. Reconciliation of Defined Benefit Obligation

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Defined benefit Obligation	**535.51**	590.72
Current Service Cost	**29.28**	39.01
Past Service Cost	**-**	(66.09)
Interest Cost	**35.08**	35.35
Actuarial Losses / (Gain)	**13.63**	(26.58)
Benefits Paid	**(31.73)**	(36.90)
Closing Defined Benefit Obligation	**581.77**	535.51

c. Change in Fair Value of Plan Assets

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Fair Value of Plan Assets	**358.10**	372.33
Employer Contributions	**125.00**	-
Interest on Plan Assets	**22.38**	20.95
Actuarial gain / (Losses)	**1.90**	1.72
Benefits Paid	**(31.73)**	(36.90)
Closing Fair Value of Plan Assets	**475.65**	358.10

d. Amount recognized in Balance Sheet

Particulars	As at March 31, 2019	As at March 31, 2018
Opening net defined benefit liability / (asset)	**177.40**	218.38
Expense charged to profit and loss account	**41.97**	(12.67)
Amount recognized outside profit and loss account	**11.74**	(28.31)
Employer Contributions	**(125.00)**	-
Net Liability recognized in the Balance Sheet	**106.11**	177.40

e. Description of Plan Assets

Particulars	As at March 31, 2019	As at March 31, 2018
Insurer Managed Funds	100%	100%

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

Particulars	Current Year	Previous Year
Discount Rate	**7.55%**	7.00%
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.

	Period Ended	
	March 31, 2019	March 31, 2018
Discount rate (p.a)	**7.55%**	7.70%
Salary Escalation rate (p.a)	**5.00%**	5.00%

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.

The Defined Benefit Obligation of compensated absence in respect of the employees of the Company as at 31 March, 2019 works out to Rs.2,53,65,566/- (2018: Rs.2,31,73,091)

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.

28. Corporate Social Responsibility Expenditure

Gross amount required to be spent and actually spent by the company during the year: Rs. 44.91 lakhs (2018: Rs.22.42 lakhs)

29. A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before tax is summarized below:

Particulars	Current Year	Previous Year
Profit before tax	**3,812.84**	3,201.36
Income tax rate as applicable	**34.95%**	34.61%
Calculated taxes based on above, without any adjustments for deductions	**1,332.58**	1,107.93
Permanent tax differences due to:		
Effect of income that is exempt from taxation	**(16.68)**	(6.23)
Income considered as capital in nature under tax and tax provisions	**(7.05)**	(0.18)
Effect of expenses that are not deductible in determining taxable profit	**(35.52)**	(113.71)
Expense considered to be capital in nature under tax and tax provisions	**2.67**	0.58
Others	**(43.68)**	(249.58)
Income tax expense recognized in the Statement of Profit and Loss	**1,232.32**	738.81
Rounded off to	**1,237.00**	740.00

30. In the opinion of the Board of Directors of the company, the current assets, loans and advances are expected to realise in the ordinary course of business approximately the value at which they are stated in accounts.

31. Segmental Reporting:

The Company's only business being hoteliering, disclosure of segment-wise information under Accounting Standard (AS) 108 "Segmental Information" notified by the Companies (Accounting Standards) Rules, 2006 (as amended) does not arise. There is no geographical segment to be reported since all the operations are undertaken in India.

TAJGVK HOTELS & RESORTS LIMITED (All amounts are Rs.in Lakhs, otherwise stated)

32. 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.

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 organisation, while maximising 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 endeavour to complete its projects on time at optimal cost so as to maximise the profitability.

33. 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 its Capital structure through a 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.

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 for FY 2018-19 and FY 2017-18.

Particulars	March 31, 2019	March 31, 2018
Borrowings	**19,787.48**	22,862.48
Trade Payables	**4,320.16**	6,243.54
Less: Cash & Cash Equivalents	**141.59**	1,461.18
Net Debt	**23,966.06**	27,644.83
Equity Capital	**40,055.27**	38,073.52
Equity Capital and Net Debt	**64,021.33**	65,718.35
Gearing Ratio	**37%**	42%

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

(All amounts are Rs.in Lakhs, otherwise stated)

34. 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	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Financial Assets				
Investments	**11,026.80**	11,026.80	**11,026.80**	11,026.80
Other financial assets	**367.50**	394.83	**367.50**	394.83
Tax Assets (Net)	**2,541.09**	2,946.78	**2,541.09**	2,946.78
Trade Receivables	**1,866.05**	1,934.00	**1,866.05**	1,934.00
Cash and Cash Equivalents	**141.59**	1,461.18	**141.59**	1,461.18
Bank balances other than cash and cash equivalents	**44.73**	65.06	**44.73**	65.06
Other financial assets	**512.78**	963.60	**512.78**	963.60
Total	**16,500.54**	18,792.25	**16,500.54**	18,792.25
Financial Liabilities				
Non-current Borrowings	**16,011.36**	19,666.13	**16,011.36**	19,666.13
Other non-current financial Liabilities	**213.26**	169.82	**213.26**	169.82
Current Borrowings	**-**	-	**-**	-
Trade Payables	**4,320.16**	6,243.54	**4,320.16**	6,243.54
Other current financial Liabilities	**4,233.64**	3,583.69	**4,233.64**	3,583.69
Total	**24,778.42**	29,663.18	**24,778.42**	29,663.18

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.

35. 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 31 March, 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 disclosed					
Investments	31-Mar-19	11,026.80	-	11,026.80	-
Other financial assets	31-Mar-19	367.50	-	367.50	-
Tax Assets (Net)	31-Mar-19	2,541.09	-	2,541.09	-
Trade Receivables	31-Mar-19	1,866.05	-	1,866.05	-
Cash and Cash Equivalents	31-Mar-19	141.59	-	141.59	-
Bank balances other than cash and cash equivalents	31-Mar-19	44.73	-	44.73	-
Other financial assets	31-Mar-19	512.78	-	512.78	-
Total		**16,500.53**	**-**	**16,500.53**	**-**

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

TAJGVK HOTELS & RESORTS LIMITED (All amounts are Rs.in Lakhs, otherwise stated)

Quantitative disclosures fair value measurement hierarchy for liabilities as at 31 March, 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 disclosed					
Non-current Borrowings	31-Mar-19	16,011.36	-	16,011.36	-
Other non-current financial Liabilities	31-Mar-19	213.26	-	213.26	-
Current Borrowings	31-Mar-19	-	-	-	-
Trade Payables	31-Mar-19	4,320.16	-	4,320.16	-
Other current financial Liabilities	31-Mar-19	4,233.64	-	4,233.64	-
Total		**24,778.42**	**-**	**24,778.42**	**-**

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

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 31 March, 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 disclosed					
Investments	31-Mar-18	11,026.80	-	11,026.80	-
Other financial assets	31-Mar-18	394.83	-	394.83	-
Tax Assets (Net)	31-Mar-18	2,946.78	-	2,946.78	-
Trade Receivables	31-Mar-18	1,934.00	-	1,934.00	-
Cash and Cash Equivalents	31-Mar-18	1,461.18	-	1,461.18	-
Bank balances other than cash and cash equivalents	31-Mar-18	65.06	-	65.06	-
Other financial assets	31-Mar-18	963.60	-	963.60	-
Total		**18,792.25**	**-**	**18,792.25**	**-**

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

Quantitative disclosures fair value measurement hierarchy for liabilities as at 31 March, 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 disclosed					
Non-current Borrowings	31-Mar-18	19,666.13	-	19,666.13	-
Other non-current financial Liabilities	31-Mar-18	169.82	-	169.82	-
Current Borrowings	31-Mar-18	-	-	-	-
Trade Payables	31-Mar-18	6,243.54	-	6,243.54	-
Other current financial Liabilities	31-Mar-18	3,583.69	-	3,583.69	-
Total		**29,663.18**	**-**	**29,663.18**	**-**

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

36. 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.

(All amounts are Rs.in Lakhs, otherwise stated)

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

	Increase / (decrease) in Interest Rate	Increase / (decrease)in profit before tax
March 31, 2019		
INR	0.5% p. a.	(114.31)
INR	(0.5%) p. a.	114.31
March 31, 2018		
INR	0.5% p. a.	(128.18)
INR	(0.5)% p. a.	128.18

Price risk

Price risk is the risk of fluctuations in the change in prices of equity Investments. The Company's investment in JV company is of strategic in nature rather than for trading purpose.

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/ corporates 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. Investments held by the Company are in the nature of investment in jointly controlled entity and also an investment in an alternate energy supply company as required under the respective State energy policy. Both the categories are unquoted non-trade equity.

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.

TAJGVK HOTELS & RESORTS LIMITED (All amounts are Rs.in Lakhs, otherwise stated)

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
Year ended 31/3/2019					
Borrowings	-	3,675.00	16,112.48	-	19,787.48
Other financial liabilities	-	558.63	213.26	-	771.89
Trade and other payables	-	-	-	-	-
Total	-	4,233.63	16,325.74	-	20,559.37

Particulars	On demand	Less than 1 Year	1 to 5 years	5 years and above	Total
Year ended 31/3/2018					
Borrowings	-	3,075.00	18,850.48	937.00	22,862.48
Other financial liabilities	-	508.69	169.82	-	678.51
Trade and other payables	-	-	-	-	-
Total	-	3,583.69	19,020.30	937.00	23,540.99

37. New Accounting Standards, Amendments to Existing Standards, Annual Improvements and Interpretations Effective Subsequent to 31 March, 2019

On 30 March 2019, Ministry of Corporate Affairs issued Companies (Indian Accounting Standards) Amendment Rules, 2019 notifying Ind AS 116 - "Leases". Ind AS 116 will replace Ind AS 16. Ind AS 116 introduces major changes in the principles for measuring, recognizing and presenting leases in the financial statements of lessees. As of 1 April, 2019, Ind AS 116 requires lessees to recognize most leases using a single accounting model, i.e., the same model as that used to recognize finance leases under Ind AS 17. The lessee will recognize:

- a non-current asset representing its right to use the leased asset, in the statement of financial position;
- a financial liability representing its obligation to pay for the right to use the asset, in the statement of financial position;
- amortization of the right-of-use asset and interest expenses on the lease liability, in the statement of income.

