

31st August, 2020


TAJGVK

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: Notice of 25th Annual General Meeting (AGM).
Ref: BSE: 532390; NSE:TAJGVK.

Pursuant to Regulation 30 read with Schedule III Para A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Notice of the **25th Annual General Meeting (AGM)** of the Company to be held on **Thursday, the 24th September, 2020 at 11.00 a.m.** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.


The said Notice forms part of the Annual Report 2019-20 which is also being sent through electronic mode to those members whose email addresses are registered with the company / Depository Participants / Registrar and Share Transfer Agent. The Annual Report for the Financial Year 2019-20 and other related documents are availed on the website of the company at www.tajgvk.in/investors/Annual Report section.

As per provisions of the Act and read with Listing Regulations, the Members holding shares either in physical form or dematerialized form, as on the **cut-off date i.e., 16th September, 2020**, may cast their vote electronically on the business set forth in the Notice of AGM through electronic voting system of the National Securities Depository Limited (NSDL). The instructions for e-voting are mentioned in the e-voting notice and email covering letter.

The Register of Members and Share Transfer books of the Company shall remain closed from **16th September, 2020 to 24th September, 2020** (both days inclusive) for the purpose of the AGM as per clause 42(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Yours faithfully

For TAJGVK Hotels & Resorts Limited


J SRINIVASA MURTHY
CFO & Company Secretary



Encl: a/a

Copy to

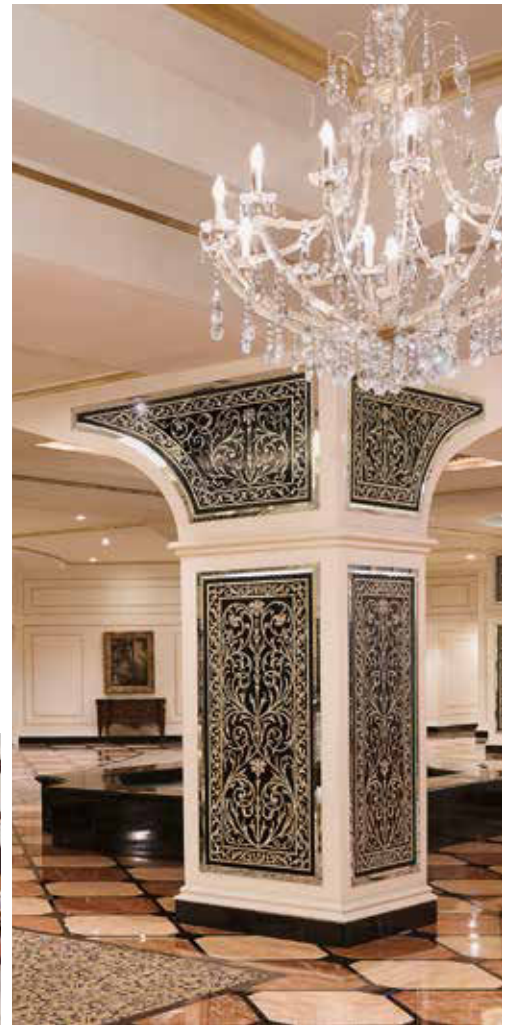
- 1) M/s. National Securities Depository Ltd.
4th Floor, 'A' Wing, Trade World, Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel, **MUMBAI - 400 013**
- 2) M/s. Central Depository Services (India) Ltd.
P J Towers, 17th Floor, Dalal Street, **MUMBAI - 400 001**

TAJGVK HOTELS & RESORTS LIMITED

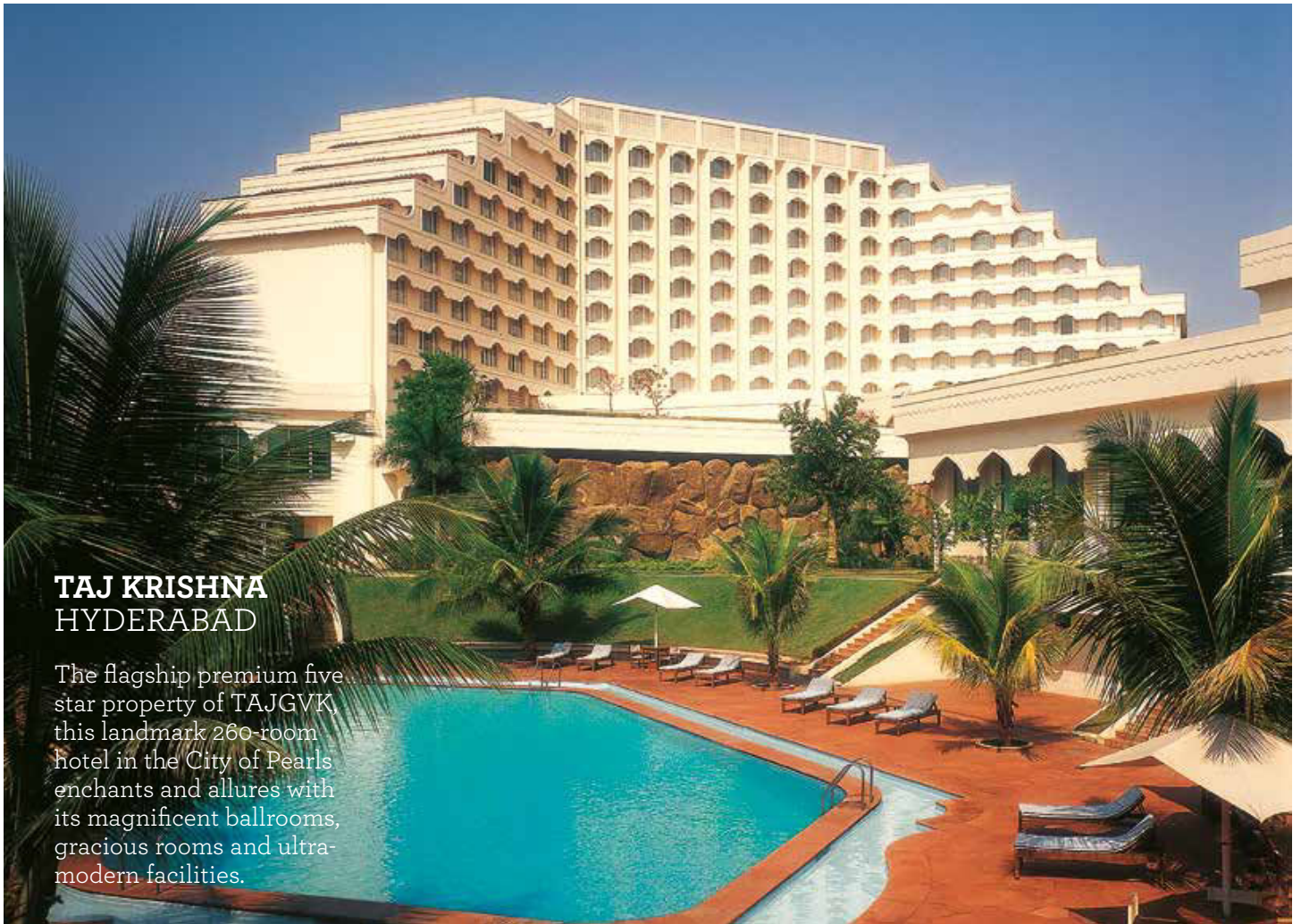
CIN: L40109TG1995PLC019349

Registered Office: Taj Krishna, Road No. 1, Banjara Hills, Hyderabad - 500 034. Telangana, India

Tel: (91-40) 2339 2323, 6666 2323; Fax: (91-40) 6662 5364; E-mail: tajgvkshares.hyd@tajhotels.com Website: www.tajgvk.in;




TAJGVK
TAJGVK Hotels & Resorts Limited
25TH
ANNUAL REPORT
2019-20



TAJ KRISHNA HYDERABAD

The flagship premium five star property of TAJGVK, this landmark 260-room hotel in the City of Pearls enchants and allures with its magnificent ballrooms, gracious rooms and ultra-modern facilities.



TAJ DECCAN, HYDERABAD

A charming 152-room atrium hotel, Taj Deccan exceeds the expectation of the most discerning business traveller with its world-class business facilities and luxury.

TAJGVK IS SYNONYMOUS WITH
LUXURIOUS HOSPITALITY
ACROSS INDIA



**TAJ BANJARA,
HYDERABAD**

An exclusive approach and unique location by a private lake adds to the charm of this beautiful 122-room hotel that is favoured by the glitterati.

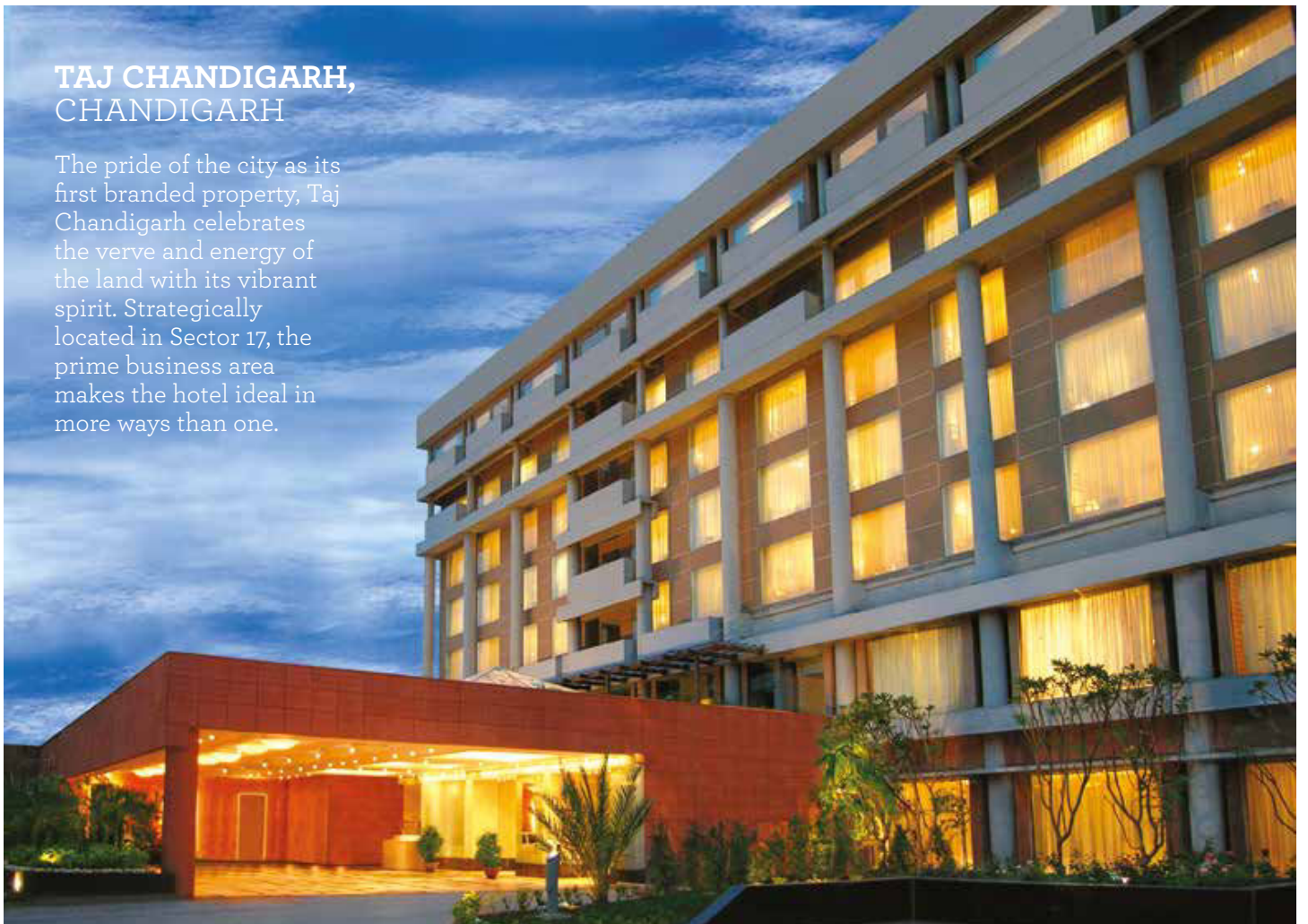
VIVANTA BY TAJ, HYDERABAD

Located at the cusp of Hyderabad and Secunderabad, this plush property offers over 180 rooms, a variety of cuisines and classy amenities.



TAJ CHANDIGARH, CHANDIGARH

The pride of the city as its first branded property, Taj Chandigarh celebrates the verve and energy of the land with its vibrant spirit. Strategically located in Sector 17, the prime business area makes the hotel ideal in more ways than one.



TAJ CLUB HOUSE, CHENNAI

Plush and contemporary this popular hotel is the favoured destination of the discerning business traveller.



TAJ SANTACRUZ, MUMBAI

This stunning hotel is the pride of TAJGVK and its latest offering. It is at once traditional yet quirky, modern yet arty and boasts of a great location in the city that is unstoppable.



Note from the Managing Director



Dear Shareholders,

TAJGVK is happy to present the 25th Annual Report of your company.

The company and the business environment was on track till the onset of Covid-19 Pandemic in the beginning of CY2020. The evolving situation around the pandemic has created unforeseen pressure on global economies and more importantly on the Aviation, Hospitality, Tourism and travel-related industries are the worst hit.

We acknowledge the fact that the company faces significant degree of uncertainty with regard to the recovery of the Hospitality sector in near future. Having said that, we are confident that we will overcome these challenging times and bounce back strongly and leverage our strengths, to be a strong player in the markets where our company's operates in the post COVID-19 period.

While in the midst of the pandemic outbreak, we are making every step possible to ensure the safety of our guests and people. We would like to assure our stakeholders that in the present scenario, we remain resolute in our determination to see a tough phase pass through.

Taking a look at the year under review, the hospitality industry began the year on a high note, with the country moving up in the World Economic Forum's Travel and Tourism Competitive Index to be ranked 34th in 2019, which is several notches higher than the earlier rank of 65th in 2014. The Government of India also undertook a series of measures to catalyse the growth of domestic tourism under the Swadesh Darshan scheme. The Goods and Services Tax (GST) Council also approved reduction in tax rate applicable on hotel room tariffs, a move expected to result in increase in demand.

At TAJGVK, we followed through with most of our renovation plans for the year, and recorded a revenue of Rs. 313.84 crore and EBITDA margin of 24.01%.

The company has undertaken renovations at Taj Krishna and Taj Deccan, Hyderabad and have completed 5 floors in Taj Krishna and with this 80% of rooms are renovated rooms and the hotel is better positioned in the CBD market offering for Meetings, Incentives, Conferences, and Exhibitions (MICE) including Destination weddings.

We are investing in our people's abilities to deliver a safe, secure, futuristic experience of hospitality to our guests and patrons, in addition to delivering on their expectation of warmth, superior comfort and elegant luxury. We look forward to stronger support from our guests and patrons towards riding out these challenging times together with our partners, to emerge ever stronger in the future. We will do our best possible to support our people and the partners and vendors comprising our network in this difficult scenario.

Regards,

G. Indira Krishna Reddy
Managing Director

Board of Directors



Dr. GVK Reddy



G Indira Krishna Reddy



Shalini Bhupal



Krishna R Bhupal



Puneet Chhatwal



M B N Rao



D R Kaarthikeyan



Giridhar Sanjeevi



Rajendra Misra



A Rajasekhar



N Anil Kumar Reddy



N Sandeep Reddy



Dinaz Noria

Corporate Information

Board of Directors

(As on 04.08.2020)

Dr. GVK Reddy	:	Non-Executive Chairman
Mrs. G Indira Krishna Reddy	:	Managing Director
Mrs. Shalini Bhupal	:	Joint Managing 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. D R Kaarthikeyan	:	Independent Director
Mr. M B N Rao	:	Independent Director
Mr. A Rajasekhar	:	Independent Director
Mr. N Anil Kumar Reddy	:	Independent Director
Mr. N Sandeep Reddy	:	Independent Director
Mrs. Dinaz Noria	:	Independent Director (w.e.f.25.06.2020)
Mr. J Srinivasa Murthy	:	CFO & Company Secretary

Board Committees

Audit Committee

Mr. M B N Rao	:	Chairman
Mr. Krishna R Bhupal	:	Member
Mr. Puneet Chhatwal	:	Member
Mr. N Anil Kumar Reddy	:	Member
Mr. A Rajasekhar	:	Member
Mr. N Sandeep Reddy	:	Member

Nomination and Remuneration Committee

Mr. N Anil Kumar Reddy	:	Chairman
Mr. Krishna R Bhupal	:	Member
Mr. Puneet Chhatwal	:	Member
Mr. A Rajasekhar	:	Member
Mr. N Sandeep Reddy	:	Member

Corporate Social Responsibility Committee

Mr. A Rajasekhar	:	Chairman
Mrs. Shalini Bhupal	:	Member
Mrs. Dinaz Noria	:	Member

Stakeholders Relationship Committee

Mr. N Anil Kumar Reddy	:	Chairman
Mrs. G Indira Krishna Reddy	:	Member
Mrs. Shalini Bhupal	:	Member

Company Bankers	: AXIS Bank Limited HDFC Bank Limited IDBI 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 and 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	: Price Waterhouse & Co (CIN:U74140WB1983PTC036093) Plot No.77/A, 8-2-624/A/1, 3rd Floor, Road No.10, Banjara Hills, Hyderabad - 500 034 Protiviti India Member Pvt Ltd (CIN:U93000HR2009PTC057389) 15th Floor, Tower A, DLF Building No.5, DLF Phase III, DLF Cyber City, Gurgaon - 122002. SNB Associates No.12, 3rd Floor, Gemini Parson Complex, 121, Anna Salai, Chennai - 600 006
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)

	2019-20	2018-19	2017-18	2016-17	2015-16
Total Revenue	313.84	324.09	290.88	269.77	272.00
Profit Before Tax	35.94	38.13	32.01	18.63	15.24
Profit After Tax (after extraordinary/prior period items)	23.31	24.24	21.19	10.22	8.21
Shareholders' Funds	411.15	400.55	380.73	362.48	355.28
Borrowings	165.62	197.87	228.62	256.37	269.35
Debt Equity ratio	0.40:1	0.49:1	0.60:1	0.71:1	0.76:1
Book value per share (Rs)	65.57	63.88	60.72	57.81	56.66
Earnings per share (Rs)	3.72	3.87	3.38	1.63	1.31
Dividend %	-	30%	30%	20%	20%

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Notice of the 25th Annual General Meeting (AGM)

Notice is hereby given that the **TWENTY FIFTH ANNUAL GENERAL MEETING** of **TAJGVK HOTELS & RESORTS LIMITED** will be held on **Thursday, the 24th September, 2020 at 11.00 A.M.** through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business. The venue of the meeting shall be deemed to be the registered office of the Company at Taj Krishna Road No.1, Banjara Hills, Hyderabad – 500 034:

ORDINARY BUSINESS

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

- 1) To receive, consider and adopt the Standalone and Consolidated Audited Profit and Loss Account for the year ended March 31, 2020 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 appoint a Director in place of Mr. Puneet Chhatwal (DIN:07624616) who retires by rotation and being eligible, offers himself for re-appointment as Director liable to retire by rotation.
- 3) To appoint a Director in place of Mr. Giridhar Sanjeevi (DIN:06648008) who retires by rotation and being eligible, offers himself for re-appointment as Director liable to retire by rotation.