The main measures included in Ind AS 116 to simplify application and adopted by the Company are:

- exclusion of short-term leases;
- exclusion of leases of low-value assets.

The Company will apply Ind AS 116 using the modified retrospective approach. This simplified approach does not require restatement of financial statements published before the date Ind AS 116 is first applied.

Within the scope of its transition to Ind AS 116, the Company has elected the following main options to simplify application:

- exclusion of leases with a residual term of 12 months or less at the transition date, along with leases of low-value assets;
- application of Ind AS 116 only to contracts previously identified as leases;
- use of the initial lease term to determine the discount rate at the transition date;
- exclusion of initial direct costs from the measurement of the right-of-use asset at the date of initial application.

The Company is currently finalizing its assessment of the impact of applying Ind AS 116 on its financial statements, based on the leases identified and an analysis of their main terms and conditions. The Company mainly has lease contracts for land and buildings which are currently accounted for as operating leases and for which it will be required to recognize a right-of-use asset under Ind AS 116.

38. Balances in the accounts of various parties are subject to confirmation and reconciliation.

39. Previous Year's figures have been regrouped / rearranged, wherever necessary. Figures in brackets indicate those for previous year.

Per our report of even date

For **M.BHASKARA RAO & CO.,**
Chartered Accountants
Firm Regn No.000459S

M. Bhaskara Rao
Partner
Membership No.005176

Place : Hyderabad
Date : May 15, 2019

For and on behalf of the Board

G Indira Krishna Reddy
Managing Director
DIN:00005230

Dr. G V K Reddy
Chairman
DIN:00005212

J Srinivasa Murthy
CFO & Company Secretary
M.No.FCS4460

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To The Members of TAJGVK Hotels & Resorts Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated financial statements of TAJGVK Hotels & Resorts Limited ("the Holding Company") and its Joint Venture (the Holding Company and its Joint Venture together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated state of affairs of the Company as at March 31, 2019, the Consolidated profit and Consolidated total comprehensive income, Consolidated changes in equity and its Consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated 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 independence requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated financial statements.

Emphasis of matter

Without qualifying our opinion, we draw attention to Note No.23 to the Financial Statements about the excess remuneration paid to the Managing Director during the year pending approval of the shareholders.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No	Key Audit Matter	Auditor's Response
1	**Revenue Recognition** To ensure accuracy of recognition, measurement, presentation and disclosures of revenues and related accounts	**Principal Audit Procedures** • We have assessed the Company's internal controls surrounding its revenue transactions; • We tested the key controls identified, • We performed substantive detail testing by selecting a sample of revenue transactions, that we considered appropriate to test the evidence of effectiveness of the internal controls and adherence to accounting policies in recognising the revenue, and the rebates and discounts thereagainst.
2	**Fees and reimbursements to the Operating Company** To ensure accounting of the expenses comprising the Basic Fee, Incentive Fee and reimbursement of expenses based on the terms of the Agreements entered into with the Operating Company and on the operating results of the respective Hotel properties under Agreement	**Principal Audit Procedures** Our audit approach was as follows: • Review of each of the Hotel operating agreements entered into. • Validation of the Gross Income, the Gross Operating profit of each of the property from the books and records of the property • Verification of the calculation of the Fees and reimbursement of expenses as per the terms of the aforesaid Agreements.

S. No	Key Audit Matter	Auditor's Response
3	**Renovation expenses incurred during the year** To establish proper categorisation of expenses, and appropriate recognition thereof including the consequential derecognition of the carrying amounts of the existing assets appropriately.	**Principal Audit Procedures** Our audit approach was a combination of test of internal controls and substantive procedures which included the following: • Review of works carried out under the renovation and the expenses thereagainst. • Review of the Fixed assets identified for replacement and the carrying amounts thereof to the extent ascertainable from the Register of Fixed Assets. • Verification of the carrying amounts if any to be considered for derecognition, • Validation of the entries in the Register of Fixed Assets to confirm the derecognition and recognition of the assets arising from the renovation • Review of the terms of the contracts entered into for the renovation and compliance with the terms thereof.
4	**Tax liabilities including MAT Credit** Evaluation of uncertain tax positions The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.	**Principal Audit Procedures** • Obtained details of completed tax assessments, demands and appeals thereagainst as at March 31, 2019. • Review the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes, based on legal and other precedents in evaluating management's position on these uncertain tax positions.

Information Other than the Consolidated Financial Statements and Auditor's Report there on

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the Consolidated financial position, consolidated financial performance, Consolidated total comprehensive income, Consolidated changes in equity and Consolidated cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group'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.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has an 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the Consolidated 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 Group to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the Consolidated 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

i. The consolidated financial statements include the Group’s share of profit of Rs. 287.97 Lakhs for the year ended March 31, 2019, as considered in the consolidated financial statements, in respect of Joint Venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion, in so far as it relates to the amounts and disclosures included in respect of this associate is based solely on the report of the other auditor.

   Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matt

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

d) In our opinion, the aforesaid Consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Rules made thereunder and in force for the time being.

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 of the Company and its Joint Venture Company incorporated in India and the reports of the statutory auditors of its Joint Venture company incorporated in India, none of the directors of the Group companies incorporated in India 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 other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

We report that the excess over minimum remuneration paid to the Managing Director for the year 2018-19 and also the excess remuneration to the Managing Director and Executive Director in some of the earlier years is being presented to the ensuing AGM for its approval in accordance with the amended provisions of the Companies Act 2013.

g) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Company and its Joint Venture Company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.

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

i. The consolidated financial statements disclose impact of pending litigations on the consolidated financial position of the Group

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its Joint Venture Company incorporated in India.

For **M BHASKARA RAO & Co**
Chartered Accountants
(Firm's Registration No. 000459S)

M. Bhaskara Rao
Partner
(Membership No.5176)

Place: Hyderabad,
Date: May 15, 2019

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of TAJGVK Hotels & Resorts Limited of even date)

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

We have audited the internal financial controls over financial reporting of TAJGVK Hotels & Resorts Limited (“the Company”) and its Joint Venture Company incorporated in India as of March 31, 2019 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and its Joint Venture Company incorporated in India are 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 respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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.

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 financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

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

Without qualifying our opinion, we report that, the company noticed a breach of some of the internal financial controls by some employees of the company resulting in a loss of Rs 126 Lakhs, as explained in foot note to Note No 21 to the financial statements. The said internal financial controls have since been restored at the date of the Balance Sheet.

In our opinion, to the best of our information and according to the explanations given to us, the Company and its Joint Venture which is incorporated in India have, 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.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to its Joint Venture Company incorporated in India, is based on the corresponding reports of the auditor of such Joint Venture Company incorporated in India.

For **M BHASKARA RAO & Co**
Chartered Accountants
(Firm's Registration No. 000459S)

M. Bhaskara Rao
Partner
(Membership No.5176)

Place: Hyderabad
Date: May 15, 2019

TAJGVK HOTELS & RESORTS LIMITED (All amounts are Rs.in Lakhs, otherwise stated)

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

Particulars	Note	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	1	**41,407.92**	42,442.27
Capital work-in-progress		**9,231.65**	8,144.53
Intangible Assets	1	**161.09**	216.23
		50,800.66	50,803.03
Financial Assets			
Investments	2	**10,157.91**	9,869.94
Other financial assets	3	**367.50**	394.83
Tax Assets (Net)		**2,541.09**	2,946.78
Other non current assets	4	**2,945.06**	3,720.80
		16,012.56	16,932.35
Current Assets			
Inventories	5	**751.18**	859.94
Financial Assets			
Trade Receivables	6	**1,866.05**	1,934.00
Cash and Cash Equivalents	7	**141.59**	1,461.18
Bank balances other than cash and cash equivalents	7	**44.73**	65.06
Other financial assets	3	**512.78**	963.60
Other Current assets	4	**945.85**	628.44
		4,262.18	5,912.22
Total Assets		**71,074.40**	73,647.60
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	8	**1,254.03**	1,254.03
Other Equity	9	**37,932.35**	35,662.64
Total Equity		**39,186.38**	36,916.67
Non-Current Liabilities			
Financial Liabilities			
Borrowings	10	**16,011.36**	19,666.13
Other financial Liabilities	12	**213.26**	169.83
Provision for Employee benefits	13	**277.21**	328.44
Deferred Tax Liabilities (net)	15	**6,066.09**	5,966.81
		22,567.92	26,131.21
Current Liabilities			
Financial Liabilities			
Trade Payables			
- Micro and Small Enterprises	11	**-**	-
- Others	11	**4,320.16**	6,243.54
Other financial Liabilities	12	**4,233.64**	3,583.69
Other current liabilities	14	**766.30**	772.50
		9,320.10	10,599.72
Total Equity And Liabilities		**71,074.40**	73,647.60

Summary of Significant Accounting Policies

The accompanying notes form an integral part of the Financial Statements

Per our report of even date

For **M.BHASKARA RAO & CO.,**
Chartered Accountants
Firm Regn No.000459S

M. Bhaskara Rao
Partner
Membership No.005176

Place : Hyderabad
Date : May 15, 2019

For and on behalf of the Board

G Indira Krishna Reddy
Managing Director
DIN:00005230

Dr. G V K Reddy
Chairman
DIN:00005212

J Srinivasa Murthy
CFO & Company Secretary
M.No.FCS4460

(All amounts are Rs.in Lakhs, otherwise stated)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