SPECIAL BUSINESS

- 4) To appoint Mrs. Dinaz Noria as an Independent Women Director.

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and pursuant to Regulation 17(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mrs. Dinaz Noria (DIN:00892342), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director, not liable to retire by rotation and to hold office for a term upto five consecutive years commencing from 25th June, 2020 to 24th June, 2025”

“**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.”

- 5) To re-appoint Mr. D R Kaarthikeyan as an Independent 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 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mr. D R Kaarthikeyan (DIN:00327907), who held office of Independent Director up to 27th July, 2020 and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, signifying his intention to propose Mr. D R Kaarthikeyan candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years commencing from 4th August, 2020 to 3rd August, 2025.”

“**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 re-appoint Mr. M B N Rao as an Independent 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 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, appoint Mr. M B N Rao (DIN:00287260), who held office of Independent Director up to 27th July, 2020 and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, signifying his intention to propose Mr. M B N Rao candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years commencing from 4th August, 2020 to 3rd August, 2025.”

“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 re-appoint Mrs. G Indira Krishna Reddy, as 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 (“the Act”), including any statutory amendment, modification(s), or re-enactment thereof for the time being in force 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. G Indira Krishna Reddy (DIN:00005230) as Managing Director of the company for a period of 5 years effective from 25th April, 2020 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 25th April, 2020.

II. Remuneration

- a. Salary: Basic pay shall be Rs.14,00,000/- per month.
- b. Basic Scale: Rs.14,00,000 – Rs.1,00,000 – Rs.18,00,000

III. Perquisites & Allowances

In addition to the salary payable, the 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 Mrs. G Indira Krishna Reddy, Managing Director; all 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 and which shall be the minimum remuneration payable to Managing Director of the company.

V. Commission

In addition to the salary, perquisites and allowances payable, the 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 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 overall ceiling, perquisites and allowances shall be 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. Mrs. G Indira Krishna Reddy is entitled for travelling in India or Aboard, 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. If at any time Mrs. G Indira Krishna Reddy ceases to be a Director of the Company for any reason whatsoever, she shall also cease to be Managing Director of the Company.
- iv. 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. She is also entitled for Gratuity payable as per the rules of the Company and encashment of leave at the end of the tenure. All these shall not be included in the computation of ceilings aforesaid.
- v. The terms and conditions of the said appointment may be altered and varied from time to time by the Board and Nomination and Remuneration Committee as it may, in its discretion, deem fit, within the maximum amount payable to the 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. G Indira Krishna Reddy.
- vi. Mrs. G Indira Krishna Reddy is entitled for one foreign travel per year during the tenure of her appointment and the cost of foreign travel shall not form part of the perquisites.

“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.”

- 8) Approval for waiver of recovery of excess remuneration paid to Mrs. G Indira Krishna Reddy, Managing Director of the company for the Financial Year 2019-20

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 197, 198, Schedule V and all other applicable provisions, if any contained under the Companies Act, 2013 and the Rules framed thereunder 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 Annual General Meeting 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 (DIN:00005230), Managing Director of the company, in excess of the limits prescribed under the provisions of section 197, 198 and read with Schedule V of the Companies Act, 2013 for the financial year 2019-20 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)
2019-20	399.89	213.88	121.92	186.01	277.97	277.97

“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.”

- 9) Approval for waiver of recovery of excess remuneration paid to Mrs. Shalini Bhupal, Joint Managing Director of the company for the Financial Year 2019-20

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 197, 198, Schedule V and all other applicable provisions, if any contained under the Companies Act, 2013 and the Rules framed thereunder 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 Annual General Meeting held on 25th July, 2019, 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. Shalini Bhupal (DIN:00005431), Joint Managing Director of the company, in excess of the limits prescribed under the provisions of section 197, 198 and read with Schedule V of the Companies Act, 2013 for the financial year 2019-20 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 Joint 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)
2019-20	270.45	213.88	121.92	56.57	148.53	148.53

“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

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

Place : Hyderabad
Date : 04.08.2020

Notes

1. In view of the continuing COVID-19 pandemic and restrictions imposed on the movement of people, the Ministry of Corporate Affairs (“MCA”) vide its Circular no.14/2020 dated 08.04.2020, Circular no.17/2020 dated 13.04.2020 and Circular no.20/2020 dated 05.05.2020 and SEBI vide its Circular No.SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12.05.2020 prescribed the procedure and manner of conducting Annual General meeting (AGM) of the Members will be held through Video Conference (VC)/Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. Hence, in compliance with the Circulars, 25th AGM of the Company shall be conducted through VC / OAVM. National Securities Depositories Limited (‘NSDL’) will be providing facility for remote e-voting, participation in the AGM through VC / OAVM and e-voting during the AGM.
2. A proxy is allowed to be appointed under Section 105 of the Companies Act, 2013 to attend and vote at the general meeting on behalf of a member who is not able to attend personally. Since the AGM will be conducted through VC / OAVM, there is no requirement of appointment of proxies. Hence, Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts concerning the business under Item Nos. 4 to 9 of the Notice is annexed thereto. The relevant details pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as SEBI Listing Regulations, 2015) and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM are also annexed.
4. The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on the National Securities Depository Limited’s (‘NSDL’) e-Voting website at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars. The detailed instructions for joining the Meeting through VC/OAVM form part of the Notes to this Notice.
5. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM and vote on its behalf. The said Resolution/Authorization shall be sent to the Company at tajgvkshares.hyd@tajhotels.com or to Venture Capital and Corporate Investments Private Limited, Registrar and Share Transfer Agents at info@vccipl.com with a copy marked to evoting@nsdl.co.in.
6. Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013 (“the Act”).
7. In compliance with MCA Circular No. 20/2020 dated 5 May, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR /P/2020/79 dated 12.05.2020 and owing to the difficulties involved in dispatching of physical copies of the financial statements including Board’s Report, Auditor’s report or other documents required to be attached therewith (together referred to as Annual Report), the Annual Report for FY 2019-20 and Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).
8. The Register of Members and Share Transfer Books of the Company will remain closed from **16th September, 2020 to 24th September, 2020 (both days inclusive)** for the purpose of the Annual General Meeting of the Company.
9. 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 Share Transfer Agents, M/s. Venture Capital and Corporate Investments Private Limited for assistance in this regard.
10. 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 and Corporate Investments Private Limited / Investor Service Department of the Company immediately.
11. 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’).
12. During the day of 25th AGM, Members may access the electronic copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act, upon Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>. Members seeking to inspect such documents can send an email to tajgvkshares.hyd@tajhotels.com.
13. The Notice of AGM along with Annual Report for FY 2019-20, is available on the website of the Company at www.tajgvk.in, on the website of Stock Exchanges i.e., Bombay Stock Exchange Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of NSDL at www.evoting.nsdl.com.

14. The Securities and Exchange Board of India 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 and Corporate Investments Private Limited / Investor Service Department of the Company.
15. 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.

Procedure for attending the AGM through VC / OAVM:

16. Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-voting login credentials and selecting the EVEN for Company's AGM. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, Members can also use the OTP based login for logging into the e-voting system of NSDL.
17. Members are requested to join the Meeting through Laptops for better experience and will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connected via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of glitches.
18. Members may note that the VC / OAVM facility, provided by NSDL, allows participation of at least 1,000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. can attend the AGM without any restriction on account of first-come-first-served principle.
19. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in/ 1800-222-990 or contact Mr. Y Santhosh Reddy, Assistant Manager, NSDL at ysanthosh@nsdl.co.in/+91 9642000974.

Procedure to Raise Questions / Seek clarifications with respect to Annual Report:

20. As the AGM is being conducted through VC / OAVM, members are encouraged to express their views / send their queries in advance mentioning their name, DP Id and Client Id/Folio No., e-mail id, mobile number at tajgvkshares.hyd@tajhotels.com to enable smooth conduct of proceedings at the AGM. Questions / Queries received by the Company on or before **21st September, 2020** on the aforementioned e-mail id shall only be considered and responded to during the AGM.
21. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP Id and Client Id / Folio No., PAN, mobile number at tajgvkshares.hyd@tajhotels.com on or before **21st September, 2020**. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. Speakers are requested to submit their questions at the time of registration, to enable the Company to respond appropriately.
22. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the AGM.

Procedure for remote E-Voting and E-voting during the AGM:

23. 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.
24. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on **16th September, 2020**, i.e. the date prior to the commencement of book closure, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.
25. The remote e-voting period commences on **21st September, 2020 (9:00 A.M. IST)** and ends on **23rd September, 2020 (5:00 P.M. IST)**. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., **16th September, 2020**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Members, the Member shall not be allowed to change it subsequently.

26. In addition, the facility for voting through electronic voting system shall also be made available during the AGM. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the meeting.

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

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.nsdcl.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.nsdcl.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.nsdcl.com.
 - b. "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdcl.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 113372.
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

27. 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
28. 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.
29. 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

30. Other Instructions

- a. The e-voting period commences on **21st September, 2020 (9:00 a.m. IST)** and ends on **23rd September, 2020 (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., **16th September, 2020**, 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.
- b. 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.
- c. 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.
- d. The Company 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. 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.
- e. 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 : 04.08.2020

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 9 of the accompanying Notice of Annual General Meeting (AGM).

Item No. 4

Pursuant to the provisions of Sections 149, 152 and any other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder and regulation 17(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment thereof for the time being in force), based on the recommendation of the Nomination and Remuneration Committee, the Board has appointed Mrs. Dinaz Noria (DIN:00892342) as an Additional (Independent Woman) Director of the Company, not liable to retire by rotation, for the period of 5 (five) consecutive years, effective from 25th June, 2020, subject to approval of Members at this Annual General Meeting. The Company has received a notice in writing under the provisions of Section 160 of the Act, from a member proposing the candidature of Mrs. Dinaz Noria for the office of Independent Woman Director.

Mrs. Dinaz Noria is not disqualified from being appointed as a director in terms of Section 164 of the Act and has given her consent to act as a director and a declaration to the effect that she is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI).

The Company has also received declaration from Mrs. Dinaz Noria that she meets the criteria of independence as prescribed both under Section 149(6) of the Act and under the Listing Regulations.

In the opinion of the Board, Mrs. Dinaz Noria fulfils the conditions for appointment as an Independent Women Director as specified in the Act and the Listing Regulations. Mrs. Dinaz Noria is independent of the management and possesses appropriate skills, experience and knowledge.

The brief details of Mrs. Dinaz Noria, in terms of Regulation 36(3) of the Listing Regulation and Secretarial Standard 2 is annexed to this Notice:

Except Mrs. Dinaz Noria, none of the other directors or the Key Managerial Personnel or their relatives are interested or concerned whether directly or indirectly in this resolution. She is not related to any of the Directors or Key Managerial Personnel of the Company.

The Board recommends the Ordinary Resolution set out at Item No.4 of the Notice for approval of the members as **Ordinary Resolution**.

Item No. 5 and 6

Mr. D R Kaarthikeyan (DIN:00327907) and Mr. M B N Rao (DIN:00287260) were appointed as Independent Directors of the Company pursuant to Section 149 of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014, by the Shareholders at the 20th Annual General Meeting of the Company held on 28th July, 2015 to hold office upto 27th July, 2020 ("first term" as per the explanation to Section 149(10) and 149(11) of the Act).

The Nomination & Remuneration Committee at its Meeting held on 4th August, 2020 after taking into account the performance evaluation of these Independent Directors, during their first term of five years and considering the knowledge, acumen, expertise and experience in their respective fields and the substantial contribution made by these Directors during their tenure as Independent Directors since their appointment, has recommended to the Board that continued association of these Directors as Independent Directors would be in the interest of the Company.

Based on the above, the Nomination & Remuneration Committee and the Board has recommended the re-appointment of these Directors as Independent Directors on the Board of the Company, to hold office for the second term of five consecutive years commencing from 4th August, 2020 and not liable to retire by rotation subject to the approval of the members at the ensuing Annual General Meeting by Special Resolution.

The Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a Member proposing the candidature(s) of Mr. D R Kaarthikeyan and Mr. M B N Rao for their re-appointment to the office of Independent Directors. Brief profile of the above Independent Directors are attached to notice.

The above Directors have given a declaration to the Board that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI Listing Regulations. In terms of proviso to sub-section (5) of Section 152, the Board of Directors is of the opinion that Mr. D R Kaarthikeyan and Mr. M B N Rao fulfils the conditions specified in the Act for their appointment as Independent Directors.

The Company has also received from the above directors:-

- (i) the consent in writing to act as Director and
- (ii) intimation that they are not disqualified under section 164(2) of the Companies Act, 2013.
- (iii) a declaration to the effect that they are not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI).

The brief details of Mr. D R Kaarthikeyan and Mr. M B N Rao in terms of Regulation 36(3) of the Listing Regulation and Secretarial Standard 2 is annexed to this Notice.

A copy of the draft letter for the appointment of the above Directors as Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day and the same has also been put up on the Company website www.tajgvk.in.

The other details including the shareholding of these Directors, whose appointment is proposed at item nos. 5 and 6 of the accompanying Notice, have been given in the attached annexure.

The Board recommend the Resolutions for re-appointment of the Independent Directors at item no. 5 and 6 as **Special Resolutions** of this notice for your approval.

Mr. D R Kaarthikeyan and Mr. M B N Rao are concerned or interested in the resolutions of the accompanying notice relating to their own appointment. None of the other Directors, Key Managerial Personnel and relatives thereof are concerned or interested in the Resolutions at item nos. 5 and 6.

Item No. 7

The Board of Directors of the Company (the "Board"), at its meeting held on 24th April, 2020 on the recommendation of Nomination and Remuneration Committee and subject to the approval of members, re-appointed Mrs. G Indira Krishna Reddy (DIN:00005230) as Whole Time Director designated as Managing Director, for a further period of 5 (five) years from 25th April, 2020, 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. G Indira Krishna Reddy (DIN:00005230) as Managing Director in terms of the applicable provisions of the Companies Act, 2013.

Additional information in respect of Mrs. G Indira Krishna Reddy, 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.7 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. G Indira Krishna Reddy as the Managing Director of the Company. The company proposes to pass the resolution as Special resolution because she is more than 75 years and as per Schedule V of the Companies Act, 2013, appointment of any Whole Time Director requires special resolution, she is the Promoter Director and she contributed to the growth of Company from 2 Hotel portfolio company to 7 Hotel portfolio company. In any financial year in case of loss or the profits of the company are inadequate, then the remuneration payable to her as per terms of appointment shall be the minimum remuneration. The approval of the members of the company is hereby requested for the said resolution.

Dr. GVK Reddy, Mrs. Shalini Bhupal 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, to the extent of their shareholding in the company.

Save and except Mrs. G Indira Krishna Reddy 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.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 **Special Resolution**.

Item No. 8

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 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 Remuneration paid to Mrs. G. Indira Krishna Reddy, Managing Director for the FY 2019-20 exceeded the limits laid down in sections 197, 198 read with Schedule V of the Companies Act, 2013 as amended to date.

The Nomination and Remuneration Committee of the Board and the Board of Directors at their meeting(s) held on 04.08.2020 approved to waive the recovery of excess remuneration paid to Mrs. G. Indira Krishna Reddy, Managing Director for the financial year 2019-20 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)
2019-20	399.89	213.88	121.92	186.01	277.97	277.97

The company places 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, 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 to the extent of their shareholding in the company.

Save and except Mrs. G. Indira Krishna Reddy 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.8 for approval of the Members as **Special Resolution**.

Item No. 9

The Company appointed Mrs. Shalini Bhupal (DIN:00005431) as Joint Managing Director for a period of 5 years with effect from 16.06.2019 at the Annual General Meeting held on 25.07.2019, on a remuneration payable as per the terms of her appointment. The said remuneration shall 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 Remuneration paid to Mrs. Shalini Bhupal, Joint Managing Director for the FY 2019-20 exceeded the limits laid down in sections 197, 198 read with Schedule V of the Companies Act, 2013 as amended to date.

The Nomination and Remuneration Committee of the Board and the Board of Directors at their meeting(s) held on 04.08.2020 approved to waive the recovery of excess remuneration paid to Mrs. Shalini Bhupal, Joint Managing Director for the financial year 2019-20 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)
2019-20	270.45	213.88	121.92	56.57	148.53	148.53

The company places the resolution for approval of the members, pursuant to the amended provisions of Section 197 of the Companies Act, 2013.

Dr. GVK Reddy, Mrs. G Indira Krishna 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 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**.

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

Place : Hyderabad
Date : 04.08.2020

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.7** 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, 2020, Gross Revenue from operations of your Company on Standalone basis was Rs.313.84 Crores. Profit before other income, Finance Cost, Depreciation, Exceptional Items, Tax & Amortisation (EBITDA) on standalone basis stood at Rs.75.36 Crores which is 1% lower than the previous financial year. The detailed balance sheet, profit & loss account and other financial statements forming part of the Annual Report 2019-20 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, 2020 was approximately 1.41%
II Information about appointee		
1	Background details, recognition and awards	Nil
2	Past remuneration	Mrs. G Indira Krishna Reddy, has received of Rs.399.89 lakhs from the company during the financial year 2019-20 for services rendered as Managing Director of the company.
3	Job Profile and her suitability	Mrs. G Indira Krishna Reddy, is the Promoter Director of your Company and she is handling the Project Designs and execution of the projects apart from Managing the affairs of the Company. During her tenure as Managing 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. G Indira Krishna Reddy, Managing Director extensive experience in Management and Administration, her proposed appointment will be in the best interests of the Company.
4	Remuneration proposed	Please refer to Item No.7 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. G Indira Krishna Reddy 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. G Indira Krishna Reddy. The remuneration recommended by the Nomination and Remuneration Committee was approved by the Board of Directors at its meeting held on 24th April, 2020.
6	Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any.	Dr. GVK Reddy, Mrs. Shalini Bhupal 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 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.7 of the Notice.

III Other Information		
1	Reasons for loss or inadequate profits	The remuneration paid to Mrs. G Indira Krishna Reddy as Managing Director for the FY 2019-20 exceeded the limits prescribed under sections 197, 198 and read with Schedule V of the Companies Act, 2013. The lower profits is due to the Pandemic Covid-19, which resulted in drop in Business from the 2nd week of February, 2020.
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 and it will take time to reach the pre Covid-19 levels.
3	Expected increase in productivity and profit in measurable terms	The company expects to show degrowth in income and profit due to pandemic Covid-19. On account of this unforeseen situation, the Managing Director voluntarily took cut in her remuneration for First Half of FY 2020-21 and she will be paid Re.1/- as remuneration.
4	Director Identification Number (DIN)	00005230
5	Date of Birth (Age)	17.10.1944 (75 years)
6	Date of First Appointment on the Board of Directors	08.05.2000
7	Relationship with other Directors, Managers or Key Managerial Personnel	Dr. GVK Reddy, Mrs. Shalini Bhupal and Mr. Krishna R Bhupal being related to Mrs. G Indira Krishna Reddy
8	Outside Directorship	Public Limited Companies - NIL
9	Committee Membership in the company	Stakeholders Relationship Committee Corporate Social Responsibility Committee Risk Management Committee
10	Number of meetings of the Board attended during the relevant year	The attendance of Mrs. G Indira Krishna Reddy 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 Board on the recommendation of the Nomination and Remuneration Committee reviews and approves the remuneration payable to the Directors subject to the approval of the members. The Remuneration of employees will be based on the performance of the employee, position held, market conditions and an average increase for the employees will be 8-10%.
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. G Indira Krishna Reddy 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 managing the affairs of the company and during her tenure as Managing Director, the company successfully completed 4 hotel projects. She has in a sustained way contributed significantly towards growth and performance of the Company. She has extensive experience in business strategy, project development administration and finance fields 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, 2020.	Mrs. G Indira Krishna Reddy holds 75,68,947 equity shares (12.07%) of Rs.2 each as on March 31, 2020. None of shares are under pledge.

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

Place : Hyderabad
Date : 04.08.2020

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

Profile of Directors

Details of Directors Seeking Appointment and Re-appointment at the 25th 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. Puneet Chhatwal	Mr. Giridhar Sanjeevi
DIN	07624616	06648008
Date of Birth and Age	16-04-1964 (56 years)	03-12-1963 (56 years)
Date of first Appointment in the Board	02-02-2018	01-08-2017
Qualifications	MBA in Hospitality from ESSEC, Paris, Advanced Management Program from INSEAD, Graduation from Delhi University and Institute of Hotel Management, Delhi	FCA, MBA from IIM Ahmedabad
Expertise in specific functional areas	Wide experience in Hospitality Industry and Business Management	Finance & Accounting and Project development
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.
Nature of appointment (appointment/re-appointment)	Retires by rotation and offers himself for re-appointment.	Retires by rotation and offers himself for re-appointment.
Terms and Conditions of appointment/re-appointment	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	Nil	Nil
Shareholding in the Company	Nil	Nil
The number of Meetings of the Board attended during the year	4 out of 4	4 out of 4
List of Companies in which outside Directorship held as on 31.03.2020	1) The Indian Hotels Company Ltd.	1) PIEM Hotels Ltd.
	2) Benares Hotels Ltd.	2) Roots Corporation Ltd.
	3) PIEM Hotels Ltd.	3) Taj Sats Air Catering Ltd.
	4) Roots Corporation Ltd.	4) ELEL Hotels and Investments Ltd.
	5) Taj Sats Air Catering Ltd.	5) Oriental Hotels Ltd.
	6) ELEL Hotels and Investments Ltd.	
	7) Oriental Hotels Ltd.	
Chairman/Member of the *Committees of other Companies on which he is a Director as on 31.03.2020	Stakeholder's Relationship Committee 1) The Indian Hotels Company Ltd. - Member	Audit Committee 1) Roots Corporation Ltd. - Chairman 2) PIEM Hotels Ltd. - Member 3) Taj SATS Air Catering Ltd. - Member 4) Oriental Hotels Ltd. - Member

*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 25th 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. D R Kaarthikeyan	Mr. M B N Rao
DIN	00327907	00287260
Date of Birth and Age	02.10.1939 (81 years)	09.06.1948 (72 Years)
Date of first Appointment in the Board	27.04.2001	24.10.2009
Qualifications	B.Sc., BL, IPS (Retired)	B.Sc (Agriculture)
Expertise in specific functional areas	Retired Officer from Indian Police Service and has held multifarious positions of the police department, Ministry of External Affairs etc.,	Banking, Retd. as Chairman and Managing Director of Canara Bank
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.
Nature of appointment (appointment/ reappointment)	Appointment as Independent Director for second term of 5 years	Appointment as Independent Director for second 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.
Remuneration last drawn by such person, if applicable and remuneration sought to be paid	Sitting fees paid to Mr. D R Kaarthikeyan, the details are given in Corporate Governance Report	Sitting fees paid to Mr.M B N Rao, 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	4 out of 4	3 out of 4
List of Companies in which outside Directorship held as on 31.03.2020	<ol style="list-style-type: none"> 1) Texmaco Rail & Engineering Ltd 2) Texmaco Infrastructure and Holdings Ltd 3) Lotus Eye Hospital & Institute Ltd 4) Star Health & Allied Insurance Company Ltd 5) Life Positive Pvt Ltd 6) Roots Auto Products Pvt Ltd 	<ol style="list-style-type: none"> 1) The Ramco Cements Ltd 2) KG Denim Ltd 3) Apollo Hospital Enterprise Ltd 4) HDFC ERGO Health Insurance Ltd 5) CRISIL Risk and Infrastructure Solutions Ltd 6) Nuziveedu Seeds Ltd 7) Apollo Health and Lifestyle Ltd 8) Mumbai International Airport Ltd 9) Green Woods Palaces & Resorts Pvt Ltd 10) MMTC - PAMP India Pvt Ltd 11) Navi Mumbai International Airport Pvt Ltd
Chairman/Member of the *Committees of other Companies on which he is a Director as on 31.03.2020	Nil	<p>Audit Committee - Chairman</p> <ol style="list-style-type: none"> 1) Mumbai International Airport Ltd 2) Green Woods Palaces & Resorts Pvt Ltd 3) HDFC ERGO Health Insurance Ltd <p>Audit Committee – Member</p> <ol style="list-style-type: none"> 1) The Ramco Cements Ltd. 2) Apollo Hospital Enterprises Ltd. 3) Nuziveedu Seeds Ltd. 4) MMTC - PAMP India Pvt. Ltd. 5) Apollo Health and Lifestyle Ltd. 6) Navi Mumbai International Airport Pvt. Ltd. <p>Stakeholder Relationship Committee – Member</p> <ol style="list-style-type: none"> 1) MMTC - PAMP India Pvt Ltd <p>Risk Management Committee – Chairman</p> <ol style="list-style-type: none"> 1) Nuziveedu Seeds Ltd 2) The Ramco Cements Ltd <p>Nomination & Remuneration Committee - Member</p> <ol style="list-style-type: none"> 1) Apollo Hospital Enterprise Ltd 2) Nuziveedu Seeds Ltd <p>CSR Committee – Chairman</p> <ol style="list-style-type: none"> 1) Apollo Hospital Enterprise Ltd 2) HDFC ERGO Health Insurance Ltd 3) CRISIL Risk and Infrastructure Solutions Ltd

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

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the Twenty Fifth Annual Report of the Company together with the Consolidated and Standalone Audited Accounts for the year ended 31st March, 2020.

FINANCIAL RESULTS

The performance of the Company for the financial year ended 31st March, 2020 is as below:

(Rs. In Crores)

Particulars	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Total Revenue	313.84	324.09	313.84	324.09
Operating expenses	238.48	247.68	238.48	247.60
Depreciation	16.79	16.70	16.79	16.70
Finance cost	22.63	21.58	22.63	21.58
Profit Before Tax	35.94	38.13	35.94	38.05
Tax expense:				
Current tax	10.88	12.37	10.88	12.37
Deferred tax	1.21	1.03	1.21	1.03
Short provision of tax of earlier years	-	0.41	-	0.41
Profit After Tax	23.85	24.32	23.85	24.24
Total Comprehensive Income for the year	23.31	24.24	27.56	27.11
Share of profit / (loss) from joint venture	-	-	4.24	2.88
Profit brought forward from previous year	251.00	231.18	242.31	219.61
Transitional adjustment on adoption of Ind AS 116 on Leases	8.06	-	8.07	-
Profit available for appropriation	266.25	255.42	261.80	246.73
Less: Dividend paid	3.76	3.76	3.76	3.76
Less: Dividend tax	0.89	0.66	0.89	0.66
Profit carried forward to Balance Sheet	261.60	251.00	257.15	242.31
Earnings per share (Rs.)	3.72	3.87	4.40	4.32

BUSINESS OVERVIEW

Travel and tourism industry contributed 6.8% to India's GDP and registered a growth of 4.9% in 2019 (Source: World Travel and Tourism Council). It provides close to 43 million jobs in the country. 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. A detailed overview on the company's business is provided in the Management Discussion and Analysis Report.

COMPANY'S PERFORMANCE

The total income for the year ended 31st March, 2020 was lower by Rs.10.25 crores as compared to Rs.324.09 crores of the previous financial year. This was primarily on account of dip in the business travel as also social and banquet functions and the resultant drop in business in the fourth quarter of the financial year. The lockdown that ensued pursuant to the onset of the Covid 19 pandemic in the last week of March 2020 also resulted in literally nil business during that week. Further, there was also a one-time income in FY 2019-20 to the tune of Rs.5.50 crores. Due to pandemic, the business was impacted from the third week of February as the company could see lot of cancellations.

Though the room revenues were more or less stable as compared to the previous year, the dip was witnessed in the food and beverages segment.

DEPRECIATION AND FINANCE COSTS

Depreciation for the year was at Rs.16.79 crores including Rs.0.80 crores being amortization of Right to Use Assets taken on lease by the Company as compared to Rs.16.70 crores for the previous year.

Finance costs for the year ended 31st March, 2020 was Rs.22.63 crores of which Rs.4.24 crores pertain to interest on lease liability as per Ind AS 116 disclosures. Remaining Rs.18.39 crores being finance cost of term loans is lower by Rs.3.19 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

Due to outbreak of Covid-19 pandemic and the subsequent lockdown, the company is facing stress on cash flows and to mitigate the current unexpected situation, the Company has taken steps to curb all fixed costs. Hence, the Board of Directors decided not to declare dividend for the Financial year 2019-2020.

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, 2020 is as below:

Particulars	(Rs. In Crores)	
	2019-20	2018-19
Total Revenue	141.37	137.81
Operating expenses	81.16	80.97
Depreciation	25.22	25.17
Finance cost	23.39	23.67
Profit / (Loss) Before Tax	11.60	8.00
Tax expense:		
Current tax	-	-
Deferred tax	2.94	2.12
Short provision of tax of earlier years	-	-
Profit / (Loss) After Tax	8.66	5.88
Earnings per share (Rs.)	1.15	0.78

CONSOLIDATED FINANCIAL PERFORMANCE

As required under the Listing Agreement entered into with the Stock Exchanges, a consolidated financial statement of the Company which includes the company's share in 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 Rs.165.62 crores for the year ended 31st March, 2020 as compared to Rs.197.87 crores as at 31st March, 2019. During the financial year under review, the company repaid Rs.32.25 crores.

BENGALURU HOTEL PROJECT

The Company has been allotted around 7.5 acres land in Yelahanka, 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. 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. The company will judiciously take decision when to start the project, considering the current economic situation due to Covid 19 which impacted the cash flows of the company. The hospitality industry is severely impacted due to Covid 19.

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 2 floors, with this 5 guest floors are renovated and around 210 Rooms are New Rooms.

TAJ DECCAN

The Company has taken up the phased refurbishments and the mock-up room construction is completed and the renovation of rooms will be taken up at appropriate time keeping in view the current cash flow position of the company.

MEETINGS OF THE BOARD OF DIRECTORS

Four 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, Mr. Puneet Chhatwal (DIN:07624616) and Mr. Giridhar Sanjeevi (DIN:06648008), Promoter Directors, representing IHCL, retire by rotation and being eligible offered themselves for re-appointment.

Mr. D R Kaarthikeyan (DIN:00327907) and Mr. M B N Rao (DIN:00287260), Non-Executive Independent Directors of the Company completed their First term of 5 years on 27.07.2020. The company proposes to re-appoint them 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. D R Kaarthikeyan and Mr. M B N Rao as Independent Directors of the company by passing a special resolution(s).

Mr. D R Kaarthikeyan and Mr. M B N Rao, Non-Executive Independent Directors shall hold office for a term 5 years. i.e. 04.08.2020 to 03.08.2025

Resignation/ Retirement of office of Director(s):

During the year Mr. G V Sanjay Reddy (DIN:00005282), has resigned from the Board on 29.01.2020 and the Board of Directors placed on record its appreciation for the services rendered by him during the tenure as Director of company.

Mr. K Jayabharath Reddy (DIN:00038342), Mr Ch G Krishna Murthy (DIN:01667614) and Mr. S Anwar (DIN:06454745), Non-Executive Independent Directors of the Company completed their First term of 5 years on 27.07.2020 and who opted not to seek re-appointment for the second term as "Independent Director" due to their personal commitments

Appointments:

In order to comply with the Listing Regulations on Board composition of Promoter Directors and Independent Directors, the Board appointed Mrs. Dinaz Noria as an Additional Directors (Independent Woman Director) of the Company w.e.f. 25.06.2020 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 she meets the criteria of independence as provided under Section 149 of the Companies Act, 2013.

Mrs. Dinaz Noria, Independent Directors shall hold office for a term of 5 years i.e. 25.06.2020 to 24.06.2025.

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, 2020 are: Mrs. G Indira Krishna Reddy, Managing Director, Mrs Shalini Bhupal, Joint 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 Listing Regulations, the Board has carried out an Annual Evaluation 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) 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 22nd July, 2020, 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 timely 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 2019-20.

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 Standalone and Consolidated Auditor's Report for the financial year ended 31st March, 2020 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., M/s. Protiviti India Member Pvt Ltd, and M/s. SNB Associates as Internal Auditors to conduct Internal Audit of the Company Hotels for the Financial Year 2019-20 and the Internal Auditors have presented the observations to the Audit Committee at their meeting held on 25.06.2020.

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 have been no material changes and commitments, affecting the financial position of the company that have occurred between the end of the financial year 2019-20 and the date of this report except the impact arising out of COVID-19 pandemic which is briefly described below:

On March 11, 2020, the World Health Organization (WHO) declared COVID-19 outbreak as a pandemic. Responding to the potentially serious threat that this pandemic has to public health, the Indian Government has taken a series of measures to contain the outbreak, which included imposing multiple 'lock-downs' across the country, from March 22, 2020 which was extended in a phased manner till May 31, 2020. All businesses and services except those catering towards essential services had been closed during the period of lock-down. However, in order to mitigate the economic and social hardships induced by the COVID-19 pandemic and resultant lock-down, there has been a partial lifting of lock-down and dilution of stringent measures imposed since the beginning of June 2020.

The hotel business has been severely impacted on account of COVID-19. Many of the hotels have been closed since the mandated lockdown from March 22, 2020. The Company is currently operating a few hotels with low occupancy and expects all the hotels to become operational in a staggered manner depending upon the business environment.

However, revenues are expected to be softer in the initial phase after the lifting of the lockdown mainly due to lower occupancies arising out of reduced business and leisure travel.