Particulars	Note	Current Year	Previous year
Revenue from Operations	16	**31,687.46**	28,825.04
Other Income	17	**722.01**	263.25
Total Income		**32,409.47**	29,088.29
Expenses			
Food and Beverages Consumed	18	**3,484.02**	3,160.49
Employee Benefit Expense and Payment to Contractors	19	**6,526.14**	6,248.22
Finance Costs	20	**2,158.42**	2,496.95
Depreciation and Amortisation	1	**1,670.01**	1,726.84
Other Operating and General Expenses	21	**14,758.04**	12,254.43
Total Expenses		**28,596.63**	25,886.93
Profit Before Exceptional Items and Tax		**3,812.84**	3,201.36
Exceptional Items		**-**	-
Profit Before Tax		**3,812.84**	3,201.36
Tax Expenses			
Current Tax		**1,237.00**	740.00
Deferred Tax		**103.38**	360.66
Tax relating to earlier years		**41.14**	
Total Tax Expenses		**1,381.52**	1,100.66
Profit for the Period		**2,431.32**	2,100.70
Share Of Profit / (Loss) From Joint Venture		**287.97**	(61.76)
Other Comprehensive Income, Net Of Tax			
Items that will not be reclassified to profit and loss			
Actuarial gain / (loss) on employee gratuity (net of tax)		**(7.64)**	18.51
Total Comprehensive Income for the year		**2,711.65**	2,057.46
Earnings Per Share			
No.of equity shares of Rs.2/-each		**62,701,495**	62,701,495
1) Basic		**4.32**	3.28
2) Diluted		**4.32**	3.28

Per our report of even date

For **M.BHASKARA RAO & CO.,**
Chartered Accountants
Firm Regn No.000459S

M. Bhaskara Rao
Partner
Membership No.005176

Place : Hyderabad
Date : May 15, 2019

For and on behalf of the Board

G Indira Krishna Reddy
Managing Director
DIN:00005230

Dr. G V K Reddy
Chairman
DIN:00005212

J Srinivasa Murthy
CFO & Company Secretary
M.No.FCS4460

TAJGVK HOTELS & RESORTS LIMITED (All amounts are Rs.in Lakhs, otherwise stated)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

Particulars	Current Year		Previous Year	
A) CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit Before Tax		**3,812.84**		3,201.36
Less: Share of profit / (loss) before tax from Joint Venture		**389.12**		(155.62)
Consolidated profit before tax		**4,201.96**		3,045.74
Adjustments for :				
Consolidation of proportionate share of joint venture	**(287.97)**		61.76	
Depreciation	**1,670.01**		1,726.84	
Miscellaneous Expenditure Written off	**15.00**		15.00	
Loss on sale of assets	**7.63**		1.67	
Profit on sale of assets	**(20.17)**		(0.53)	
Provision for Bad & Doubtful Debts	**49.34**		-	
Bad debts written off	**69.35**		-	
Provision for bad & doubtful debts credited back	**(0.67)**		(2.06)	
Interest expenses	**2,158.42**		2,496.95	
Interest earned	**(30.46)**		(10.60)	
		3,630.48		4,289.03
Operating Profit before working capital changes		**7,832.44**		7,334.76
Adjustments for :				
Trade Receivables	**(50.08)**		(791.18)	
Inventories	**108.76**		42.75	
Non-current and current financial assets	**477.60**		343.95	
Other Non-current and current assets	**(36.60)**		(579.36)	
Non-current and current financial liabilities	**54.18**		(709.46)	
Other Current Liabilities	**(6.19)**		66.35	
Employee benefit obligations	**(51.24)**		24.55	
Trade payables	**(1,923.37)**	**(1,426.94)**	1,440.76	(161.63)
Cash generated from operations		**6,405.50**		**7,173.13**
Less: Taxes paid / (refund received)		**405.69**		(193.49)
Less: Tax adjustment on account of share of Joint Venture		**103.94**		(92.19)
Net Cash in Flow from Operating Activities		**5,895.86**		**7,458.81**
B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets /addition to CWIP	**(1,682.02)**		(830.26)	
Interest Received	**31.01**		10.34	
Sale of Fixed Assets	**26.92**		5.65	
Net Cash Out flow from Investing Activities		**(1,624.09)**		(814.27)
C) CASH FLOW FROM FINANCING ACTIVITIES				
Long term loans (repaid)	**(3,075.00)**		(2,775.00)	
Working capital borrowings	**-**		-	
Long term deposits raised/(paid back)	**43.44**		21.70	
Interest paid	**(2,138.20)**		(2,476.73)	
Dividend paid	**(376.21)**		(250.81)	
Taxes on dividend paid	**(65.73)**		(43.40)	
Net Cash Out flow from Financing Activities		**(5,611.70)**		(5,524.23)
Net increase in cash and cash equivalent		**(1,339.92)**		1,120.30
Cash and Cash equivalents as at beginning of the year		**1,526.24**		405.94
Cash and Cash equivalents as at end of the year		**186.32**		1,526.24

Note: The Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard, Ind AS - 7 : Statement of Cash Flows

Per our report of even date

For **M.BHASKARA RAO & CO.,**
Chartered Accountants
Firm Regn No.000459S

M. Bhaskara Rao
Partner
Membership No.005176

Place : Hyderabad
Date : May 15, 2019

For and on behalf of the Board

G Indira Krishna Reddy
Managing Director
DIN:00005230

Dr. G V K Reddy
Chairman
DIN:00005212

J Srinivasa Murthy
CFO & Company Secretary
M.No.FCS4460

(All amounts are Rs.in Lakhs, otherwise stated)

Financial Liability Statement

Particulars	Current Year	Previous Year
1) Net debt		
Cash and cash equivalents	**186.32**	1,526.24
Current Investment	**-**	-
Total Liquid Investment - (a)	**186.32**	1,526.24
Long term Borrowings (Including Current portion)	**19,787.48**	22,862.48
Short Term Borrowings	**-**	-
Gross Debt - (b)	**19,787.48**	22,862.48
Net Debt (b) - (a)	**19,601.16**	21,336.24
2) Other financial Liabilities		
Derivatives	**-**	-
Interest Accrued but not due/unclaimed interest*	**-**	-
Total Other financial Liabilities	**-**	-
Grand Total	**19,601.16**	21,336.24

Particulars	Other assets		Liabilities from financing activities				Total
	Cash and cash equivalents	Current Investment	Gross Debt	Net Debt	Derivatives	Interest Accrued but not due/ unclaimed interest*	
As at 1 April 2018	1,526.24	-	22,862.48	21,336.24	-	-	21,336.24
Cash flows	(1,339.92)	-	(3,075.00)	(1,735.08)	-	-	(1,735.08)
As at 31 March 2019	186.32	-	19,787.48	19,601.16	-	-	19,601.16

Statement of Changes in Equity as at Mar 31, 2019

Particulars	Equity Share Capital Subscribed	Reserves and Surplus				Total
		Capital Reserve	Securities Premium Account	Retained Earning		
				General Reserve	Profit & Loss B/fd	
Balance at the beginning of the year (April 1, 2018)	1,254.03	3,469.30	3,132.00	7,100.00	21,961.34	36,916.67
Add:						
Profit for the year	-	-	-	-	2,719.29	2,719.29
Other Comprehensive Income for the period, net of taxes, excluding actuarial gain/ (losses)	-	-	-	-	(7.64)	(7.64)
Dividends paid for FY 2017-18	-	-	-	-	376.21	376.21
Tax on Dividend	-	-	-	-	65.73	65.73
Balance at the end of the year (Mar 31, 2019)	1,254.03	3,469.30	3,132.00	7,100.00	24,231.05	39,186.38

1. General information

TAJGVK Hotels & Resorts Limited ("TAJGVK" / "the Company") was incorporated on 2nd February, 1995 in the erstwhile state of Andhra Pradesh, India. The Company is a joint venture between the GVK Group and Indian Hotels Company Limited. The Company is primarily engaged in the business of owning, operating & managing hotels, palaces and resorts with the brand name of "TAJ".

2. These financial statements were authorized for issue by a resolution of the Board of Directors passed on May 15, 2019.

3. Principles of Consolidation

i) The Consolidated financial statements have been prepared on the following basis:
The Consolidated financial statements comprise of the financial statement of TAJGVK Hotels & Resorts Ltd (herein after referred to as "the Company" and a Joint Venture Company (herein after referred to as "the JV").

Names of the Joint Venture	Country of incorporation	As at March 31, 2019	As at March 31, 2018
Greenwoods Palaces and Resorts Pvt Ltd	India	48.99%	48.99%

ii) A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decision about the relevant activities require unanimous consent of the parties sharing control.

The investment in the jointly controlled entity is accounted for using the equity method from the date on which the investee became a joint venture. Under the equity method, a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually. Share of losses incurred in the joint venture are reduced, to the extent, from the carrying amount of the investment.

The statement of profit and loss reflects the Group's share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

4. Summary of Significant Accounting Policies

i. Statement of compliance:

These 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 from time to time. 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:

These 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, revenues and expenses and disclosure of contingent liabilities at the date of the financial statements. 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 the 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 it is :

a) Expected to be settled in the normal operating cycle;

b) Held primarily for the purpose of trading;
c) Expected 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

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 and non-current classification of assets and liabilities.

v. Exceptional Items

Items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items are disclosed separately as exceptional items.

vi. Revenue Recognition:

a. Income from guest accommodation is recognised on a day to day basis after the guest checks into the Hotels. Income from Food and Beverages are recognised 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.
b. Shop rentals are recognized on accrual basis.
c. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
d. Insurance claims are recognized as and when they are settled / admitted.

vii. Inventories:

Inventories comprise Raw Material, Stores & Spares and are valued at cost ascertained under Weighted Average Method.

viii. Property Plant and equipment:

a. Property Plant and equipment are stated at cost, net of credit availed in respect of any taxes, duties less accumulated depreciation. Cost comprises 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.

c. In the transition to Ind-AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

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".

b. In the transition to Ind-AS, the Company has elected to continue with the carrying value of all of its intangible assets recognized as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

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 under 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 & fittings	8 years
End User devices- Computers, Laptops, etc	6 years

Intangible assets with finite lives are amortized over their estimated useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization periods are reviewed and impairment evaluations are carried out once a year. 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 contains) a lease is based on the substance of the arrangement at the inception of lease.