The Company is taking all necessary measures to contain costs, rationalise resources taking initiatives to uplift revenue which includes invoking force majeure condition in the lease/license agreements in respect of leased/licenses hotel properties for waiver or deferment of lease rentals during the lockdown period, holding back on discretionary spending, postponing renovations and implementing various cost optimization measures.

The Company has assessed the potential impact of Covid-19 on the carrying value of property, plant and equipment, right of use assets, intangible assets, investments, trade receivables, inventories, and other current assets appearing in the financial statements of the Company. In developing the assumptions and estimates relating to the future uncertainties in the economic conditions because of this pandemic, the company has used internal and external sources of information and based on current estimates, expects to recover the carrying amounts of these assets and do not foresee any impairment in the values of these assets.

Information to be Furnished Under Rule 5(1) of Companies (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 other than Whole Time Directors/KMP's 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:

- 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.
- 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, 2020 and of the profit of the Company for that period.
- 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.
- that the Directors have prepared the Annual Accounts for the Financial Year ended 31st March, 2020 on a going concern basis.
- They have laid down internal financial controls for the company and such internal financial controls are adequate and were operating efficiently, and
- 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 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 Hotels. 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 2019-2020 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/investor-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 2019-20, 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 year 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.

Pursuant to Regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 related party transaction are reported to the Stock Exchanges on a half yearly basis.

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**.

BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Business Responsibility Report is enclosed to this Board's Report as **Annexure – 6**.

OTHER INFORMATION

The Audit Committee of the Company reviewed the Standalone and Consolidated Financial statements for the year under review at its meeting held on 25th June, 2020 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 454 permanent employees which includes Unit staff / Deputed staff and 1254 employees on FTC / 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.

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 2020-21.

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 2019-20

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 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, 2020	March 31, 2019
Earned	3514.00	4786.00
Used	376.41	382.34

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 : 04.08.2020

Dr. GVK Reddy
Non Executive Chairman
DIN:00005212

SECRETARIAL AUDIT REPORT

(as per Form No MR - 3)

For the Financial year ended 31.03.2020
(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, 2020, 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, 2020 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 : 25.06.2020

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	31.03.2020
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.(444.56) lakhs
9.	Profit / Loss for the year	
	i. Profit considered in Consolidation	Rs.424.32 lakhs
	ii. Not considered in Consolidation	Not applicable

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

Place : Hyderabad
Date : 04.08.2020

Dr. GVK Reddy
Non Executive Chairman
DIN:00005212

FORM NO.MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2020
[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 and 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	45.08%
2	Restaurants & Bars (F&B)	56301	49.82%
3	Banquets & other income	56210	5.10%

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 Shares	Demat	Physical	Total	% of 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	16000400	-	16000400	25.52	16000400	-	16000400	25.52	-
e)	Banks / FI	-	-	-	-	-	-	-	-	-
f)	Any Other	-	-	-	-	-	-	-	-	-
	Sub-Total(A)(1)	47018206	-	47018206	74.99	47018206	-	47018206	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)	47018206	-	47018206	74.99	47018206	-	47018206	74.99	-
B.	Public Shareholding									
1.	Institutions									
a)	Mutual Funds/Alternate investment Funds	6838670	80	6838750	10.91	6375361	80	6375441	10.17	0.74
b)	Banks / FI	187161	585	187746	0.30	187678	585	188263	0.30	-
c)	Central Government	-	-	-	-	-	-	-	-	-
d)	State Government(s)	-	-	-	-	-	-	-	-	-
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	-	-	-	-	-	-	-	-	-
g)	FII's (Foreign Portfolio Investors)	562790	-	562790	0.90	562200	-	562200	0.90	-
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)	Others (Foreign Nation)	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	7588621	665	7589286	12.10	7125239	665	7125904	11.36	0.74
2.	Non Institutions									
a)	Bodies Corp	2260776	422035	2682811	4.28	2486355	22440	2508795	4.00	0.28
(i)	Indian	-	-	-	-	-	-	-	-	-
(ii)	Overseas (OCB)	-	-	-	-	-	-	-	-	-
b)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh	3765959	610928	4376887	6.98	3803591	530923	4334514	6.91	0.07
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	164539	-	164539	0.26	711000	-	711000	1.13	(0.87)
c)	Others(Specify)	-	-	-	-	-	-	-	-	-
(i)	HUF	-	-	-	-	-	-	-	-	-
(ii)	Non Resident Individuals	405013	-	405013	0.65	316857	-	316857	0.51	0.14
(iii)	Trusts	1191	-	1191	-	1191	-	1191	-	-
(iv)	Clearing Members	48586	-	48586	0.08	149826	-	149826	0.24	(0.16)
(v)	IEPF Authority	414976	-	414976	0.66	535202	-	535202	0.85	(0.19)
	Sub-Total (B)(2)	7061040	1032963	8094003	12.91	8004022	553363	8557385	13.65	-
	Total Public shareholding (B)=(B)(1)+ (B)(2)	14649661	1033628	15683289	25.01	15129261	554028	15683289	25.01	-
C.	Shares held by custodian for GDR&ADRs									
	Grand Total (A+B+C)	61667867	1033628	62701495	100.00	62147467	554028	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.	Mrs. G Indira Krishna Reddy	7568947	12.07	-	7568947	12.07	-	-
2.	Mrs. Shalini Bhupal	23448859	37.40	-	23448859	37.40	-	-
3.	The Indian Hotels Company Limited	16000400	25.52	-	16000400	25.52	-	-
	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 01.04.2019 to 31.03.2020			
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	% of total Shares of the Company
1	HDFC Small Cap Fund	1806890	2.88	-	1806890	2.88
2	Damani Estate and Finance Pvt Ltd	1491299	2.38	-	1491299	2.38
3	Sundaram Mutual Fund	1164194	1.86	-	1164194	1.86
4	IDFC Classic Equity Fund	1048943	1.67	-	1048943	1.67
5	Sundaram Alternative Opportunities Fund	880265	1.40	-	880265	1.40
6	Kamal Shyamsunder Kabra	248000	0.39	463000	711000	1.13
7	L&T Mutual Fund Trustee Limited	583196	0.93	-	583196	0.93
8	LOBCO Limited	562200	0.90	-	562200	0.90
9	International Airport Hotels and Resorts Private Limited	236500	0.38	47400	283900	0.45
10	Bright Star Investments Pvt Ltd	174506	0.28	-	174506	0.28

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

S. No.	Name of the Director / KMP	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	-	-	-	-	-
2.	Mrs. G Indira Krishna Reddy	7568947	12.07	-	7568947	12.07
3.	Mrs. Shalini Bhupal	23448859	37.40	-	23448859	37.40
4.	Mr. Krishna R Bhupal	-	-	-	-	-
5.	Mr. G V Sanjay Reddy*	-	-	-	-	-
6.	Mr. Puneet Chhatwal	-	-	-	-	-
7.	Mr. Rajendra Misra	-	-	-	-	-
8.	Mr. Giridhar Sanjeevi	-	-	-	-	-
9.	Mr. K Jayabharath Reddy \$	-	-	-	-	-
10.	Mr. M B N Rao	-	-	-	-	-
11.	Mr. CH G Krishna Murthy \$	-	-	-	-	-
12.	Mr. S Anwar \$	-	-	-	-	-
13.	Mr. A Rajasekhar	-	-	-	-	-
14.	Mr. D R Kaarthikeyan	-	-	-	-	-
15.	Mr. N Sandeep Reddy	-	-	-	-	-
16.	Mr. N Anil Kumar Reddy	-	-	-	-	-
17.	Mrs. Dinaz Noria **	-	-	-	-	-
	KMP	-	-	-	-	-
1.	Mr. J Srinivasa Murthy	-	-	-	-	-

* Held Directorship upto 29.01.2020.

\$ Held Directorship upto 27.07.2020.

** Appointed w.e.f. 25.06.2020.

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	19787.48	-	-	19787.48
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	19787.48	-	-	19787.48
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	(3225.00)	-	-	(3225.00)
Net change	(3225.00)	-	-	(3225.00)
Indebtedness at the end of the financial year				
i) Principal Amount	16562.48	-	-	16562.48
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	125.66	-	-	125.66
Total (i+ii+iii)	16688.14	-	-	16688.14

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	399.89	270.45	670.34
	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)	399.89	270.45	670.34
	Ceiling as per section 197 and 198 of the Act	213.88	213.88	427.76
	Ceiling as per Schedule V of the Act	121.92	121.92	234.84

B. Remuneration to other Directors

(in Rs.)

S. No	Particulars of Remuneration	Mr. K Jayabharath Reddy	Mr. D R Kaarthikeyan	Mr. M B N Rao	Mr. Ch G Krishna Murthy	Mr. S Anwar	Mr. A Rajasekhar	Mr. N Saneep Reddy	Mr. N Anil Kumar Reddy	Total Amount (Rs)
1.	Independent Directors Fee for attending Board / Committee meetings	105000	120000	115000	150000	140000	75000	75000	75000	855000
	Commission	-	-	-	-	-	-	-	-	-
	Others, Please Specify	-	-	-	-	-	-	-	-	-
	Total (1)	105000	120000	115000	150000	140000	75000	75000	75000	855000
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	100000	50000	150000	-	-	-			300000
	Commission	-	-	-	-	-	-			-
	Others, Please Specify	-	-	-	-	-	-			-
	Total (2)	100000	50000	150000	-	-	-			300000
	Total (B)=(1+2)									1155000
	Ceiling as per the Act	(Rs.42.77 lakhs i.e. 1% of profit calculated under section 198 of Companies Act, 2013)								
	Total Managerial Remuneration (Rs in lakhs) (A+B)									681.89
	Overall ceiling as per the Act	(Rs. In lakhs 11% of profit calculated under section 198 of Companies Act, 2013)								470.53

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 including performance Bonus	104.03
	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	104.03

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 : 04.08.2020

Dr. GVK Reddy
Non Executive Chairman
DIN:00005212

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 2019-20 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 the 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. A. Rajasekhar - Chairman (Independent) Mrs. Shalini Bhupal - Member (Executive) Mrs. Dinaz Noria - Member (Independent)
3.	Average net profit of the company for last three financial years.	Rs.2991.76 Lakhs
4.	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above).	Rs.59.84 Lakhs
5.	Details of CSR expenses spent during the financial year 2019-20	Rs.59.84 Lakhs (Total of a+b)
	(a) Total amount to be spent for the financial year 2019-20	Rs.59.84 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: (1) Direct on projects or programs- (2) Overheads:	Cumulative Expenditure upto the reporting Period.	Amount spent Direct or through implementing Agency.
1	Excavation and rejuvenation of Lake	Environmental Sustainability	Local Area, Yelahanka, Bengaluru, Karnataka as per the MOU signed with BDA, Bengaluru	59.84	Direct on the project 59.84	199.90	Direct
	Total			59.84	59.84	199.90	

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, 2020

(Rs. In Lakhs)

Particulars	FY2019-20	FY2018-19
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 : 04.08.2020

Dr. GVK Reddy
Non Executive 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 : 04.08.2020

Dr. GVK Reddy
Non Executive Chairman
DIN:00005212

Annexure to Director's Report

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, 2020 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 2019-20, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20 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 2019-20	% increase in Remuneration in the Financial year 2019-20	Ratio of remuneration of each Director / to median remuneration of employees
1.	Mrs. G Indira Krishna Reddy Managing Director	399.89	9.53%	69.30
2.	Mrs. Shalini Bhupal Joint Managing Director	270.45	30.13%	46.87
3.	Mr. J Srinivasa Murthy CFO & Company Secretary	104.03	6.97%	18.02

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 2019-20 was Rs. 5.77 lakhs.
- iii) In the financial year, there was an increase of 9.90% in the median remuneration of employees;
- iv) There were 454 permanent employees which includes the Unit staff and Deputed Staff as on March 31, 2020. The number of employees on FTC/outsourced are 1254.
- v) Price Earnings ratio of the Company was 43 as at March 31, 2020 and was 63 as at March 31, 2019.
- vi) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2019-20 was 9.90% whereas the increase in the managerial remuneration for the financial year was 15.55%.
- 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 : 04.08.2020

Dr. GVK Reddy
Non Executive Chairman
DIN:00005212

Management Discussion and Analysis

FORWARD LOOKING STATEMENT

Your Company has been reporting consolidated results taking into account the results of its joint venture. This discussion, therefore, covers the financial results of your Company from April 2019 to March 2020. 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.

ECONOMIC OVERVIEW

GLOBAL ECONOMY: THE YEAR IN REVIEW

The International Monetary Fund (IMF) had forecast global growth of 2.9% in 2019, its slowest pace since the global financial crisis in 2009, and downgraded its earlier forecast from 3.3%. Although trade tensions between China and the United States (US) stabilised somewhat, they impacted output and global trade. The GDP growth of the US and United Kingdom (UK) was 2.3% and 1.4% respectively, while China, India and ASEAN-5 countries' growth was better at 6.1%, 4.2% and 4.8% respectively.

INDIAN ECONOMY: THE YEAR

The Indian economy grew at 4.2 per cent in 2019-20, lower than the 6.1 per cent figure registered in 2018-19, as the Covid-19 pandemic adversely impacted economic activity in the last month of the fiscal year, especially manufacturing and construction. The full-year GDP growth is the lowest India has registered in 11 years. The Central Statistics Office had earlier forecast that the economy would grow at 5 per cent in 2019-20. In the January-March quarter, GDP grew at 3.1 per cent as against 5.7 per cent in the corresponding year ago period. These are the first set of GDP numbers showing the impact of the Covid-19 pandemic and the nationwide lockdown, which came into effect from 25 March, 2020.

Economists expect a massive contraction in the first quarter of 2020-21 due to the two month lock down, which likely to pull down the full year growth to a 5-7 per cent contraction. The Reserve Bank of India's monetary policy committee refrained from providing any growth projections for the first time in its history, citing the huge uncertainties around the pandemic and its impact on various sectors. India has announced a Rs.21 lakh crore economic package comprising mainly credit support measures to different sectors. A sharp decline in domestic consumption and private investment, stress caused by the liquidity crisis at Non-Banking Financial Companies (NBFCs) and weakening credit growth had prompted the revision. Sluggish global growth caused by the downturn in manufacturing, trade and demand had also adversely impacted the Indian economy. However, the services sector continued to outperform the industrial and agricultural sectors in terms of gross value added (GVA), with service exports outperforming goods exports in the recent years. The government's fiscal stimulus through the lowering of corporate tax rates, merger of public sector banks, focus on manufacturing, support for affordable housing, together with the Reserve Bank of India's monetary stimulus through the reduction in policy rates, and subdued oil prices were expected to propel the Indian economy. (Source: Economic Survey 2019-20).

ECONOMIC OUTLOOK (Post COVID-19)

India: The Indian government has announced a series of fiscal stimulus packages and subsidies to support small and medium-sized enterprises, farmers, migrant labour, etc. It has also introduced six-month moratoriums on loans through banks, automatic collateral-free loans to small businesses, reduced withholding tax rates and extended payment due dates. The RBI too has announced a series of monetary measures to mitigate the risk of a liquidity crisis during economic recovery apart from reducing lending rates to offset a likely credit crunch.

In the post-COVID-19 scenario, India's growth rate for 2020 was projected by the IMF in April, 2020 at 1.9%, assuming that the pandemic is brought under control and containment efforts can be gradually scaled back, restoring consumer and investor confidence. However, a recent World Bank Report projects India's economy to contract by 3.2%. The wide range of economic forecasts notwithstanding, India's recovery will depend to a large extent on how effectively it manages the health crisis, selectively isolates containment zones, reopens other zones for reviving economic activity as well as how effectively it manages geo-political dependencies. (Source: IMF World Economic Outlook, May 2020 and World Bank Global Economic Prospects, June, 2020)

GLOBAL SCENARIO

As COVID-19 continues to take its toll on human health, government responses to arrest this pandemic across the world are severely impacting economic activity. Several countries have announced large stimulus packages to support the marginalised and working-class families who have been most disadvantaged by the crisis. The US has released a US\$ 2.2 trillion coronavirus relief package, consisting of cash disbursement to families, financial assistance to small and medium enterprises and big businesses impacted by the virus, as well as hospitals, medical suppliers and public and non-profit health organisations for bolstering life care capabilities, critical supplies and vaccine research. The UK extended a business rates holiday to all businesses in the retail and hospitality sector for twelve months, a cash grant for survival and access to loans on attractive terms.

Countries reliant on tourism, travel, hospitality and entertainment for their growth have been particularly affected. Emerging market and developing economies face additional challenges amid unprecedented reversals in capital flows with the waning of global risk appetite, currency pressures, the stress created by weaker healthcare systems and the limited fiscal space to provide support. (Source:

IMF-The Great Lockdown – World Economic Outlook). In its Report, World Economic Outlook, April, 2020, the IMF projected the global economy to contract by 3.0% in 2020. It projected the US economy to contract by 5.9%, that of the UK by 6.5%, Euro area by 7.5% and South Africa by 5.8%. Countries like Maldives could be severely impacted as they are heavily dependent on tourism, especially arrivals from China, the Middle East and Europe. In its recent report on Global Economic Prospects, June, 2020, the World Bank has forecast the global economy to contract by 5.2% in 2020 with advanced economies projected to contract by 7.0% and that of emerging market and developing economies by 2.5%.

INDUSTRY INSIGHT

GLOBAL HOSPITALITY AND TOURISM INDUSTRY (PRE-COVID-19)

Globally, international tourism witnessed 1.5 billion arrivals in 2019, recording a 4% growth in overnight visitors, which was lower than the growth rate of 6% in 2018. This was partly because of the slackening demand in advanced economies, particularly in Europe. Geopolitical stress, social unrest and a global economic slowdown contributed to a lower growth in 2019. With an 8% growth in arrivals and double the global average, the Middle East emerged as the fastest-growing region for international tourism. Although Europe continued to lead, with 743 million international tourists last year and a command of 51% of the global market, Asia and the Pacific saw a healthy 5% increase in international arrivals. In spite of the global economic slowdown, tourism spending continued to grow, with France reporting the strongest increase in international tourism expenditure among the world's top 10 outbound markets with an 11% increase, while the US, with a 6% increase, led growth in absolute terms, aided by a strong dollar. (Source: UNWTO Barometer Jan 2020)

GLOBAL HOSPITALITY OUTLOOK (POST-COVID-19)

According to UNWTO, a global organization for promotion of tourism, the pandemic has already caused a drop of 22% in international tourist arrivals from January-March 2020, and could lead to a further decline of 60-80% due to COVID-19 during the year. With 67 million less international arrivals owing to lockdowns, March 2020 saw a sharp drop of 57% in arrivals and a loss of USD 80 billion in tourism exports. The Asia-Pacific region bore the biggest impact with a decline of 33 million arrivals, while the drop in Europe was 22 million.

UNWTO has given three scenarios for 2020 based on possible dates for the gradual opening up of international borders in early July, early September or in early December. The impact translates into 850 million-1.1 billion less international tourists, loss of US\$ 910 billion-1.2 trillion in revenues from tourism exports and risk to 100-120 million direct tourism jobs. Domestic leisure demand is expected to recover faster than the international demand, according to a survey by a UNWTO panel of experts. (Source: UNWTO, May 2020). As a sign of hope, Europe, China and South Korea seem to be easing up for domestic tourism, while Iceland has already confirmed that it would welcome international guests from June, 2020 after health checks, which could be the new normal.

INDIAN HOSPITALITY AND TOURISM INDUSTRY (PRE-COVID-19)

India is a tourism hotspot, given its diverse landscape, rich cultural heritage, and the opportunities it offers to businesses with its start-up culture and availability of a young, educated workforce. During 2019, foreign tourist arrivals (FTAs) in India stood at 10.9 million, an increase of 3.2% over 2018. Of this, 2.9 million tourists arrived on e-tourist visa as compared to 2.4 million during 2018, registering a growth of 21%.

INDIAN HOSPITALITY OUTLOOK (POST-COVID-19)

FTA footfall in India, particularly that of leisure travellers, started softening in February 2020, as COVID-19 spread across the globe. Although domestic flights resumed in June 2020, the restrictions on the entry of international travellers means that FTA is not about to pick up any time soon. Even though some countries are reopening, travel bans are expected to be rolled down only by the end of the year. The situation may not improve drastically for the hospitality sector. Except for the smaller-sized hotels, which are now covered under the MSME (micro, small and medium-sized enterprises) the hospitality sector in India has not benefited from the stimulus packages rolled out by the government.

India ranks 3rd in World Travel & Tourism Council's list for Travel & Tourism Power and Performance. It markedly improved its position from the 40th rank in 2018 to 34th in 2019 in the World Economic Forum's Travel and Tourism Competitive Index (TTCI).

The COVID-19 pandemic has impacted all businesses, though in varying degrees a major impact of the pandemic has been felt by the travel and tourism sector consisting of airlines, hospitality, cruise liners, road and railway transportation, travel and tour operators, in addition to industries such as real estate, construction, passenger vehicles, luxury retail, etc. The COVID-19 pandemic, being highly infectious in nature, has impacted the tourism industry in an unprecedented manner, more so as the industry is highly people-centric in nature, and service delivery involves close interactions between service providers and guests.

The industry has been further impacted by the government's responses to contain the virus, including social distancing, travel advisories, suspension of visas, prohibition against mass gatherings, cancellation of sporting and cultural events, stoppage of interstate transport, railways, etc. The hospitality and tourism industry is facing a dire and hitherto-unknown situation that has thrown up new challenges and taken the industry by surprise. Even though the government and the RBI announced stimulatory measures to mitigate the immediate challenges faced by the industries and businesses, considering the diverse nature of the hospitality and tourism industry, especially the fact that it is one of the major contributors to the GDP and also a major employment provider, the industry feels that specific measures from the government are extremely crucial for its survival in these challenging times. In this regard, the Federation of Associations in Indian Tourism & Hospitality (FAITH), has made a representation to the task force set up by the government for relief and bailout packages for the industry.

Despite the challenges posed by the pandemic, the hospitality industry is taking all possible measures to survive in the short term, revive in the short-to medium-term and thrive in the long term. The new challenges will assist the industry in preparing for a 'new normal', where there will be a sea-change in customer perceptions, with hygiene and safety gaining top priority, both amongst businesses and customers, and an exponential increase in the usage of digital solutions, as the world deals with the concept of 'contact-less' interchanges between people. The travel industry, worth around US\$ 1.6 trillion globally, accounts for one-tenth of the world's GDP. More importantly, the industry creates greater indirect employment opportunities, thereby helping multiply economic growth. The revival of this sector would largely depend on effective containment measures and treatments.

COMPANY OVERVIEW

Your Company delivered a healthy operating performance during FY 2019-20 in spite of decline in revenues compared to previous year. The decline in revenue was primarily due to Covid-19 pandemic in the last 45 days of the FY2019-20. The renovations undertaken in flagship properties is expected to further enhance the operating margins and revenues in the coming years.

FINANCIALS

Revenues: Income has decreased by Rs.10.25 crores i.e. Rs.313.84 crores as compared to Rs.324.09 crores in the previous year. The room revenues were more or less stable at Rs.140.01 crores as compared to Rs.139.81 crores. The Food & Beverage income was Rs.143.81 crores a reduction of 2.6% compared to previous year's Rs.147.60 crores.

EXPENDITURE:

- The total expenditure decreased by 3.71% to Rs.238.47 crores from Rs.247.68 crores in the previous year due to the higher renovation expenses of Rs.19.50 crores in various properties in the previous year as also the reclassification of minimum lease rentals into amortization and interest on lease liability as per the newly adopted Ind AS 116 on Leases.
- Payroll cost increased by 2.22% from Rs.65.26 crores to Rs.66.71 crores.
- Earnings before Interest, Depreciation, Tax and Amortisation (EBITDA): EBITDA registered a decrease of Rs.1.06 crores to Rs.75.36 crores in 2019-20 from Rs.76.41 crores in the previous year.

PROFIT BEFORE TAX

The company reported a Profit Before Tax of Rs.35.94 crores as compared to Profit Before Tax of Rs.38.13 crores in the previous year.

PROFIT AFTER TAX

The company reported a Profit After Tax of Rs.23.31 crores as compared to a Profit After Tax of Rs.24.24 crores in the previous year.

FINANCIAL POSITION

The Company's interest coverage ratio for the year ended 31st March, 2020 is 2.59 times (2019: 2.77 times).

As at 31st March, 2020 the Company had Rs.7.30 crores of cash and bank balance and Rs.29.34 crores as undrawn credit facilities, which provide the Company financial flexibility.

As at 31st March, 2020 the Company's Net debt amounted to Rs. 165.62 crores (2019: 197.87 crores).

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has institutionalized an adequate system of internal controls, with documented procedures covering all corporate functions and hotel operating units. Internal controls provide reasonable assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls and compliance with applicable laws and regulations.

Your Company's Internal Auditors carryout audit of the transactions of the Company 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.

The focus of these reviews is:

- Identification of weaknesses and improvement areas
- Compliance with defined policies and processes
- Compliance with applicable statutes
- Safeguarding tangible and intangible assets
- Managing risk environment, including operational, financial, social and regulatory risks

The Board's Audit & Risk Management Committee oversees the adequacy of the internal control environment through periodic reviews of audit findings and monitoring implementations of internal audit recommendations through compliance reports.

The internal controls currently in place at your Company are commensurate with the size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorisation and ensuring compliance with corporate policies. The Statutory Auditors have opined in their report that there are adequate internal controls over financial reporting at your Company.

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.

RISKS AND CONCERNS

Industry Risk

General economic conditions

The hospitality industry is prone to the impact of changes in global and domestic economies, local market conditions, hotel room supply, international or local demand for hotel rooms and associated services, competition in the industry, government policies and regulations, fluctuation in interest rates and foreign exchange rates and other social factors. The demand for hotels is affected by global economic sentiments; and therefore, any change impacting the other segments/industries/geographies will invariably impact the hotel industry too.

Socio-political Risks

In addition to economic risks, your Company faces risks from the socio-political environment nationally and internationally. It is affected by events like political instability, conflict between nations, threat of terrorist activities, occurrence of infectious diseases, extreme weather conditions and natural calamities. These may affect travel and business activity considerably.

Company-specific Risks

The Company-specific risks have been reviewed and some of the critical risks are:

Heavy dependence on India

A significant portion of your Company's revenues are realised from its operations, making it susceptible to domestic, socio-political and economic conditions. Moreover, within India, the operations and earnings are primarily concentrated in South India, with key properties located in Hyderabad.

High Operating Leverage

The industry in general has a high operating leverage, which has further increased with on-going renovations, increased staff costs, cost of light, power and fuel. However, your Company has been able to earn higher revenues with acceptance of its products and improved RevPAR (revenue per available room) in the markets it operates in. Some of our hotels operate under lease/licence arrangements with third parties. Such arrangements are subject to various risks including unfavourable terms and conditions on renewal or non-renewal, which has a potential to impact our business. Your Company has attempted to mitigate such risks by entering into relatively long-term arrangements.

Risk Mitigation Initiatives

Your Company employs various policies, processes and methods to counter the following risks effectively:

- Continuously evaluates options for improving profitability of its assets.
- Counters the risk from growing competition and new supply by extensively improving its service standards, as also progressively renovating its properties, across the multi-brand portfolio.
- Counters the security/terrorism risk by constantly reviewing and implementing various security measures at all its properties.
- With the advent and increasing use of online transactions, there is an increasing proportion of sharing of revenues with online travel agents. Adequate measures were taken to educate customers on the benefits of booking directly on the Taj website and the website has also been revamped to enhance the customer experience. Additionally, mobile platforms have been developed for customers, specially targeted at the loyalty and 'on-the-go' segments.

COVID-19 Pandemic – Impact and mitigation measures

Your Company has carried out risk assessment to ascertain any potential COVID-19 related risks. As of now, it does not foresee any disruption in raw material supplies. Your Company does not see incremental risk to recoverability of assets (Inventories, Investments, Receivables, etc.) given the measures being taken to mitigate the risks. There is also no impact on internal financial controls due to the COVID-19 situation. However, as the situation is uncertain, dynamic, constantly evolving and beyond the control of your Company, it aims to reassess its position periodically.

Your Company has submitted a detailed response to the Stock Exchanges under Regulations 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The following section provides a recap of the same.

Impact of COVID- 19

The COVID-19 pandemic in India is part of the worldwide pandemic of coronavirus disease 2019 (COVID-19) caused by Severe Acute Respiratory Syndrome Coronavirus 2 (SARS-CoV-2). The first case of COVID-19 in India, which originated from China, was reported on 30th January 2020. The outbreak has been declared an epidemic across India, where provisions of the Epidemic Diseases Act, 1897 have been invoked, leading to the temporary closure of all commercial establishments. All tourist visas have been suspended, as a majority of the confirmed cases were mainly imports.

On 22nd March, India observed a 14-hour voluntary public curfew at the instance of the Hon'ble Prime Minister Mr. Narendra Modi. It was followed by mandatory lockdowns in COVID-19 hotspots and all major cities. Further, on 24th March, 2020 the Prime Minister ordered a nationwide lockdown for 21 days, affecting the entire 1.3 billion population of India. On 14 April, the PM extended the nationwide lockdown till 3rd May which was followed by two-week extension starting 3rd and further two-week extension starting from 17th May 2020 with some relaxations during these phases of lockdown. Beginning 1st June the Government has started un-locking the country (barring containment zones) in 3 phases.

The lockdowns and restrictions imposed on various activities due to COVID - 19 have posed challenges to the TAJGVK Hotels & Resorts Limited (TAJGVK) and its joint ventures company. The company was faced with lot of cancellations of confirmed bookings and thereby impacting the financials of the company.

The Indian hospitality industry is undoubtedly one of the biggest casualties of the COVID-19 outbreak as demand has declined to an all-time low. Global travel advisories, suspension of Visas, the imposition of Section-144 (prohibition against mass gatherings) and the ramifications of which are unprecedented. Lockdown guidelines issued by Central/State governments mandated closure of hotel operations and cessation of air traffic and other forms of public transport. This has resulted in low occupancies / shutdowns of some of the company hotels.

Ability to maintain any operations during the period

As stated earlier, 5 hotels of the Company were shut down entirely during the lockdown phase as the Company was not part of Government denominated essential services. Only a one hotel was operating at minimum occupancy. However, we have continued to explore different opportunities and in Hyderabad the company hotel was given to repatriated passenger stays under the Vande Bharat programme. The Mumbai Municipal Corporation has requested stay in Taj Santacruz (JV company hotel) for Doctors & other Health workers. On F&B, we are operating with skeletal F&B service & have commenced a Hospitality @ Home service. The corporate office adopted the work from home policy during the entire duration of the lockdown as a precautionary measure. Further, the Hotels are adequately manned for regular maintenance and up keep of its property and assets deployed in its hotels. Adequate systems are also in place to ensure smooth operations of our hotels and to scale up at short notice, once lockdown is lifted and hotels start the operations.

Schedule, if any, for restarting the operations

Based on our assessment of the impact of Covid-19 on the Hospitality sector in India, the Company expects a recovery in business to be driven mainly by domestic tourism, staycations, domestic business travel and a limited international travel during this financial year. The company has tremendous trust with our customers and Indian Hotels Company Limited (IHCL), which is operating all our hotels have very clear SOP's for ensuring a health & safe stay for our Guests.

All the above measures have been framed under a comprehensive Survive, Revive & Thrive programme by IHCL. The pattern of recovery is dependent upon regulatory guidance & revival of air travel and customer confidence in travel. This may also vary from city to city and in different locations. We continue to be focused in operating to ensure the health & safety of our Guests and employees. Further, we are committed to protect the interest of all our stakeholders.

Post lifting of the lockdown restrictions, the Company will start re-opening hotels after establishing thorough and well-rehearsed safety protocols. The Company expects all the hotels to become operational in a phased manner after the lockdown is lifted and the confidence of travelers is restored. However, at this stage, the duration for which these restrictions will remain in place is uncertain and resumption of full-fledged operations will depend upon directives issued by the Central/ State Governments. The Central Government has allowed operating the hotels from 8th June 2020. In this regards, the company is awaiting the detailed instructions and clarifications from the State Government and will act accordingly.

Steps taken to ensure smooth functioning of operations

The Company is taking all necessary measures to reduce fixed costs, rationalize resources, taking initiatives to uplift revenue. The company has put in place a series steps to optimize cost across all the lines namely Raw Material, manpower, Power & Fuel, Corporate Overheads & other costs. The Company is also in discussion with its lessors for waiver or deferment of lease rentals or concession fee during the lockdown period. Cash Conservation measures have also been initiated such as deferral of Capex & Renovation plans unless absolutely required for upkeep of the operations.

During these pandemic times, the safety of our employees has been our top-most priority and the company has taken several measures to ensure their well-being. All employees in our hotels and offices have been working from home in accordance with the guidelines issued by the Central/State/Municipal authorities. The safety of essential employees who are now required to step out for work is being ensured and they have been mandated to use protective gear and take all safety precautions. All employees have been instructed to download the Arogya Setu app launched by the Government of India.

Estimation of the future impact of COVID-19 on its operations

Since the situation is exceptional and is changing dynamically, the Company is not in a position to gauge with certainty, the future impact on its operations. We believe there will be impact in sales volumes, revenue, and profitability for Q1 and Q2 FY21 as our hotel operations are presently shut and will gradually ramp up only after the resolution of the pandemic. However, the Company is confident about adapting to the changing business environment and respond suitably to fulfill the needs of its customers.

Considering all the company's hotel are operated under the iconic Taj brand, the Company does not foresee any challenge in recovery, post the revival of the economy and more the Tourism and Hospitality sector. However, revenues are expected to be softer in the initial phase of the lockdown and for some time after the lifting of the lockdown mainly due to lower occupancies & limited F & B off take arising out of reduced business and leisure travel.

Details of impact of COVID-19 on listed entity's – capital and financial resources; profitability; liquidity position; ability to service debt and other financing arrangements; assets; internal financial reporting and control; supply chain; demand for its products/services

The Company has assessed the potential impact of Covid-19 on its capital and financial resources; profitability; liquidity position; ability to service debt and other financing arrangements; assets; internal financial reporting and control; supply chain; demand for its products/services and is in a comfortable liquidity position to meet its commitments.

The company's long term credit facilities of Rs. 165.63 Crore are rated by ICRA with a rating of "[ICRA] A+" (pronounced ICRA A plus) with a Negative outlook and short-term working capital limits of Rs. 30.00 Crore are rated as [ICRA]A1+ (pronounced ICRA A one plus). The company believes the existing working capital limits are sufficient to manage the operations.

The company has availed the Covid-19 relief Package announced by RBI. The company received the approval from Banks for the 1st moratorium relief i.e. March to May and expects the approval for 2nd Moratorium relief i.e. June to August period shortly. The total principal payments deferred on account of the moratorium availment was Rs. 19.13 Crore.