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 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.

Lessor:

Rental income from operating lease is recognised on a straight line basis over the lease term unless payments to the Company are structured to increase in line with expected general inflation to compensate for the 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 recognised over the lease term on the same basis as rental income. Contingent rents are recognised 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 Company'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 (INR spot rate) 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. Unamortised Expenses:

Payment on assignment of Taj Banjara hotel lease is being written off over the remaining period of the lease.

xiv. 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 recognised in profit or loss on the earlier of:

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

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

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

Remeasurement, comprising 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.

xv. 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.

xvi. 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 utilized.

   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.

c. Minimum alternate tax (MAT) credit: MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal tax within the specified period and the MAT credit available can be utilized. Such asset is reviewed at each Balance Sheet date and the carrying amount is written down if considered not recoverable within the specified period.

xvii. 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.

xviii. 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 recognised in the statement of profit and loss.

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

xix. Provisions:

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

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

xx. Contingent Liabilities and Contingent Assets:

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.

xxi. License fee payable to Hotel Banjara Limited and landlords of Vivanta by Taj Begumpet hotel and Operating & Management fee payable to Indian Hotels company Limited is recognized as expense as per the agreements entered with them.

xxii. 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.

xxiii. Investment in subsidiaries, associates and joint ventures

A joint venture is a type of joint arrangement where under the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Company has accounted for its investment in joint ventures at cost.

Transition to Ind-AS: On transition to Ind AS, the Company has elected to continue with the carrying value of all its Investment in joint ventures recognised as at 1st April, 2015 measured as per previous GAAP.

xxiv. Financial assets
Initial recognition and measurement:

All financial assets are recognised 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)

De-recognition:

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts 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 recognised in the profit or loss.

Loans and borrowings
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised 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 amortisation is included as finance costs in the statement of profit and loss.

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

xxv. 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 recognised 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 followving Judgements, estimates and assumptions which have significant effect on the amounts recognised in the financial statements:

Provisions and Contingency : The Company has assessed the probable unfavourable outcomes and creates provisions where necessary. Where these are assessed as not probable or where they are probable upon a contingency, they are disclosed as contingent liability.

Taxes

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

Based on future projections of taxable profit and MAT, the Company has assessed that the entire MAT credit can be utilised.

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 intervals 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.

Notes to Financial Statements for the year ended March 31, 2019

Note 1 - Property, Plant and Equipment (Owned, unless otherwise stated)

Particulars	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Total	Capital Work in Progress	Intangible Assets
Gross Block at Cost									
At April 1, 2018	4,244.11	30,994.25	10,526.54	1,477.21	292.48	99.73	47,634.32	8,144.53	379.09
Additions			232.38	340.22	19.20		591.79	1,087.12	3.11
Disposals			15.22	0.06		39.24	54.52		-
As At Mar 31, 2019	4,244.11	30,994.25	10,743.70	1,817.37	311.68	60.49	48,171.59	9,231.65	382.20
Depreciation									
At April 1, 2018	1.83	1,618.57	2,813.54	511.57	165.86	80.67	5,192.05	-	16 2.87
Charge for the period		543.34	884.13	136.14	38.93	9.22	1,611.77	-	58.24
Disposals			7.56			32.59	40.15	-	-
As At Mar 31, 2019	1.83	2,161.91	3,690.11	647.71	204.80	57.31	6,763.67	-	221.11
Net Block									
As At Mar 31, 2019	4,242.27	28,832.34	7,053.59	1,169.66	106.88	3.18	41,407.92	9,231.65	161.09
As at Mar 31, 2018	4,242.27	29,375.68	7,713.00	965.64	126.61	19.06	42,442.27	8,144.53	216.23

Note: 1) Hotel at Chandigarh is constructed on land taken on lease for 99 years.

2) Vivanta by Taj - Begumpet is on land and superstructure taken on lease for 60 years, extendable by further period of 30 years.

Note 2 - Investments

Particulars	Face Value Rs.	As at March 31, 2019		As at March 31, 2018	
		No. of shares	Rs.lakhs	No. of shares	Rs.lakhs
Non-Current Investments - Unquoted			-		-
(i) Investment in Joint Venture * Green Woods Palaces and Resorts Pvt Ltd (fully paid Equity shares)	10/-	**36,750,000**	**11,025.00**	36,750,000	11,025.00
Less: Share of loss from Joint Venture			**(868.89)**		(1,156.86)
			10,156.11		9,868.14
(ii) Others ** Green Infra Windfarms Limited (fully paid Equity shares)	10/-	**18,000**	**1.80**	18,000	1.80
Total Non-current Investments			**10,157.91**		**9,869.94**

* Represents investment in equity shares of Rs.10/- each at a premium of Rs.20/- per share in the said company, which is a jointly controlled entity in terms of Ind AS 111 - Joint Arrangements

** Investment in Green Infra Windfarms Ltd is for purchase of power of 3 million units or 5.65% of its actual generation whichever is less, to comply with regulatory requirement, to purchase renewable energy

Note 3 - Other Financial Assets

Particulars	As at March 31, 2019	As at March 31, 2018
A) Non Current		
Deposits with Public Bodies and Others	**367.50**	383.58
Unamortized Expenditure	**-**	11.25
	367.50	394.83
B) Current		
Deposit with public bodies and others	**3.74**	2.97
Other advances	**169.58**	384.60
Claims Receivable	**1.38**	1.22
Interest accrued	**7.46**	8.02
Other receivables	**330.62**	566.79
	512.78	963.60

TAJGVK HOTELS & RESORTS LIMITED (All amounts are Rs.in Lakhs, otherwise stated)

Note 4 - Other assets

Particulars	As at March 31, 2019	As at March 31, 2018
A) Non current (Unsecured considered good)		
Capital Advances	**10.51**	908.98
Other advances recoverable	**2,135.11**	1,989.98
Prepaid Expenses	**143.25**	160.05
Advance lease payments	**592.43**	605.07
Deposits for tax and other statutory dues	**63.75**	56.72
	2,945.06	3,720.80
B) Current (Unsecured considered good)		
Prepaid Expenses	**301.31**	295.71
Indirect tax recoverable	**51.55**	55.67
Advance to Suppliers	**213.34**	74.38
Advance to Employees	**19.50**	27.52
Export benefit receivable	**360.15**	175.16
	945.85	628.44

Note 5 - Inventories

Particulars	As at March 31, 2019	As at March 31, 2018
Food and Beverages	**469.45**	540.19
Stores and Operating Supplies	**281.73**	319.75
	751.18	859.94

Note 6 - Trade receivables

Particulars	As at March 31, 2019	As at March 31, 2018
Considered good - Unsecured	**1,866.05**	1,934.00
Credit impaired	**137.60**	88.93
	2,003.65	2,022.92
Less : Provision for Trade Receivables which are credit impaired	**137.60**	88.93
	1,866.05	1,934.00

There are no receivables from Directors or other officers of the Company or debts due from firms or private companies in which any Director is a partner or a director or member as on the Balance Sheet date other than in the normal course of business within the established credit policies

Note 7 - Cash and bank balances

Particulars	As at March 31, 2019	As at March 31, 2018
Cash and cash equivalents		
Cash on hand	**30.71**	26.34
Balances with banks in current account	**109.72**	1,432.52
Margin money deposits	**1.16**	2.32
	141.59	1,461.18
Bank balances other than cash and cash equivalents		
Earmarked balances with banks on account of unclaimed dividends	**44.73**	65.06
	44.73	65.06

Note 8 - Equity Share Capital

Particulars	As at March 31, 2019	As at March 31, 2018
Authorised Share Capital 170500000 (170500000) Equity Shares of Rs.2/- each	**3,410.00**	3,410.00
	3,410.00	3,410.00
Issued Share Capital 62701495 (62701495) Equity Shares of Rs.2/- each fully paid-up	**1,254.03**	1,254.03
	1,254.03	1,254.03
Subscribed and Paid Up Share Capital 62701495 (62701495) Equity Shares of Rs.2/- each fully paid-up	**1,254.03**	1,254.03
	1,254.03	1,254.03

i) Reconciliation of equity shares outstanding :

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	Rs.lakhs	No. of shares	Rs.lakhs
Shares outstanding at the beginning of the year	**62,701,495**	**1,254.03**	62,701,495	1,254.03
Add : Shares Issued during the year	**-**	**-**		-
Shares outstanding at the end of the year	**62,701,495**	**1,254.03**	62,701,495	1,254.03

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

Name of Shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Dr. GVK Reddy	**-**	**-**	3,805,981	6.07
Mrs. G Indira Krishna Reddy	**7,568,947**	**12.07**	3,762,966	6.00
Mrs. Shalini Bhupal	**23,448,859**	**37.40**	11,725,180	18.70
Mr. Krishna R Bhupal	**-**	**-**	11,723,679	18.70
The Indian Hotels Company Limited	**16,000,400**	**25.52**	16,000,000	25.52

i) As per records of the Company including its register of shareholders / members, the above shareholding represents both legal and beneficial ownership of shares

ii) Rights, preferences and restrictions attached to Equity shares including declaration of dividend:

The company has one class of equity shares having par value of Rs.2 per share. Equity shares are attached with one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their shareholding, after discharging all preferential creditors. The equity shareholders are eligible to receive any dividend that is declared by the Company as per provisions of the Companies Act, 2013