The Company has also carried out a risk assessment inter-alia to ascertain any potential Covid-19 related risks. As of now, it does not foresee any disruption in raw material supplies. The Company does not see incremental risk to recoverability of assets (Inventories, investments, Receivables, etc.) given the measures being taken to mitigate the risks. There is also no impact on internal financial controls due to the COVID-19 situation. The Company expects the demand for its products/services to pick up at a slower pace once lockdown is lifted.

Existing contracts/agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity's business

The Company is well positioned to fulfil its obligations and existing contracts/arrangements. We have judiciously invoked the Force Majeure clauses for reliefs during the lock down period. At present, we do not foresee any contract/agreements which will have significant impact on the business in case of non-fulfilment of obligations by any party.

Financial Statements

The financial statements to be submitted under Regulation 33 of the LODR, shall also specify the impact of the CoVID-19 pandemic on the Company, to the extent possible. In developing the assumptions and estimates relating to the future uncertainties in the economic conditions because of this pandemic, the Company shall use internal and external sources of information and based on current estimates, the impact of the global health pandemic may be different from that estimated and the Company would continue to closely monitor any material changes to future economic conditions. This update is dynamic and will change as the situation changes, which is not in the control of the Company. We will keep our investors & other stakeholders updated with relevant updates from time to time.

Details of the impact of COVID-19 on your Company

- a) Capital and financial resources – Your Company has sufficient working capital to operate. It is quite pertinent that the collections of receivables and payment to vendors will delay due to the lockdown.
- b) Profitability – The profitability of your Company has been adversely affected for the first quarter of FY 2020-21 due to the non-operation of hotels on account of the lockdown. The situation is expected to gradually improve in the second quarter with the opening up of the market and travel industry.
- c) Liquidity position – Your Company has sufficient liquidity to operate with, and therefore, there is no concern on account of the same. We are vigilant on the same and monitoring it continuously. It is also managed through strict control on various cost overheads and deferral of capital expenditure.
- d) Ability to service debts and other financial arrangements – Your Company availed the 6 months moratorium package of RBI from March, 2020 to August, 2020 and the interest and principal amounts are deferred.
- e) Assets – Your Company does not see incremental risk in recoverability of assets like inventory, debtors etc. The capex requirements have been deferred.
- f) Internal Financial Reporting and Control – Our internal financial reporting and control are fully functional and not impacted due to COVID-19.
- g) Supply chain – Your Company does not foresee any impact on its supply chain.
- h) Demand for its products/services – The overall demand of the hospitality services has been impacted during lockdown. We expect that the demand of our services will improve post lockdown, on resumption of domestic and international travels.

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

Your Company has over the years followed best practices of Corporate Governance. The Company's overall governance framework, systems and processes reflect and support our Mission, Vision and Values. The Company has adopted a Code of Conduct for its employees including the Managing Director and the Joint Managing Director as well as for its Non-Executive Directors including Independent Directors which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013 ('the Act'). The Company has also adopted the Guidelines on Board Effectiveness to fulfill its responsibilities towards its stakeholders.

The Corporate Governance report is prepared in accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and the company has adhered to the requirements stipulated under Listing Regulations as applicable (including relaxations granted by SEBI in the wake of Covid-19), with regard to Corporate Governance and the same has been disclosed in this Report. The Company endeavours to ensure that highest standards of ethical and responsible conduct are met throughout the organization.

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.

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 2019-20, 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.

Pursuant to Regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 related party transaction are reported to the Stock Exchanges on a half yearly basis.

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 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 has an active, experienced, diverse and a well-informed Board. The Board along with its Committees undertakes its fiduciary duties keeping in mind the interests of all its stakeholders and the Company's Corporate Governance philosophy. The Nomination and Remuneration Committee of the Board ensures the right composition of the Board.

The composition of the Board of Directors of the Company is in conformity with Regulation 17 of the Listing Regulations and Section 149 of the Act.

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 13 Directors (one Non-Executive Chairman, one Managing Director, one Joint Managing Director, Six Non-Executive Independent Directors, and Four Non-Executive Promoter Directors).

During the year under review, Mr. G V Sanjay Reddy, Promoter Director resigned on 29.01.2020 due to his prior commitments.

Mr. K Jayabharath Reddy, Mr. Ch G Krishna Murthy, Mr. S Anwar, Non-Executive Independent Directors completed their terms of office on 27.07.2020 and they did not seek re-appointment.

Mr. D R Kaarthikeyan and Mr. M B N Rao have also completed the 5 years term on 27.07.2020 and they were re-appointed as Non-Executive Independent Directors for 2nd term of 5 years w.e.f. 04.08.2020.

Mrs. Dinaz Noria was appointed as Non-Executive Independent Woman Director for a period of 5 years w.e.f. 25.06.2020.

The Company is in the process to appoint another Non-Executive Independent Director with in 3 months from the date of vacation of Directorships i.e. 27.07.2020.

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, 2020			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	6	-	-
Mrs. G Indira Krishna Reddy DIN 00005230	Promoter Managing Director	1	-	5	2	-
Mrs. Shalini Bhupal DIN 00005431	Promoter Joint Managing Director	1	1	1	3	-
Mr. G V Sanjay Reddy * DIN 00005282	Promoter Non-Executive Director	1	6	8	-	-
Mr. Krishna R Bhupal DIN 00005442	Promoter Non-Executive Director	2	5	2	2	-
Mr. Puneet Chhatwal DIN 07624616	Promoter Non-Executive Director	4	4	-	3	-
Mr. Rajendra Misra DIN 07493059	Promoter Non-Executive Director	1	-	-	-	-
Mr. Giridhar Sanjeevi DIN 06648008	Promoter Non-Executive Director	2	4	-	3	1
Mr. K Jayabharath Reddy \$ DIN 00038342	Independent Non-Executive Director	2	-	-	-	2
Mr. D R Kaarthikeyan DIN 00327907	Independent Non-Executive Director	4	1	2	-	-
Mr. M B N Rao DIN 00287260	Independent Non-Executive Director	4	5	3	6	5
Mr. CH G Krishna Murthy \$ DIN 01667614	Independent Non-Executive Director	2	4	1	3	5
Mr. S Anwar \$ DIN 06454745	Independent Non-Executive Director	2	-	-	2	1
Mr. A Rajasekhar DIN 01235041	Independent Non-Executive Director	2	-	4	4	-
Mr. N Sandeep Reddy DIN 00483826	Independent Non-Executive Director	1	-	8	2	-
Mr. N Anil Kumar Reddy DIN 0017586	Independent Non-Executive Director	2	-	4	2	1
Mrs. Dinaz Noria ** DIN 00892342	Independent Non-Executive Director	1	-	1	1	-

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, 2020, whether listed or not, including TAJGVK.
- 3) *Resigned as Director on 29.01.2020
- 4) ** Appointed as Director w.e.f 25.06.2020
- 5) § Completed their term of Independent Directors on 27.07.2020
- 6) None of the director(s) 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, 2020, Four Board Meetings were held on 15.05.2019, 25.07.2019, 06.11.2019 and 29.01.2020. Attendance details of each Director at the Board Meetings during the financial year ended 31st March, 2020 and the last Annual General Meeting are given below:

Name	Number of Board Meetings		Attendance at 24th AGM held on 25th July, 2019
	Held	Attended	
Dr. GVK Reddy DIN 00005212	4	4	Yes
Mrs. G Indira Krishna Reddy DIN 00005230	4	4	Yes
Mrs. Shalini Bhupal DIN 00005431	4	4	Yes
Mr. G V Sanjay Reddy * DIN 00005282	3	2	Yes
Mr. Krishna R Bhupal DIN 00005442	4	4	Yes
Mr. Puneet Chhatwal DIN 07624616	4	4	Yes
Mr. Rajendra Misra DIN 07493059	4	4	No
Mr. Giridhar Sanjeevi DIN 06648008	4	4	Yes
Mr. K Jayabharath Reddy § DIN 00038342	4	3	Yes
Mr. D R Kaarthikeyan DIN 00327907	4	4	Yes
Mr. M B N Rao DIN 00287260	4	3	Yes
Mr. CH G Krishna Murthy § DIN 01667614	4	4	Yes
Mr. S Anwar § DIN 06454745	4	4	Yes
Mr. A Rajasekhar DIN 01235041	4	3	Yes
Mr. N Sandeep Reddy DIN 00483826	4	4	Yes
Mr. N Anil Kumar Reddy DIN 0017586	4	4	Yes
Mrs. Dinaz Noria ** DIN : 00892342	-	-	NA

- 1) *Resigned as Director on 29.01.2020
- 2) ** Appointed as Director w.e.f 25.06.2020
- 3) § Completed their term of Independent Directors on 27.07.2020

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. 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. 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. 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 material events, 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 35 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 20 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 was appointed as Joint Managing Director of the company she 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 is currently on the Boards of Orbit Travel and Tours Pvt. Ltd.

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).

He is a global professional with over three decades of leadership experience at highly-acclaimed hotel groups in Europe and North America.

Prior to this, Mr. Chhatwal was the Chief Executive Officer and Member of the Executive Board of Steigenberger Hotels AG – Deutsche Hospitality. He was also the Chief Development Officer of The Rezidor Hotel Group – Carlson Hotels Worldwide. Mr. Chhatwal is a graduate of both Delhi University and Institute of Hotel Management, Delhi. He has completed an MBA in Hospitality from ESSEC, Paris and an Advanced Management Program from INSEAD.

Mr. Chhatwal has won awards including the prestigious Carlson Fellowship and was rated as one of Europe's 20 extraordinary minds in Sales, Marketing and Technology - HSMIA European Awards 2014. He was also the First Alumni included in the ESSEC-IMHI Hall of Honor 2014.

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 is a Chartered Accountant (An All India Ranker) and an MBA from IIM Ahmedabad (class of 1987). In a career spanning 30 years, Giri has built a broadbased career, both finance and commercial, - across multiple businesses - consumer businesses, financial services, retail and pharma - and across multiple geographies - Asia and Europe. He has lived and worked in India, Dubai, Singapore and London. Giri joined The Indian Hotels Company Limited from 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. Giri started his career in ITC Ltd, where he did a variety of roles across businesses in India and the Middle East. Subsequently, Giri was with IL&FS as an Investment Banker and head of M&A. In addition, he was also the Head of the operations at Eastern India. Giri spent several years with Diageo plc - he was 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. Giri has significant experience in business and financial transformation. At Wockhardt, where he was a Global CFO, such transformation efforts led to a very visible 18x jump in share price. Giri has also built experience in Retail through stints in Shoppers Stop and Aditya Birla Group, where he was the CFO. He has won several awards including Most Influential CFOs of India award from CIMA in 2015 & 2016; CFO for the Year for Excellence in Finance in Managing a Turnaround given out by IMA (2013). Giri loves to build High Performance teams and has led global Finance Director development programs at Merck & Co for high potential talent. Deeply passionate about Authentic Leadership and committed to Doing Well by Doing Good. He is associated with some NGOs and has been on the advisory board of UnLtd India, Beyond Sight Foundation. Giri lives at Mumbai. His wife Laxmi is a home maker. His daughter Raksheta is a Masters in Economics from the London School of Economics (LSE) and currently works with Barclays. His son Hrishikesh is currently pursuing his Undergraduate Program in Economics at Mumbai.

Mr. Rajendra Misra, Non-Executive Director

Mr. Rajendra Misra joined IHCL as General Counsel on 1st December 2015. The Legal and Company Secretarial functions at IHCL report to him. He holds a Bachelor of Laws degree (LL.B.) 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 business 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. His experience spans across many sectors, including Personal care, Home care, Tobacco, Food, Lifestyle retailing, Aluminium and Tyre industry. He has extensive experience and expertise in various legal fields, including Litigation Management, Intellectual Property Management, Competition law, Corporate laws, driving strategic business initiatives etc.

Before joining IHCL, 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 serving 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. 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. 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.

Mrs. Dinaz Noria, Non-Executive Independent Woman Director

She is the Founder and Principal of 3D-Design & Décor by Dinaz.

She founded the firm in 1990 as a wedding design studio, 3D filled a niche in an emerging wedding décor and planning market by pushing the boundaries and changing the rules. This Hyderabad based company forayed in to all markets and designs and manages events pan India and overseas. The firm is a pioneer and leader in the wedding market industry, Dinaz has brought her entrepreneurial passion to take aesthetically curated concepts, signature to her extensive body of work, and transform them into experience, using her strengths of project, people and time management.

Dinaz is a voracious reader, an avid collector of books, an anthophile, who loves to travel the world in search of flowerscapes.

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 present Audit Committee consists of 6 Non-Executive Directors, of whom 4 are Independent Directors, the details of which are given below:

Name of the Member	Designation
Mr. M B N Rao	Chairman, Independent Director
Mr. Krishna R Bhupal	Member, Non-Executive Director
Mr. Puneet Chhatwal	Member, Non-Executive Director
Mr. N Anil Kumar Reddy	Member, Independent Director
Mr. A Rajasekhar	Member, Independent Director
Mr. N Sandeep Reddy	Member, Independent Director

The Audit Committee has met 4 times during the financial year 2019-20 on 15.05.2019, 25.07.2019, 06.11.2019 and 29.01.2020.

The constitution of the Audit Committee and attendance details during the financial year ended 31st March, 2020, are given below:

Name of the Member	Designation	No. of meetings held	No. of meetings attended
Mr. K Jayabharath Reddy *	Chairman, Independent Director	4	3
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	3
Mr. Ch G Krishna Murthy *	Member, Independent Director	4	4
Mr. S Anwar *	Member, Independent Director	4	4

* Completed their term of Independent Directors on 27.07.2020

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 25th July, 2019.

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 present Nomination and Remuneration Committee consists of 5 Non-Executive Directors, of whom 3 are Independent Directors, the details are given below:

Name of the Member	Designation
Mr. N Anil Kumar Reddy	Chairman, Independent Director
Mr. Krishna R Bhupal	Member, Non-Executive Director
Mr. Puneet Chhatwal	Member, Non-Executive Director
Mr. N Sandeep Reddy	Member, Independent Director
Mr. A Rajasekhar	Member, Independent Director

The Nomination and Remuneration Committee has met 1 time during the financial year 2019-20 meeting held on 15.05.2019.

The constitution of the Nomination and Remuneration Committee and attendance details during the financial year ended 31st March, 2020, are given below:

Name of the Member	Designation	No. of meetings held	No. of meetings attended
Mr. K Jayabharath Reddy *	Chairman, Independent Director	1	1
Mr. Krishna R Bhupal	Member, Non Executive Director	1	1
Mr. Puneet Chhatwal	Member, Non Executive Director	1	1
Mr. M B N Rao	Member, Independent Director	1	1
Mr. D R Kaarthikeyan	Member, Independent Director	1	1

* Completed his term of Independent Director on 27.07.2020

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 Committees 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

Mr. N Anil Kumar Reddy, Chairman of the Nomination and Remuneration Committee has informed the Board that it had done the evaluation of the Directors and also 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 22.07.2020, 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.

Independent director databank registration

Pursuant to a notification dated October 22, 2019 issued by the Ministry of Corporate Affairs, all directors have completed the registration with the Independent Directors Databank. Requisite disclosures have been received from the directors in this regard.

6. Lead Independent Director

Mr. M B N Rao, Chairperson of the Independent Directors Meeting, is 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	399.89	-	-	-	399.89	7568947
Mrs. Shalini Bhupal Joint Managing Director	270.45	-	-	-	270.45	23448859

9. Stakeholders Relationship Committee

The present Committee comprises of three Members Mr. N Anil Kumar Reddy, 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 previous Committee has met 4 times during the financial year 2019-20 on 15.05.2019, 25.07.2019, 06.11.2019 and 29.01.2020. 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, 2019 to March, 2020, 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	1	1
2	Non-receipt of dividend warrant	37	37
3	Non-receipt of Demat credit / Remat certificate	-	-
4	Non-receipt of Annual Report	4	4
5	Change of Address	2	2
6	Bank Details / Mandate	55	55
7	Issuing new share certificate(s) in lieu of erstwhile Hotel Sree Krishna Limited share certificate(s) received for exchange	26	26
8	Stop Transfer / Procedure for duplicate share certificate	33	33
9	Indemnity / Affidavit - duplicate	37	37
10	Remat Request	-	-
11	Revalidation / Replacement of Dividend Warrant	-	-
12	Procedure for Transfer / Transmission / Name Deletion	369	369
13	Registration of Signature	-	-
14	Confirmation of details	-	-
15	Others (Nominee)	1	1
	TOTAL	565	565
	Complaints received from:		
1	SEBI	2	2
2	Stock Exchange	5	5

10. Corporate Social Responsibility Committee

The present Committee comprises of three Members Mr. A Rajasekhar, Chairman, Mrs. Shalini Bhupal, Mrs. Dinaz Noria, Members of the 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, 2020, one CSR Committee Meeting was held on 15.05.2019. The previous constitution of the CSR Committee and attendance details during the financial year ended 31st March, 2020 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, Joint Managing 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 2019-20
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
2018-19	25.07.2019	11.30 A.M.	AGM	Sri Sathya Sai Nigamagamam, Srinagar Colony, Hyderabad
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

b) Special Resolutions passed during last three Annual General Meetings

Year	Date	Meeting	Special resolutions passed with requisite majority
2018-19	25.07.2019	AGM	1) Appointment of Dr. GVK Reddy as a Director liable to retire by rotation 2) Re-appointment of Mr. A Rajasekhar as a Non-Executive Independent Director 3) Appointment of Mrs. Shalini Bhupal, Whole Time Director designated as Joint Managing Director for a period of 5 years 4) 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 5) 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 6) Approval of the excess remuneration paid to Mrs. G Indira Krishna Reddy, Managing Director of the company for the financial year 2018-19
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

c) Extraordinary General Meeting

No Extraordinary General Meeting of the Members was held during the year 2019-20.

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 Managerial 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/investor-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	24th September, 2020, 11.00 A.M. through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”)
2.	Share transfer book closure dates	16th September, 2020 to 24th September, 2020 (Both days inclusive)
3.	Financial Year Calendar 2020-21	
	Financial Results Reporting	
	For the quarter ending June 30, 2020	4th August, 2020
	For the quarter ending September 30, 2020	2nd November, 2020
	For the quarter ending December 31, 2020	29th January, 2021
	For the quarter ending March 31, 2021	April/May, 2021
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 2020-21 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	1,01,64,599	10	Other than cash	As per Scheme of Arrangement	10,16,52,990	7,30,75,000
28th June, 2000	23,75,000	10	Other than cash	As per Scheme of Arrangement	12,54,02,990	34,62,00,000
18th October, 2005	6,27,01,495	2	Other than cash	Stock Split of Rs.10/- FV to Rs.2/- FV	12,54,02,990	34,62,00,000

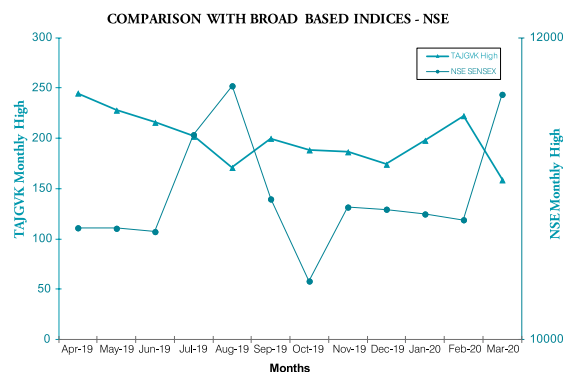
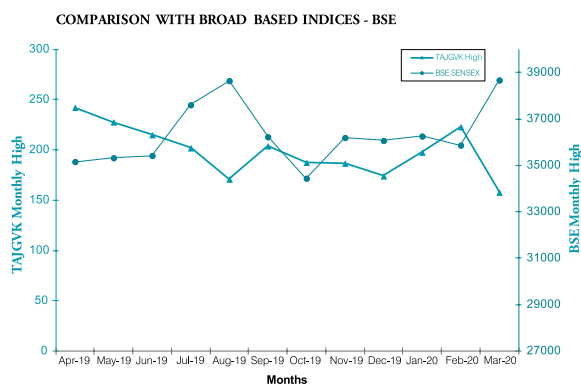
22. Distribution of Shareholding as on 31st March, 2020

Shareholding as on 31st March, 2020

No. of shares held	No. of Share	% of Share capital	No. of Shareholders	% of total no. of shareholders
Upto - 500	24931	95.53	2436507	3.89
501 - 1000	659	2.53	520946	0.83
1001 - 2000	275	1.05	416421	0.66
2001 - 3000	72	0.28	183926	0.29
3001 - 4000	35	0.13	125039	0.20
4001 - 5000	31	0.12	145285	0.23
5001 - 10000	28	0.11	217055	0.35
10001 and above	66	0.25	58656316	93.55
Total	26097	100.00	62701495	100.00

23. Stock Market Data

Month & Year	Bombay Stock Exchange (BSE) Price (Rs.)		National Stock Exchange (NSE) Price (Rs.)	
	Month's High	Month's Low	Month's High	Month's Low
April, 2019	242.25	214.00	245.00	215.15
May, 2019	227.75	173.00	228.00	178.00
June, 2019	215.05	173.45	215.90	172.65
July, 2019	202.00	163.55	202.00	162.05
August, 2019	170.95	114.00	171.00	115.00
September, 2019	204.00	120.30	200.00	119.25
October, 2019	187.50	149.00	188.50	154.40
November, 2019	186.70	158.45	186.60	158.30
December, 2019	174.15	156.15	174.20	156.15
January, 2020	197.70	161.35	198.00	161.05
February, 2020	222.95	153.00	222.50	151.75
March, 2020	157.90	82.00	158.70	81.20



24. Share Transfer System: In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities 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. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. The Directors and certain Company officials (including Chief Financial Officer and Company Secretary) are authorized by the Board severally to approve transfers, which are noted at subsequent Board Meetings

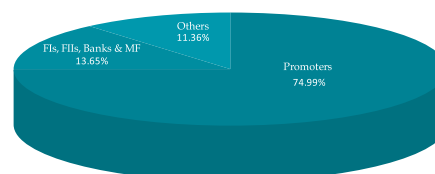
25. Reconciliation of Share Capital Audit: Share Capital Audit is being carried out every quarter by a Practicing Company Secretary and the audit report is placed before the Board for its perusal and filed regularly with the Stock Exchanges within the stipulated time.

26. Dematerialization of shares:

98.98% of the shares issued by the Company have been dematerialized up to 31st March, 2020. 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	7125904	11.36%
Others	8557385	13.65%



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, 2020 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 31.03.2020.
- 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 31.03.2020.
- 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 31.03.2020:

S. No.	Payments to the Statutory Auditors (excluding taxes)	Amount (Rs. In lakhs)
1	Audit fees paid for Standalone and Consolidated Financials	24.00
2	Quarterly Limited Review Reports	3.00
3	Tax Audit	3.00

i) 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.

j) 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

k) 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 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. The Company has adopted a revised Code of Conduct for prevention of insider trading and Code for fair disclosure in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015 to be followed by Designated Persons and their Immediate Relatives and other Connected Persons. The Code, inter-alia, prohibits purchase/sale of shares of the Company by Designated Persons and their Immediate Relatives and other Connected Persons, while in possession of unpublished price sensitive information in relation to the Company. Pursuant to the revised policy the Company maintains a digital database of Designated Persons with whom UPSI is shared with adequate internal controls and checks to ensure nontampering of the database. The Code has been displayed on the Company's website [www.tajgvk.in/investor-relations/code of conduct](http://www.tajgvk.in/investor-relations/code-of-conduct).

The Company receives continuous disclosure of holdings by the Directors in accordance with Regulation 7 of SEBI (Prohibition of Insider Trading) Regulations, 2015. Further, the Company makes regular disclosure to all the Stock Exchange(s) in which shares of the Company are listed the information received under the said clause in compliance with the applicable Regulations.

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 lying at the beginning of the year i.e., 01.04.2019	3860	376250
2	No. of shareholders who approached the Company for transfer of shares from Unclaimed Suspense account during the year.	28	3430
3	Number of shareholders to whom shares were transferred from the Unclaimed Suspense account during the year.	28	3430
4	Transferred to Investor Education and Protection fund Authority	751	71790
5	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense account at the end of the year i.e., 31.03.2020	3081	301030

The voting rights on the shares outstanding in the suspense account as on 31.03.2020 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](http://www.tajgvk.in/Investor%20Relations/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
2011-12	20,33,566	15.11.2019	1,20,841

Members who have not en-cashed their dividend warrants for the financial year 2012-13 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
2012-13	25%	30.07.2013	29.07.2020	7,80,591.50	29.08.2020
2013-14	10%	01.08.2014	31.07.2021	3,43,243.00	30.08.2021
2014-15	The Company has not declared dividend for this financial year				
2015-16	20%	04.08.2016	03.08.2023	6,45,808.00	02.09.2023
2016-17	20%	01.08.2017	31.07.2024	2,99,096.40	01.09.2024
2017-18	30%	03.08.2018	07.09.2025	3,23,350.80	06.10.2025
2018-19	30%	25.07.2019	30.08.2026	2,71,248.60	29.09.2026

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, 2020 compliance with the code of conduct of the Company laid down for them.

Place: Hyderabad
Date : 04.08.2020

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, 2020, 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 : 04.08.2020

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, 2020:

- A. We have reviewed the financial statements and the cash flow statements for the period ended 31st March, 2020 and that to the best to our knowledge and belief, these statements:
- do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 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:
- significant changes in internal control over financial reporting during the period under review;
 - significant changes in accounting policies during the period and that the same have been disclosed in the notes to the financial statements; and
 - 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: 04.08.2020

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, 2020 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	25/07/2019
2	Mrs. G Indira Krishna Reddy	Managing Director	00005230	24/04/2020
3	Mrs. Shalini Bhupal	Joint Managing Director	00005431	15/05/2019
4	Mr. Krishna R Bhupal	Director	00005442	25/07/2019
5	Mr. Puneet Chhatwal	Director	07624616	03/08/2018
6	Mr. Rajendra Misra	Director	07493059	03/08/2018
7	Mr. Giridhar Sanjeevi	Director	06648008	03/08/2018
8	Mr. M B N Rao	Director	00287260	04/08/2020
9	Mr. D R Kaarthikeyan	Director	00327907	04/08/2020
10	Mr. A Rajasekhar	Director	01235041	25/07/2019
11	Mr. N Sandeep Reddy	Director	00483826	25/07/2019
12	Mr. N Anil Kumar Reddy	Director	00017586	25/07/2019
13	Mrs. Dinoz Noria	Director	00892342	25/06/2020

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: 04.08.2020

G NARENDER
Proprietor
FCS-4898, COP-5024

BUSINESS RESPONSIBILITY REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

As per Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Section A: General Information about the Company

1	Corporate Identity Number (CIN) of the company	L40109TG1995PLC019349	
2	Name of the Company	TAJGVK Hotels & Resorts Limited	
3	Registered Address	Taj Krishna, Road No.1, Banjara Hills, Hyderabad - 500 034, Telangana Ph No.040-66662323, Fax No.040-66625364	
4	Website	Website: www.tajgvk.in	
5	Email ID	tajgvkshares.hyd@tajhotels.com	
6	Financial Year reported	1st April, 2019 to 31st March, 2020	
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Industrial Group	Product Description
		551	Short Term Accommodation activities
		561	Restaurants and Mobile food service activities
		562	Event catering and other food services activities
8	List three key products / services that the company manufactures / provides (as in balance sheet):	1. Rooms 2. Food and beverage services	
9	Total number of locations where business activity is undertaken by the Company:	TAJGVK Hotels & Resorts Ltd undertakes business at the following locations: Four hotels in Hyderabad, one hotel in Chandigarh and Chennai	
10	Markets served by the Company - Local / State / National / International:	National : Hyderabad, Chandigarh, Chennai International : Nil	

Section B: Financial Details of the Company as on March 31, 2020

S. No.	Particulars	FY 2019-20 (Rs. In Lakhs)
1	Paid up capital	1254.03
2	Total turnover	313.84
3	Total profit after taxes	23.31
4	Total spending on Corporate Social Responsibility (CSR)	59.84
5	List of activities in which expenditure in 4 above has been incurred	Rejuvenation of the Lake at Yelahanka, Bengaluru.

Section C: Other Details

1	Does Company have any Subsidiary Company / Companies	No
2	Does the Subsidiary Company / Companies participate in the BR initiative of the parent company. If yes, then indicate the number of which subsidiary Company(s)	No
3	Do any other entity/entities (e.g. suppliers, distributors etc.)	No

Section D: BR Information

1. Details of Director/Directors responsible for BR

(a) Details of the Director responsible for implementation of the BR policy/policies:

1	DIN	00005230
2	Name	Mrs. G Indira Krishna Reddy
3	Designation	Managing Director

(b) Details of BR Head :

1	DIN	Not Applicable
2	Name	Mr. J Srinivasa Murthy
3	Designation	CFO & Company Secretary

2. Principle-wise (as per NVGs) BR policy/policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (‘NVGs’) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are briefly as under:

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the well-being of all employees
P4	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Businesses should support inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

S. No.	Particulars	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy / policies for..	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/ international standards? If Yes, Specify (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy been approved by the Board?	Y	Y	Y	Y	Y	Y	Y	Y	Y
	If yes, has it been signed by MD/ Owner/ CEO / appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Y*	Y*	Y*	Y*	Y*	Y*	Y*	Y*	Y*
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the company have a grievance redressal mechanism related to the policy/ policies to address stakeholders’ grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit /evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	N	Y

* TAJGVK Code of Conduct (www.tajgvk.in/investors/policies/)

b) If answer to the question at serial number 1 against any principle, is ‘No’, please explain why: (Tick up to 2 options)

S. No.	Particulars
1	The company has not understood the Principles
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles
3	The company does not have financial or manpower resources available for the task
4	It is planned to be done within next 6 months
5	It is planned to be done within the next 1 year
6	Any other reason (please specify)

3. Governance related to BR

Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assesses the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year:

The Managing Director of the company assesses the BR performance of the company annually.

Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

No. Financial Year 2019-20 is the first year of applicability of Business Responsibility Report. The Company is yet to publish any separate report in this regard.

Section E: Principle-wise Performance

Principle 1

Businesses should conduct and govern themselves with Ethics, Transparency and Accountability Questions 1/2/3

Derived from Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the Company?
No, the policy relating to ethics, bribery and corruption is extended to all stakeholders.
2. Does it extend to the Group / Joint Ventures / Suppliers/ Contractors / NGOs / Others?
Yes
3. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the Management? If so, provide details thereof, in about 50 words or so.
There Company did not receive any complaint from any stakeholders in this regard.

Principle 2

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to three of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.
As a hospitality company, the rooms and F&B experience that we provide to the guests is our product and service. We endeavour to integrate measures entailing energy and water conservation, waste management, culturally and regionally sensitive designs and interiors of our hotels, purchases from local traders, MSME vendors, artisans and crafts men, and local hiring.
2. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.
The Company is part of the Central Warehousing Programme of IHCL. Under this programme orders from our hotels are consolidated, leading to full truck load shipments from vendors to warehouse and from warehouse to hotels. This has reduced transportation due to consolidation of shipments. This has helped the Company improve its supply chain efficiency and lower its carbon footprint, reduce stock inventories and optimize logistics.
3. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?
Our Hotels source products and services from local vendors, MSMEs and communities surrounding the Hotels. Some of the products sourced by our hotels include bread, dry fruits, packing materials, uniforms, flowers and fish. The hotels engage authorised local agencies for garbage clearance and for other support services. Training is given in the areas of hygiene, sanitation and food safety management practices. The vendors are also educated on meeting the Taj Standards for their products. Vendor meets are organised at regular intervals to give feedbacks and necessary trainings to vendors.
4. Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.
Our Hotels are participating in the Earth check programme of IHCL. All hotels engage authorised agencies to collect the waste and thereby the Company has ensured that 100% of the organic wastes generated are diverted from landfills. All e-waste generated in our properties is given to recyclers certified by the Pollution Control Board. Hotels ensure sewage treatment before disposing water into municipal sewers and also reuse treated water for gardening and cleaning of back area of the units as appropriate. The Company is also committed to eliminate single use plastics from our Hotels.

Principle 3

Businesses should promote the well-being of all employees

1. Please indicate the Total number of employees:

Permanent	Contractual	Total
454	1254	1708

2. Please indicate the Total number of employees hired on temporary/ contractual /casual basis:

Total hiring done in 2019-20: The company Hotels normally hire on casual basis for Banquet function and during the year in aggregate more than 1500 persons were engaged.

3. Please indicate the Number of permanent women employees: 211

4. Number of permanent employees with disabilities

The declaration of disability is voluntary on the part of the employee: Nil

5. Do you have an employee association that is recognized by management?

In 3 of our company hotels, we have registered trade union which the management recognises as the staff representative council.

6. What percentage of your permanent employees is members of this recognized employee association?

Out of the total number of permanent employees, 32% are part of these recognized employee association.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year. –

Number of complaints relating to	No. of complaints filed during the financial year	No. of complaints pending as on the pending as on end of the financial year
(i) child labour/ forced labour/ involuntary labour	Nil	Nil
(ii) Sexual harassment	Nil	Nil
(iii) Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

Safety training is conducted at all hotels and includes training of both permanent as well as contractual workforce.

S.No.	Category	Safety Training Received
1	Permanent Employees	100%
2	Permanent Women Employees	100%
3	Casual/Temporary/ Contractual Employees	100%
4	Employees with Disabilities	100%

Principle 4

Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. Has the Company mapped its internal and external stakeholders? Yes / No

Yes, the Company has mapped its internal and external stakeholders.

2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?

Yes, our prime areas of focus remain enabling livelihoods for the less privileged through skill building and leveraging our business value chain to support traditional art & heritage and social purpose organizations.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

Representatives from the Company visited the Tata Strive Centre in Kukatpally and trained the students there and gave them knowledge on the various trends in the industry for their skill building.

We also actively practiced the art of recycling with every used soap from the hotel being sent to Nireekshana an organization which works towards recycling of soaps and handing them over to the impoverished in slums.

Also all clothes and reusable items donation camp was organized at the hotel as part of the Tata Volunteering Week where all associates came together to donate items which were then picked up by the Family Eduvision team and distributed to various orphanages and special homes.

Principle 5

Businesses should respect and promote human rights

1. Does the policy of the Company on human rights cover only the company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others?

The Policy is applicable to the Company, its Join Venture company and other stakeholders.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the Management?

Sum of No of Complaints filed during Financial Year 2019-20	Sum of No of complaints pending as on end of the Financial Year 2019-20
Nil	Nil

Principle 6

Businesses should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

All hotels within the Company's portfolio are encouraged to adopt environment friendly measures in their operations.

2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

One of the company's Hotel is buying electricity generated through renewable source.

3. Does the Company identify and assess potential environmental risks? Y/N

Yes

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

No

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N.

Energy efficient technologies VRF systems for HVAC solutions, micro burners at kitchens, LED lights etc. are also used at our Hotels units.

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

No

Principle 7

Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your Company a member of any trade and chamber or association? If Yes, name only those major ones that your business deals with:

Yes. The Company is a member of Confederation of Indian Industry.