Note 9 - Other Equity

Particulars	As at March 31, 2019	As at March 31, 2018
Reserves and Surplus		
Capital Reserve	**3,469.30**	3,469.30
Securities Premium Account	**3,132.00**	3,132.00
General Reserve	**7,100.00**	7,100.00
Retained Earnings		
Surplus in the Profit And Loss	**21,961.34**	20,198.10
Add: Current period profits	**2,719.29**	2,038.94
Less: Dividends	**376.21**	250.81
Less: Dividend tax	**65.73**	43.40
Total Retained Earnings	**24,238.69**	21,942.83
Reserves and Surplus	**37,939.99**	35,644.13
Other Comprehensive Income (loss) (net of taxes)	**(7.64)**	18.51
Total Other Equity	**37,932.35**	35,662.64

Note 10 - Borrowings

Particulars	As at March 31, 2019	As at March 31, 2018
A) Long term borrowings Term Loan from Banks		
Secured	**19,787.48**	22,862.48
Less: Unamortized Borrowing Cost	**101.12**	121.35
	19,686.36	22,741.13
Less: Current maturities of Long term borrowings (shown under Other current financial liabilities)	**3,675.00**	3,075.00
Total Long term borrowings	**16,011.36**	19,666.13
B) Short term borrowings Loans repayable on demand from Banks		
Secured	**-**	-
Total Short term borrowings	**-**	-
Total Borrowings	**16,011.36**	19,666.13

i) Term Loans from Banks:

a) Rs.103.13 crores from HDFC Bank Ltd at an interest rate of 1 year MCLR + spread of 135 bps.viz. 10.05% p.a is secured by first charge on all assets of Taj Chandigarh, Chandigarh repayable in 32 equal instalments starting from 1st November, 2016. The loan is sanctioned with a moratorium of 2 years from the date of first disbursement. ie. August, 2014.

b) Rs.94.75 crores from AXIS Bank Ltd at an interest rate of 1 year MCLR + spread of 70 bps.viz. 9.50% p.a is secured by first charge on all assets of Taj Club House, Chennai repayable in 26 structured instalments starting from 31st March 2017. The loan is sanctioned with a moratorium of 2.5 years from the date of first disbursement. ie. July 2014.

ii) Loans repayable on demand from Banks

Bank Overdraft from AXIS Bank Ltd Rs. Nil (2018 : Rs.Nil) at an interest rate of 1 month MCLR + spread of 165 bps.viz. 10.10% per annum is secured by first charge on current assets of the Company, ranking pari passu with IDBI Bank Ltd, further secured by second charge on fixed assets of Taj Club House.

Bank Overdraft from IDBI Bank Ltd Rs.Nil (2018 : Rs.Nil) at an interest rate of 9.65% per annum is secured by first charge on current assets of the Company, ranking pari passu with AXIS Bank Ltd.

Note 11 - Trade Payables

Particulars	As at March 31, 2019	As at March 31, 2018
Dues to Micro and Small Enterprises (Refer Note (i))	**-**	-
Others	**3,530.46**	5,093.32
Accrued expenses and others Refer Note (ii))	**789.70**	1,150.22
	4,320.16	6,243.54

Note : The amount due if any to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" is determined to the extent such parties have been identified on the basis of information received from them by the Company.

Note 12 - Other financial liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
A) Non Current financial liabilities		
Deposits refundable	**165.60**	168.34
Creditors for Capital goods and services	**47.67**	1.49
	213.26	169.83
B) Current financial liabilities		
Current maturities of long term borrowings	**3,675.00**	3,075.00
Deposits from others	**11.28**	13.16
Creditors for capital expenditure	**193.36**	181.53
Unclaimed dividend	**44.73**	65.06
Employee Related Liabilities	**267.12**	212.01
Others	**42.14**	36.93
	4,233.64	3,583.69

Note 13 - Provision for Employee Benefits

Particulars	As at March 31, 2019	As at March 31, 2018
Non Current		
Post-retirement compensated absences	**171.09**	151.04
Gratuity	**106.12**	177.40
	277.21	328.44

Note 14 - Other non financial Liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Advances towards revenues	**371.13**	381.50
Statutory dues	**395.18**	391.00
	766.30	772.50

(All amounts are Rs.in Lakhs, otherwise stated)

Note 15 - Deferred Tax Liabilities (Net)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred Tax Liabilities:		
Depreciation on Fixed Assets	**6,225.22**	6,114.26
Amortization of finance cost	**35.34**	42.00
Total (A)	**6,260.55**	6,156.25
Deferred Tax Assets:		
Provision for Doubtful Debts	**48.08**	30.78
Employee Benefits	**96.87**	113.67
Amortization of prepaid lease payments	**49.51**	45.00
Total (B)	**194.46**	189.44
Net Deferred Tax Liabilities (A-B)	**6,066.09**	5,966.81

Note 16 - Revenue from Operations

Particulars	Current Year	Previous Year
Room Revenue, Food, Restaurants and Banquet Revenue	**30,073.35**	27,449.08
Shop rentals	**527.79**	661.72
Membership fees	**55.50**	65.02
Export benefits	**184.99**	102.71
Others	**845.84**	546.51
Total	**31,687.46**	28,825.04

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.

Note 17 - Other Income

Particulars	Current Year	Previous Year
Interest Income at amortised cost		
Deposits with banks	**5.43**	-
Others	**9.43**	10.60
Interest on Income Tax Refunds	**15.60**	-
Total	**30.46**	10.60
Profit on sale of assets	**20.17**	0.53
Exchange Gain (Net)	**5.04**	10.48
Others	**666.33**	241.64
Total	**722.00**	263.25

Note 18 - Food and Beverages Consumed

Particulars	Current Year	Previous Year
Food and Beverages Consumed	**3,484.02**	3,160.49

Note 19 - Employee Benefit Expense

Particulars	Current Year	Previous Year
Salaries, Wages, Bonus etc.	**3,976.42**	3,794.69
Company’s Contribution to Provident and Other Funds	**279.03**	234.42
Reimbursement of Expenses on Personnel Deputed to the Company	**1,026.77**	965.72
Contractor employee expenses	**616.42**	571.85
Staff Welfare Expenses	**627.50**	681.54
Total	**6,526.14**	6,248.22

Note 20 - Finance costs

Particulars	Current Year	Previous Year
Interest Expense	**2,138.20**	2,476.73
Other borrowing costs	**20.22**	20.22
	2,158.42	2,496.95
Less : Interest Capitalised	**-**	-
Total	**2,158.42**	2,496.95

Note 21 - Other Operating and General Expenses

Particulars	Current Year	Previous Year
(i) Operating expenses consist of the following :		
Linen and Room Supplies	**675.60**	566.23
Catering Supplies	**300.61**	268.48
Other Supplies	**24.98**	19.95
Fuel, Power and Light	**2,820.62**	2,775.93
Repairs to Buildings	**1,030.20**	420.91
Repairs to Machinery	**1,103.28**	678.22
Repairs to Others	**869.02**	165.45
Linen and Uniform Washing and Laundry Expenses	**454.18**	418.07
Payment to Orchestra Staff, Artistes and Others	**386.61**	355.37
Guest Transportation	**160.11**	180.25
Travel Agents' Commission	**795.48**	587.47
Credit card Commission	**239.38**	206.75
Other Operating Expenses	**839.67**	691.10
Total	**9,699.74**	7,334.18
(ii) General expenses consist of the following :		
Rent	**189.30**	228.86
Licence Fees	**822.92**	814.30
Rates and Taxes	**1,095.64**	891.37
Insurance	**102.43**	91.78
Advertising and Publicity	**675.25**	434.39
Printing and Stationery	**131.08**	121.82
Passage and Travelling	**41.23**	51.91
Communication expenses	**271.58**	281.71
Provision for Doubtful Debts	**49.34**	-
Bad debts written off	**69.36**	-
Expenditure on Corporate Social Responsibility	**44.91**	22.42
Donations	**-**	62.20
Operating & Management Fees	**885.98**	1,259.75
Professional Fees	**227.05**	244.13
Outsourced Support Services	**165.15**	134.52
Loss on Sale of Fixed Assets	**7.63**	1.66
Payment made to Statutory Auditors		
i. As Auditors	**22.00**	22.00
ii. For Tax Audit	**3.00**	3.00
iii. For certification	**3.00**	0.25
Directors' Sitting Fees	**17.60**	11.25
Amortized expenses	**15.00**	15.00
Other Expenses	**218.85**	227.93
Total	**5,058.30**	4,920.25
	14,758.04	12,254.43

Note: During the year, one of the hotel received a complaint from a guest(s) that the hotel failed to provide rooms for the wedding function as committed. An internal inquiry revealed some irregularities committed by some of the employees, resulting in a net estimated loss of Rs. 126 lakhs of which Rs. 39 lakhs has been provided for as doubtful debts and Rs.87 lakhs has been written off under the other expenses. The company has taken appropriate steps to strengthen the related internal controls and further continue to take necessary steps to recover the amount from the concerned employees.

22. Commitments and Contingent liabilities not provided for in respect of Commitments:

Estimated amount of contracts remaining to be executed on capital account, net of advances Rs.Nil (2018: Rs. Nil).

Contingent liabilities not provided for in respect of

Particulars	As at March 31, 2019	As at March 31, 2018
Value added tax matters (2019: Rs.97.20 lakhs [2018: Rs.101.99 lakhs] paid under protest against the demands)	**307.40**	344.65
Income tax matters (2019: Rs.102.30 lakhs [2018: Rs.260.72 lakhs] paid under protest against the demands)	**259.00**	411.80
Service tax matters	**2541.76**	2541.76
Probable customs duty payable on the Equipment Imported under Export Promotion Capital Goods Scheme	**371.06**	118.04
Letters of Credit	**-**	67.93
Bank Guarantees – Others	**90.00**	65.33

23. (a) Due to inadequacy of profits computed in accordance with the provisions of section 198 of the Companies Act read with Schedule V thereto, the remuneration paid to the Managing Director for the financial year 2018-19 is in excess of the limits specified under section 198 of the Companies Act, 2013, aggregating to Rs.148.87 lakhs. The Nomination and Remuneration Committee of the Board and Board of Directors at their meeting held on 15th May, 2019 approved and waived the recovery of excess remuneration paid to Managing Director. The Company shall place the said resolution for approval of the shareholders at the ensuing Annual General Meeting as required under the amended provisions of the Companies Act, 2013.

(b) During the following financial years, the remuneration paid to Managing Director exceeded the maximum ceiling of 5% of the Net profits calculated under section 198 of the Companies Act, 2013. The Nomination and Remuneration Committee of the Board and Board of Directors respectively approved the excess remuneration paid to Managing Director and accordingly passed the special resolution at the respective years' AGMs as detailed below.

Financial Year	Actual Paid	Limit as per Section 198 of the CA 2013	Excess paid as per section 198 of CA 2013	AGM date for passing special resolution seeking waiver of excess remuneration paid
2014-15	216.48	12.09	204.39	28.07.2015
2015-16	243.97	103.82	140.15	04.08.2016
2016-17	271.53	118.16	153.37	01.08.2017
2017-18	333.21	186.98	146.23	03.08.2018

During the following financial years, the remuneration paid to Executive Director exceeded the maximum ceiling of 5% of the Net profits calculated under section 198 of the Companies Act, 2013. The Nomination and Remuneration Committee of the Board and Board of Directors respectively approved the waiver seeking refund of excess remuneration paid to Executive Director and accordingly passed the special resolution at respective year AGM's as detailed below.

Financial Year	Actual Paid	Limit as per Section 198 of the CA 2013	Excess paid as per section 198 of CA 2013	AGM date for passing special resolution seeking waiver of excess remuneration paid
2014-15	157.83	12.09	145.74	28.07.2015
2015-16	147.56	103.82	43.74	04.08.2016
2016-17	158.77	118.16	40.61	01.08.2017

The Company made applications to the Central Government / Ministry of Corporate Affairs (MCA) seeking waiver/ exemption for payment of excess remuneration for the above said financial years to Managing Director and Executive Director.

Following the amendment to the Companies Act in 2018, the Ministry has notified the rules vide notification dated 12.09.2018 amending sections 196, 197 and 198 and Schedule V of the Companies Act, 2013. As per the notification, the approval of the Central Government / MCA is not required for payment of excess remuneration to managerial personnel and all the pending applications with the MCA seeking approval for payment of managerial remuneration in excess of the limits laid down would automatically abate and companies are given one year time to approach the shareholders for passing necessary resolution seeking waiver of the excess remuneration paid to managerial Personnel.

The Nomination and Remuneration Committee of the Board and Board of Directors at their meeting held on 15th March, 2019 approved the excess remuneration paid to Managing Director and Executive Director for the respective years and waived the recovery of the excess remuneration from Managing Director and Executive Director of the company. The Company is placing the said resolution for approval of the shareholders at the ensuing Annual General Meeting as required under the amended provisions of the Companies Act, 2013.

24. i) Disclosure of Trade Payables under Current Liabilities is based on the information furnished by the vendors and available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development (MSMED) Act, 2006".

TAJGVK HOTELS & RESORTS LIMITED (All amounts are Rs.in Lakhs, otherwise stated)

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	-	-
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	-	-

25. Disclosure per Ind AS 24 on Related Party transactions

a. Key Managerial personnel:

Whole Time Directors:	
Name of the Related Party	**Relationship**
Mrs. G. Indira Krishna Reddy	Managing Director
Mrs. Shalini Bhupal	Joint Managing Director
Non-Whole Time Directors:	
Dr. GVK Reddy	Non-Executive Chairman
Mr. G V Sanjay Reddy	Promoter Director
Mr. Krishna R Bhupal	Promoter Director
Mr. Puneet Chhatwal	Promoter Director
Mr. Giridhar Sanjeevi	Promoter Director
Mr. Rajendra Misra	Promoter Director
Mr. K Jayabharath Reddy	Independent Director
Mr. D R Kaarthikeyan	Independent Director
Mr. Ch G Krishna Murthy	Independent Director
Mr. M B N Rao	Independent Director
Mr. S Anwar	Independent Director
Mr. A Rajasekhar	Independent Director
Mr. C D Arha	Independent Director
Mrs. Santha John	Independent Director
Mr. N Sandeep Reddy	Independent Director
Mr. N Anil Kumar Reddy	Independent Director
Chief Financial Officer and Company Secretary:	
Mr. J. Srinivasa Murthy	Chief Financial Officer & Company Secretary

b. Other related parties:

Name of the Related Party	**Relationship**
Green Woods Palaces and Resorts Pvt Ltd	Jointly controlled entity
The Indian Hotels Company Limited	Joint Venturer

c. Companies/Firms/Trust in which the key management and their relatives are interested:

GVK Gautami Power Ltd	GVK Industries Ltd
GVK Airport Developers Ltd	GVK EMRI
GVK Biosciences (P) Ltd	GVK Jaipur Expressway Private Ltd
GVK Foundation	Mumbai International Airport Ltd
GVK Energy Ltd	GVK Power & Infrastructure Ltd
Orbit Travel & Tours (P) Ltd	Crescent EPC Projects & Technical Services Ltd
Navi Mumbai International Airport Pvt. Ltd	

Transactions during the year

Name of the related party	Current Year	Previous Year
Key Management Personnel:		
Salaries and other employee benefits to Whole Time Directors and Chief Financial Officer & Company Secretary	**670.16**	604.52
Sitting fees to other non executive / Independent Directors	**17.60**	11.25
Joint Venturer:		
Indian Hotels Company Limited		
Management fee	**885.98**	1259.75
Reimbursement of advertisement expenses	**395.29**	331.44
Deputed Staff Salaries	**1026.76**	965.72
Enterprises in which key management personnel and / or their relatives have significant influence:		
Orbit Tours and Travels (P) Ltd - Purchase of travel tickets	**25.37**	57.73
GVK Foundation – Donation	**-**	62.20
Income from sale of rooms and food & beverages:		
- GVK Gautami Power Ltd	**2.73**	1.64
- Mumbai International Airport Pvt Ltd	**4.00**	6.41
- GVK Biosciences Pvt Ltd	**5.48**	4.99
- GVK Industries Ltd	**0.46**	2.53
- GVK Jaipur Expressway Pvt Ltd	**0.16**	0.17
- GVK Power and Infrastructure Ltd	**4.94**	1.54
- GVK Energy Ltd	**0.13**	1.15
- GVK EMRI	**0.32**	-
- GVK Airport Developers Ltd	**0.06**	2.30
- Crescent EPC Projects & Technical Services Ltd	**4.53**	-
- Navi Mumbai International Airport Pvt. Ltd	**2.48**	-

Balances Outstanding as of 31 March, 2019:

Name of the related party	Current Year	Previous Year
Joint Venturer: Indian Hotels Company Limited Operating fee, reimbursable expenses and current account dues payable (net)	**919.54**	2126.00
Jointly controlled entity: Green Woods Palaces & Resorts (P) Ltd Investment in Equity Shares	**10157.91**	9869.94

26. The Company has given certain assets on operating lease, on which the minimum future lease rentals receivable, are as follows:

Particulars	As at March 31, 2019	As at March 31, 2018
Not later than one year	**829.28**	620.63
Later than one year but not later than five years	**356.04**	42.88
Later than 5 years	**-**	-

The Company has taken certain assets on operating lease, on which the minimum future lease rentals payable, are as follows:

Particulars	As at March 31, 2019	As at March 31, 2018
Not later than one year	**400.87**	398.61
Later than one year but not later than five years	**1667.23**	1639.41
Later than 5 years	**9700.21**	10131.18

27. Employee benefits:

Defined contribution plan:

Amount recognized as an expense in statement of profit and loss Rs.100.03 lakhs (2018: Rs.95.41 lakhs) on account of provident fund and Rs.62.67 lakhs (2018: Rs.68.93 lakhs) on account of Employee State Insurance.

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 separation 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 Rs.20,00,000/-

TAJGVK HOTELS & RESORTS LIMITED (All amounts are Rs.in Lakhs, otherwise stated)

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

a. Statement of Profit and Loss and Statement of Other Comprehensive Income

Particulars	Current Year	Previous Year
Current Service Cost	**29.28**	39.01
Past Service Cost	**-**	(66.09)
Interest on Net Defined Benefit liability / (asset)	**12.70**	14.41
Changes in financial assumptions	**4.90**	(23.35)
Changes in demographic assumptions	**(0.18)**	-
Experience adjustments	**8.91**	(3.23)
Actuarial return on plan assets less interest on plan assets	**(1.90)**	(1.72)
Net charge to Profit & Loss and OCI	**53.71**	(40.97)

b. Reconciliation of Defined Benefit Obligation

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Defined benefit Obligation	**535.51**	590.72
Current Service Cost	**29.28**	39.01
Past Service Cost	**-**	(66.09)
Interest Cost	**35.08**	35.35
Actuarial Losses / (Gain)	**13.63**	(26.58)
Benefits Paid	**(31.73)**	(36.90)
Closing Defined Benefit Obligation	**581.77**	535.51

c. Change in Fair Value of Plan Assets

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Fair Value of Plan Assets	**358.10**	372.33
Employer Contributions	**125.00**	-
Interest on Plan Assets	**22.38**	20.95
Actuarial gain / (Losses)	**1.90**	1.72
Benefits Paid	**(31.73)**	(36.90)
Closing Fair Value of Plan Assets	**475.65**	358.10

d. Amount recognized in Balance Sheet

Particulars	As at March 31, 2019	As at March 31, 2018
Opening net defined benefit liability / (asset)	**177.40**	218.38
Expense charged to profit and loss account	**41.97**	(12.67)
Amount recognized outside profit and loss account	**11.74**	(28.31)
Employer Contributions	**(125.00)**	-
Net Liability recognized in the Balance Sheet	**106.11**	177.40

e. Description of Plan Assets

Particulars	As at March 31, 2019	As at March 31, 2018
Insurer Managed Funds	100%	100%

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

Particulars	Current Year	Previous Year
Discount Rate	**7.55%**	7.00%
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.

	Period Ended	
	March 31, 2019	March 31, 2018
Discount rate (p.a)	**7.55%**	7.70%
Salary Escalation rate (p.a)	**5.00%**	5.00%

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.

The Defined Benefit Obligation of compensated absence in respect of the employees of the Company as at 31 March, 2019 works out to Rs.2,53,65,566/- (2018: Rs.2,31,73,091)

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.

28. Corporate Social Responsibility Expenditure

Gross amount required to be spent and actually spent by the company during the year: Rs. 44.91 lakhs (2018: Rs.22.42 lakhs)

29. A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before tax is summarized below:

Particulars	Current Year	Previous Year
Profit before tax	**3,812.84**	**3,201.36**
Income tax rate as applicable	**34.95%**	**34.61%**
Calculated taxes based on above, without any adjustments for deductions	**1,332.36**	1,107.93
Permanent tax differences due to:		
Effect of income that is exempt from taxation	**(16.68)**	(6.23)
Income considered as capital in nature under tax and tax provisions	**(7.05)**	(0.18)
Effect of expenses that are not deductible in determining taxable profit	**(35.52)**	(113.71)
Expense considered to be capital in nature under tax and tax provisions	**2.67**	0.58
Others	**(43.68)**	(249.58)
Income tax expense recognized in the Statement of Profit and Loss	**1,232.32**	**738.80**
Rounded off to	**1,237.00**	**740.00**

30. In the opinion of the Board of Directors of the company, the current assets, loans and advances are expected to realise in the ordinary course of business approximately the value at which they are stated in accounts.

31. Segmental Reporting:

The Company's only business being hoteliering, disclosure of segment-wise information under Accounting Standard (AS) 108 "Segmental Information" notified by the Companies (Accounting Standards) Rules, 2006 (as amended) does not arise. There is no geographical segment to be reported since all the operations are undertaken in India.

32. 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.

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.

TAJGVK HOTELS & RESORTS LIMITED (All amounts are Rs.in Lakhs, otherwise stated)

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 organisation, while maximising 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 endeavour to complete its projects on time at optimal cost so as to maximise the profitability.

33. 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 its Capital structure through a 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.

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 for FY 2018-19 and FY 2017-18.

Particulars	March 31, 2019	March 31, 2018
Borrowings	**19,787.48**	22,862.48
Trade Payables	**4,320.16**	6,243.54
Less: Cash & Cash Equivalents	**141.59**	1,461.18
Net Debt	**23,966.06**	27,644.83
Equity Capital	**39,186.38**	36,916.66
Equity Capital and Net Debt	**63,152.43**	64,561.49
Gearing Ratio	**38%**	43%

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

(All amounts are Rs.in Lakhs, otherwise stated)

34. 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	
	March 31, 2019	**March 31, 2018**	**March 31, 2019**	**March 31, 2018**
Financial Assets				
Investments	**10,157.91**	**9,869.94**	10,157.91	9,869.94
Other financial assets	**367.50**	**394.83**	367.50	394.83
Tax Assets (Net)	**2,541.09**	**2,946.78**	2,541.09	2,946.78
Trade Receivables	**1,866.05**	**1,934.00**	1,866.05	1,934.00
Cash and Cash Equivalents	**141.59**	**1,461.18**	141.59	1,461.18
Bank balances other than cash and cash equivalents	**44.73**	**65.06**	44.73	65.06
Other financial assets	**512.78**	**963.60**	512.78	963.60
Total	**15,631.64**	**17,635.39**	15,631.64	17,635.39
Financial Liabilities				
Non-current Borrowings	**16,011.36**	**19,666.13**	16,011.36	19,666.13
Other non-current financial Liabilities	**213.26**	**169.82**	213.26	169.82
Current Borrowings	**-**	**-**	-	-
Trade Payables	**-**	**-**	-	-
Other current financial Liabilities	**4,233.64**	**3,583.69**	4,233.64	3,583.69
Total	**20,458.25**	**23,419.64**	20,458.25	23,419.64

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.

35. 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 31 March, 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 disclosed					
Investments	31-Mar-19	10,157.91	-	10,157.91	-
Other financial assets	31-Mar-19	367.50	-	367.50	-
Tax Assets (Net)	31-Mar-19	2,541.09	-	2,541.09	-
Trade Receivables	31-Mar-19	1,866.05	-	1,866.05	-
Cash and Cash Equivalents	31-Mar-19	141.59	-	141.59	-
Bank balances other than cash and cash equivalents	31-Mar-19	44.73	-	44.73	-
Other financial assets	31-Mar-19	512.78	-	512.78	-
Total		**15,631.64**	**-**	**15,631.64**	**-**

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

TAJGVK HOTELS & RESORTS LIMITED (All amounts are Rs.in Lakhs, otherwise stated)

Quantitative disclosures fair value measurement hierarchy for liabilities as at 31 March, 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 disclosed					
Non-current Borrowings	31-Mar-19	16,011.36	-	16,011.36	-
Other non-current financial Liabilities	31-Mar-19	213.26	-	213.26	-
Current Borrowings	31-Mar-19	-	-	-	-
Trade Payables	31-Mar-19	-	-	-	-
Other current financial Liabilities	31-Mar-19	4,233.64	-	4,233.64	-
Total		**20,458.25**	**-**	**20,458.25**	**-**

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

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 31 March, 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 disclosed					
Investments	31-Mar-18	9,869.94	-	9,869.94	-
Other financial assets	31-Mar-18	394.83	-	394.83	-
Tax Assets (Net)	31-Mar-18	2,946.78	-	2,946.78	-
Trade Receivables	31-Mar-18	1,934.00	-	1,934.00	-
Cash and Cash Equivalents	31-Mar-18	1,461.18	-	1,461.18	-
Bank balances other than cash and cash equivalents	31-Mar-18	65.06	-	65.06	-
Other financial assets	31-Mar-18	963.60	-	963.60	-
Total		**17,635.39**	**-**	**17,635.39**	**-**

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

Quantitative disclosures fair value measurement hierarchy for liabilities as at 31 March, 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 disclosed					
Non-current Borrowings	31-Mar-18	19,666.13	-	19,666.13	-
Other non-current financial Liabilities	31-Mar-18	169.82	-	169.82	-
Current Borrowings	31-Mar-18	-	-	-	-
Trade Payables	31-Mar-18	-	-	-	-
Other current financial Liabilities	31-Mar-18	3,583.69	-	3,583.69	-
Total		**23,419.64**	**-**	**23,419.64**	**-**

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

36. 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.

(All amounts are Rs.in Lakhs, otherwise stated)

The sensitivity analysis in the following sections relate to the position as at 31 March, 2019 and 31 March, 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 analy sis:
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 31 March, 2019 and 31 March, 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:

	Increase / (decrease) in Interest Rate	Increase / (decrease)in profit before tax
March 31, 2019		
INR	0.5% p. a.	(114.31)
INR	(0.5%) p. a.	114.31
March 31, 2018		
INR	0.5% p. a.	(128.18)
INR	(0.5)% p. a.	128.18

Price risk

Price risk is the risk of fluctuations in the change in prices of equity Investments. The Company's investment in JV company is of strategic in nature rather than for trading purpose.

Credit risk

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

The Company has adopted a policy of only dealing with creditworthy customers/ corporates 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. Investments held by the Company are in the nature of investment in jointly controlled entity and also an investment in an alternate energy supply company as required under the respective State energy policy. Both the categories are unquoted non-trade equity.

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.

TAJGVK HOTELS & RESORTS LIMITED (All amounts are Rs.in Lakhs, otherwise stated)

Particulars	On demand	Less than 1 Year	1 to 5 years	5 years and above	Total
Year ended 31/3/2019					
Borrowings	-	3,675.00	16,112.48	-	19,787.48
Other financial liabilities	-	558.63	213.26	-	771.89
Trade and other payables	-	-	-	-	-
Total	-	4,233.63	16,325.74	-	20,559.37

Particulars	On demand	Less than 1 Year	1 to 5 years	5 years and above	Total
Year ended 31/3/2018					
Borrowings	-	3,075.00	18,850.48	937.00	22,862.48
Other financial liabilities	-	508.69	169.82	-	678.51
Trade and other payables	-	-	-	-	-
Total	-	3,583.69	19,020.30	937.00	23,540.99

37. New Accounting Standards, Amendments to Existing Standards, Annual Improvements and Interpretations Effective Subsequent to 31 March, 2019

On 30 March 2019, Ministry of Corporate Affairs issued Companies (Indian Accounting Standards) Amendment Rules, 2019 notifying Ind AS 116 - "Leases". Ind AS 116 will replace Ind AS 16. Ind AS 116 introduces major changes in the principles for measuring, recognizing and presenting leases in the financial statements of lessees. As of 1 April, 2019, Ind AS 116 requires lessees to recognize most leases using a single accounting model, i.e., the same model as that used to recognize finance leases under Ind AS 17. The lessee will recognize:

- a non-current asset representing its right to use the leased asset, in the statement of financial position;
- a financial liability representing its obligation to pay for the right to use the asset, in the statement of financial position;
- amortization of the right-of-use asset and interest expenses on the lease liability, in the statement of income.

The main measures included in Ind AS 116 to simplify application and adopted by the Company are:

- exclusion of short-term leases;
- exclusion of leases of low-value assets.

The Company will apply Ind AS 116 using the modified retrospective approach. This simplified approach does not require restatement of financial statements published before the date Ind AS 116 is first applied.

Within the scope of its transition to Ind AS 116, the Company has elected the following main options to simplify application:

- exclusion of leases with a residual term of 12 months or less at the transition date, along with leases of low-value assets;
- application of Ind AS 116 only to contracts previously identified as leases;
- use of the initial lease term to determine the discount rate at the transition date;
- exclusion of initial direct costs from the measurement of the right-of-use asset at the date of initial application.

The Company is currently finalizing its assessment of the impact of applying Ind AS 116 on its financial statements, based on the leases identified and an analysis of their main terms and conditions. The Company mainly has lease contracts for land and buildings which are currently accounted for as operating leases and for which it will be required to recognize a right-of-use asset under Ind AS 116.

38. Balances in the accounts of various parties are subject to confirmation and reconciliation.

39. Previous Year's figures have been regrouped / rearranged, wherever necessary. Figures in brackets indicate those for previous year.

Per our report of even date

For **M.BHASKARA RAO & CO.,**
Chartered Accountants
Firm Regn No.000459S

M. Bhaskara Rao
Partner
Membership No.005176

Place : Hyderabad
Date : May 15, 2019

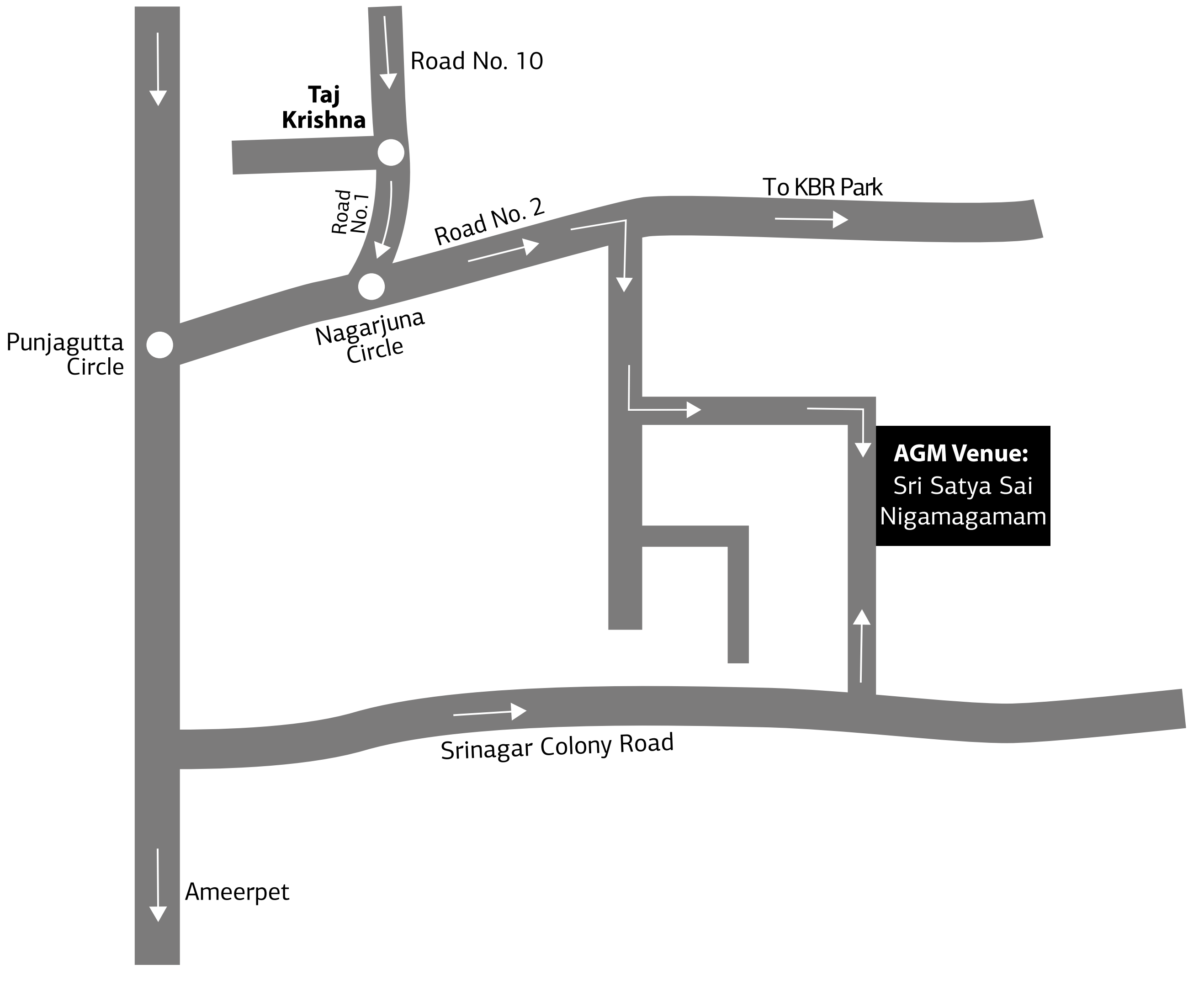
For and on behalf of the Board

G Indira Krishna Reddy
Managing Director
DIN:00005230

Dr. G V K Reddy
Chairman
DIN:00005212

J Srinivasa Murthy
CFO & Company Secretary
M.No.FCS4460

Route Map to AGM



TAJGVK

TAJGVK Hotels & Resorts Limited
CIN:L40109TG1995PLC019349
Registered Office: Taj Krishna, Road No.1, Banjara Hills, Hyderabad - 500 034
Email: tajgvkshares.hyd@tajhotels.com, Website: www.tajgvk.in
Phone No.040-66293664

ATTENDANCE SLIP

Annual General Meeting at Sri Sathya Sai Nigamagamam, on Thursday, the 25th July, 2019, at 11.30 A.M.

Please fill Attendance Slip and hand it over at the entrance of the Meeting Hall

DPID* :	
Client ID* :	

Regd. Folio No.:	
No. of Shares held:	

Name of the Shareholder	
Name of Proxy	
Signature of Shareholder / Proxy	

I/We hereby record my / our presence at the 24TH ANNUAL GENERAL MEETING of the Company held on Thursday, the 25th July, 2019 at 11.30 A.M. at Sri Sathya Sai Nigamagamam, 8-3-987/2, Srinagar Colony, Hyderabad – 500 073.

SIGNATURE OF THE MEMBER OR THE PROXY ATTENDING THE MEETING

If Member, Please sign here

If Proxy, Please Sign here

Note: This form should be signed and handed over at the Meeting Venue. No duplicate Attendance slip will be issued at the Meeting Hall. You are requested to bring copy of the Annual Report to the Meeting.

*Applicable for investors holding shares in Electronic Form.

TAJGVK Hotels & Resorts Limited

CIN:L40109TG1995PLC019349
Registered Office: Taj Krishna, Road No.1, Banjara Hills, Hyderabad - 500 034. Phone No.040-66293664
Email: tajgvkshares.hyd@tajhotels.com, Website: www.tajgvk.in

FORM No.MGT-11
PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

DPID* :	
Client ID* :	

Regd. Folio No.:	
No. of Shares held:	

I/We being the member(s) of ___________ shares of the above named Company hereby appoint :

1. Name Email Id:	Address:	Signature	or failing him / her
2. Name Email Id:	Address:	Signature	or failing him / her
3. Name Email Id:	Address:	Signature	or failing him / her

As my / our proxy to attend and vote for me / us on my / our behalf at the 24TH ANNUAL GENERAL MEETING of the Company held on Thursday, the 25th July, 2019 at 11.30 A.M. at Sri Sathya Sai Nigamagamam, 8-3-987/2, Srinagar Colony, Hyderabad – 500 073, and at any adjournment thereof in respect of such resolutions as are indicated below:

		For	Against
Ordinary Business			
1.	Adoption of the Standalone and Consolidated Accounts for the year ended March 31, 2019		
2.	To consider and declare dividend on the Equity Shares for the financial year ended March 31, 2019		
3.	Appointment of Mr. Krishna R Bhupal as a Director liable to retire by rotation		
4.	Appointment of Dr. GVK Reddy as a Director liable to retire by rotation		
Special Business			
5.	Re-appointment of Mr. A Rajasekhar as a Non-Executive Independent Director		
6.	Appointment of Mr. N Sandeep Reddy as a Non-Executive Independent Director		
7.	Appointment of Mr. N Anil Kumar Reddy as a Non-Executive Independent Director		
8.	Appointment of Mrs. Shalini Bhupal, Whole Time Director designated as Joint Managing Director for a period of 5 years		
9.	Approval for waiver of recovery of excess remuneration paid to Mrs. G Indira Krishna Reddy, Managing Director of the company, in view of the amended provisions of the Companies Act, 2013		
10.	Approval for waiver of recovery of excess remuneration paid to Mrs. Shalini Bhupal, Whole Time Director of the company, in view of the amended provisions of the Companies Act, 2013		
11.	Approval of the excess remuneration paid to Mrs. G Indira Krishna Reddy, Managing Director of the company for the financial year 2018-19		

As witness my / our hand(s) this ________________ day of ____________ 2019

Affix
Re.1/-
Revenue
Stamp

Signed by the said ___________________ Signature of Proxy __________________

Note: 1. The Proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.
2. The Proxy need not be a member of the Company.

* Applicable for investors holding shares in Electronic Form

TAJGVK

TAJGVK Hotels & Resorts Limited

CIN: L40109TG1995PLC019349

Registered Office
Taj Krishna, Road No.1, Banjara Hills, Hyderabad-500 034, India
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