2. Have you advocated / lobbied through above associations for the advancement or improvement of public good? Y / N. If yes, specify the broad areas

No

Principle 8

Businesses should support inclusive growth and equitable development.

1. Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof?

Yes. The Company engage in CSR Activities to support the people in the local community where the hotel units are situated.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?

At the TAJ GVK Group hotels the projects are under taken through in house team and through contractor executing the project.

3. Have you done any impact assessment of your initiative?

An impact assessment of the CSR programmes shall be planned in due course.

4. What is your Company's direct contribution to community development projects? Amount in INR and the details of the projects undertaken.

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: (1) Direct on projects or programs- (2) Overheads:	Cumulative Expenditure upto the reporting Period.	Amount spent Direct or through implementing Agency.
1	Excavation and rejuvenation of Lake	Environmental Sustainability	Local Area, Yelahanka, Bengaluru, Karnataka as per the MOU signed with BDA, Bengaluru	59.84	Direct on the project 59.84	199.90	Direct
	Total			59.84	59.84	199.90	

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

At present the project under taken by the company is rejuvenation of Lake as per the Government guidelines and this will benefit the community at large in days to come.

Principle 9

Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

The Company receives guest complaints that are dealt with from time to time and handled to closure but none of them have converted to a consumer complaint / case during the financial year 2019-20. As such there were no consumer cases filed during the financial year ended March 31, 2020.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Y/N/N.A. /Remarks (additional information)

Not Applicable

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

No

4. Did your Company carry out any consumer survey /consumer satisfaction trends?

Yes

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, 2020, 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, 2020, 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

We draw attention to the following Notes to the Financial Statements:

Note 23

Regarding the Management's impairment assessment of property, plant and equipment, right-of-use assets, intangible assets, investments, trade receivables, inventories and other current assets of the Company as at 31 March 2020, being considered unimpaired/recoverable based on its internal and external sources of information and estimates, and its judgments on implication expected to arise from COVID-19 pandemic which being an unprecedented event and the consequences of which are difficult to estimate, and the actual outcome could vary from the said estimates.

Note 26

Regarding non-provision of Management fees and expenses reimbursable to the Operator for one of the Company's Hotels for the reasons stated therein.

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

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 <ul style="list-style-type: none">• 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 there against.
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: <ul style="list-style-type: none">• 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	<p>Lease Accounting -Under Ind AS 116</p> <p>The Company has adopted Ind AS 116-Leases from the date of its initial application on 1st April 2019 which resulted in changes to accounting policies. The Standard was adopted retrospectively from 1st April 2019 and recognised the cumulative effect of initially applying the Standard as an adjustment to the opening balance of retained earnings as disclosed in Note 24.</p> <p>We identified Leases as a key audit matter because adoption of the standard resulted in significant changes to the financial statements, along with changes to the processes, systems and controls and the estimates made in determining the impact.</p> <p>Adoption of the standard lead to recognition of Right to use Asset of Rs.3197 Lakhs and Corresponding Lease Liability of Rs.4335 Lakhs and Company has operating Leases in 4 of the 6 properties its Operates.</p>	<p>Principal Audit Procedures</p> <p>Our audit approach included understanding the Company's adoption of the Standard and identification of leases, Measurement of the lease liability and right to use asset for accounting.</p> <p>Our substantive tests included:</p> <ul style="list-style-type: none"> • Verifying the underlying lease contracts for identifying the leases to which the said Standard applies; • Verifying the borrowing rates used for discounting future lease payments • Verifying the accuracy of recognition of Right to Use Asset and lease Liabilities as on the Transition date and Reporting Date • Verifying the correctness and completeness of the annual / periodic charge to the Profit & Loss Account in respect of Lease Liability and Right to Use Asset mentioned above • Verifying whether the disclosures are in accordance with the Standard.
4	<p>Impact of COVID-19 pandemic -Refer Note 23:</p> <p>On 11 March 2020, the World Health Organisation declared the Novel Coronavirus (COVID-19) outbreak to be a pandemic. The Indian Government has imposed lock-downs across the country from 22 March 2020 up to 30 June 2020. These lockdowns and restrictions due to COVID-19 pandemic have posed significant challenges to the businesses of the Company. This required the Company to assess impact of COVID-19 on its operations. The Company has assessed the impact of COVID-19 on the future cash flow projections. The Company has also prepared a range of scenarios to estimate financing requirements. In view of the above, we identified impact of COVID-19 on going concern as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of key assumptions adopted by the Company in assessing the Impact based on our understanding of the Company's business • Performed the following procedures: <ul style="list-style-type: none"> • Reviewed the status of long-term borrowings and company's availment of moratorium to the repayment; • Reviewed the receivables position as at 31st March 2020 on the date of report • Assessed impact of Government's announcement to lift the lockdown restrictions and Company's plan to re-open hotels in a phased manner; • Assessed disclosures made in the standalone financial statements with regard to the above. Refer to note 23.

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. It does not include the standalone financial statements and our report thereon.

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

The said other information is expected to be made available to us after the date of this audit report. When we read the other information, when furnished to us, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and the shareholders.

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, the 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 the 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 the Management.
- Conclude on the appropriateness of the 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.

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 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, 2020 taken on record by the Board of Directors of the Company, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company 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:
In our opinion and to the best of our information and according to the explanations given to us, We report that the excess over minimum remuneration paid to the Managerial Personnel for the year 2019-20 is being presented to the ensuing AGM for its approval in accordance with the provisions of the Section 197 (16) of 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. (Refer Note 22)
 - 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: June 25, 2020

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, 2020 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 the 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

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, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

M. Bhaskara Rao
Partner
(Membership No.5176)

Place: Hyderabad
Date: June 25, 2020

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 as at 28th February 2020. As at 31st March 2020 due to outbreak of Covid-19 Pandemic and the consequential lockdown imposed by Government of India, the Hotels were not in operation and hence no physical verification and reconciliation was carried out. In our opinion, having regard to the nature of its business and location & size 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 al 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, 2020 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 Telangana
		13.36	2008-09	Sales Tax Tribunal
Service Tax	Service Tax	2477.10	2006 to 2011	CESTAT, Hyderabad

- iii. 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. However as at the date of the Balance Sheet the Company has availed moratorium for repayment of Principal and Interest from March 01, 2020 as per as per RBI circular RBI/2019-20/186 DOR.No.BP.BC.47/21.04.048/2019-20 dated March 27, 2020. Refer Note 10. The Company has not issued any 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.
- 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 Managerial Personnel for the year 2019-20 is being presented to the ensuing AGM for its approval in accordance with the provisions of Section 197 read with Schedule V 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 of 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: June 25, 2020

Standalone Balance Sheet

as at March 31, 2020

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

Particulars	Note	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	1	40,327.91	41,407.92
Right to Use Assets		3,117.21	-
Capital work-in-progress		9,054.95	9,231.65
Intangible Assets	1	117.82	161.09
		52,617.89	50,800.66
Financial Assets			
Investments	2	11,026.80	11,026.80
Other financial assets	3	379.62	367.50
Tax Assets (Net)		2,345.53	2,541.08
Other non current assets	4	2,990.97	2,945.06
		16,742.92	16,880.44
TOTAL NON-CURRENT ASSETS		69,360.81	67,681.10
Current Assets			
Inventories	5	815.89	751.18
Financial Assets			
Trade Receivables	6	1,565.45	1,866.05
Cash and Cash Equivalents	7	730.10	141.59
Bank balances other than cash and cash equivalents	7	46.97	44.73
Other financial assets	3	504.27	512.78
Other Current assets	4	1,233.07	945.85
TOTAL CURRENT ASSETS		4,895.75	4,262.18
TOTAL ASSETS		74,256.56	71,943.28
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	8	1,254.03	1,254.03
Other Equity	9	39,861.16	38,801.24
Total Equity		41,115.19	40,055.27
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	10	14,044.08	16,011.36
Other financial Liabilities	12	195.74	213.26
Lease Liabilities		4,358.51	-
Provision for Employee benefits	13	393.24	277.21
Deferred Tax Liabilities (net)	15	5,833.60	6,066.09
TOTAL NON-CURRENT LIABILITIES		24,825.17	22,567.92
Current Liabilities			
Financial Liabilities			
Borrowings	10	66.20	-
Trade Payables			
- Micro and Small Enterprises	11	60.17	-
- Others	11	4,407.74	4,320.16
Other financial Liabilities	12	3,206.90	4,233.64
Other current liabilities	14	575.19	766.30
TOTAL CURRENT LIABILITIES		8,316.20	9,320.10
Total Equity and Liabilities		74,256.56	71,943.28
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 : June 25, 2020

For and on behalf of the Board

G Indira Krishna Reddy

Managing Director

DIN:00005230

Dr. G V K Reddy

Non-Executive Chairman

DIN:00005212

J Srinivasa Murthy

CFO & Company Secretary

M. No. : FCS4460

Standalone Statement of Profit and Loss for the year ended March 31, 2020

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

Particulars	Note	Current Year	Previous year
Revenue from Operations	16	31,261.53	31,687.46
Other Income	17	122.40	722.01
Total Income		31,383.93	32,409.47
EXPENSES			
Food and Beverages Consumed	18	3,327.89	3,484.02
Employee Benefit Expense and Payment to Contractors	19	6,671.25	6,526.14
Finance Costs	20	2,262.76	2,158.42
Depreciation and Amortisation	1	1,598.68	1,670.01
Amortization of right to use assets		80.04	-
Other Operating and General Expenses	21	13,849.01	14,758.04
Total Expense		27,789.63	28,596.63
Profit Before Exceptional Items And Tax		3,594.30	3,813.84
Exceptional Items		-	-
Profit Before Tax		3,594.30	3,813.84
Tax Expense			
Current Tax		1,088.00	1,237.00
Deferred Tax		120.95	103.38
Tax relating to earlier years		-	41.14
Total Tax Expense		1,208.95	1,381.52
PROFIT FOR THE PERIOD		2,385.35	2,432.32
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)		(53.89)	(7.64)
Total Comprehensive Income for the Year		2,331.46	2,424.68
Earnings Per Share			
No. of equity shares of Rs.2/-each		6,27,01,495	6,27,01,495
1) Basic		3.72	3.87
2) Diluted		3.72	3.87
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 : June 25, 2020

For and on behalf of the Board

G Indira Krishna Reddy
Managing Director
DIN:00005230

Dr. G V K Reddy
Non-Executive Chairman
DIN:00005212

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

Standalone Cash Flow Statement for the year ended March 31, 2020

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

Particulars	Current Year	Previous Year
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	3,594.30	3,812.84
Adjustments for :		
Depreciation	1,598.68	1,670.01
Amortization expense on Right-To-Use assets	80.04	-
Miscellaneous Expenditure Written off	11.25	15.00
Loss on sale of assets	8.32	7.63
Profit on sale of assets	(6.86)	(20.17)
Bad debts written off	97.81	69.36
Provision for Bad & Doubtful Debts	0.25	49.34
Provision for bad & doubtful debts credited back	(44.55)	(0.67)
Finance costs	2,262.76	2,158.42
Interest earned	(10.09)	(30.46)
	3,997.60	3,918.45
Operating Profit before working capital changes	7,591.89	7,731.29
Adjustments for :		
Trade Receivables	247.09	(50.08)
Inventories	(64.70)	108.76
Non-current and current financial assets	(7.71)	477.60
Other Non-current and current assets	(344.38)	(36.61)
Non-current and current financial liabilities	161.43	51.39
Other Current Liabilities	(191.11)	(6.20)
Employee benefit obligations	116.03	(51.24)
Trade payables	147.74	(1,923.37)
Cash generated from operations	7,656.28	6,301.56
Less: Taxes paid / (refund received)	195.56	405.69
Net Cash In Flow From Operating Activities	7,460.72	5,895.86
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets /addition to CWIP	(310.20)	(1,682.02)
Interest Received	14.18	31.02
Sale of Fixed Assets	10.04	26.92
Net Cash Out Flow From Investing Activities	(285.98)	(1,624.09)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Long term loans (repaid)	(3,225.00)	(3,075.00)
Working capital borrowings	66.20	-
Long term deposits raised/(paid back)	(17.52)	43.44
Interest paid	(1,818.08)	(2,138.20)
Interest costs on lease liability	(424.45)	-
Fixed deposits created	(700.00)	-
Dividend paid	(376.21)	(376.21)
Taxes on dividend paid	(88.93)	(65.73)
Net Cash Out Flow From Financing Activities	(6,583.99)	(5,611.70)
Net increase in cash and cash equivalent	590.75	(1,339.92)
Cash and Cash equivalents as at beginning of the year	186.32	1,526.24
Cash and Cash equivalents as at end of the year	777.07	186.32

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 : June 25, 2020

For and on behalf of the Board

G Indira Krishna Reddy
Managing Director
DIN:00005230

Dr. G V K Reddy
Non-Executive Chairman
DIN:00005212

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

Financial Liability Statement

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

Particulars	Current Year	Previous Year
1) Net debt		
Cash and cash equivalents	777.07	186.32
Current Investment	-	-
Total Liquid Investment - (a)	777.07	186.32
Long term Borrowings (Including Current portion)	16,562.48	19,787.48
Short Term Borrowings	66.20	-
Gross Debt - (b)	16,628.68	19,787.48
Net Debt (b) - (a)	15,851.61	19,601.16
2) Other financial Liabilities		
Derivatives	-	-
Interest Accrued but not due	125.66	-
Total Other financial Liabilities	125.66	-
Grand Total	15,977.27	19,601.16

Particulars	Other assets		Liabilities from financing activities				Total
	Cash and cash equivalents	Current Investment	Gross Debt	Net Debt	Derivatives	Interest Accrued but not due	
As at 1 April 2019	186.32	-	19,787.48	19,601.16	-	-	19,601.16
Cash flows	590.75	-	(3,225.00)	(3,815.75)	-	-	(3,815.75)
Borrowings	-	-	66.20	66.20	-	125.66	191.86
As at 31 March 2020	777.07	-	16,628.68	15,851.61	-	125.66	15,977.27

Statement of Changes in Equity as at March 31, 2020

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, 2019)	1,254.03	3,469.30	3,132.00	7,100.00	25,099.93	40,055.26
Less:						
Transition adjustment on adoption of Ind AS 116	-	-	-	-	1,137.70	1,137.70
Add:						
Profit for the year	-	-	-	-	2,385.35	2,385.35
Transitional adjustment for deferred tax recognition of lease liability and RTU assets	-	-	-	-	331.30	331.30
Other Comprehensive Income for the period, net of taxes, excluding actuarial gain/ (losses)	-	-	-	-	(53.89)	(53.89)
Less:						
Dividends paid for FY 2018-19	-	-	-	-	376.21	376.21
Tax on Dividend	-	-	-	-	88.92	88.92
Balance at the end of the year (Mar 31, 2020)	1,254.03	3,469.30	3,132.00	7,100.00	26,159.86	41,115.19

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 : June 25, 2020

For and on behalf of the Board

G Indira Krishna Reddy
Managing Director
DIN:00005230

Dr. G V K Reddy
Non-Executive Chairman
DIN:00005212

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

1. General information

TAJGVK Hotels & Resorts Limited (“TAJGVK” / “the Company”) was incorporated on 02nd 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 June 25, 2020.

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.

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
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xi. Leases:

Effective April 1, 2019 the company has applied Ind AS 116 which replaces Ind AS 17 Leases.

Lessee:

On inception of a contract, the company (as a lessee) assesses whether it contains a lease. A contract is, or contains a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether: (i) the contract involves the use of an identified asset (ii) the company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the company has the right to direct the use of the asset.

At the date of commencement of the lease, the company recognizes a right-to-use asset ("RTU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-to-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for initial direct costs incurred, lease payments made at or before the commencement date, any asset restoration obligation, and less any lease

incentives received. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are also adjusted for any re-measurement of lease liabilities. Unless the company is reasonably certain to obtain ownership of the leased assets or renewal of the leases at the end of the lease term, recognised right-of-use assets are depreciated to a residual value over the shorter of their estimated useful life or lease term.

The lease liability is initially measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments and variable lease payments that depend on an index or a rate, less any lease incentives receivable. In calculating the present value of lease payments, the company uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease term includes periods subject to extension options which the company is reasonably certain to exercise and excludes the effect of early termination options where the company is not reasonably certain that it will exercise the option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments are presented as amortization of RTU assets along with depreciation and interest on lease liability along with finance cost.

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. No change in recognition or disclosure is made to lease rentals earned by the company in the capacity as a lessor, pursuant to adoption of Ind AS 116.

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. 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.

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 1 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.

De-recognition:

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 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 Statement for the year ended March 31, 2020

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

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, 2019	4,244.11	30,994.25	10,743.69	1,817.36	311.68	60.49	48,171.58	9,231.65	382.20
Additions	-	-	145.80	153.92	22.67	164.52	486.91	350.81	-
Disposals	-	0.23	16.21	1.67	-	35.38	53.49	527.51	-
As At Mar 31, 2020	4,244.11	30,994.02	10,873.28	1,969.61	334.35	189.63	48,605.00	9,054.95	382.20
Depreciation									
At April 1, 2019	1.83	2,161.91	3,690.11	647.71	204.80	57.31	6,763.67	-	221.11
Charge for the period	-	543.34	814.57	144.37	40.11	13.02	1,555.41	-	43.27
Disposals	-	0.02	9.20	0.57	-	32.20	41.99	-	-
As At Mar 31, 2020	1.83	2,705.23	4,495.48	791.51	244.91	38.13	8,277.09	-	264.38
Net Block									
As At Mar 31, 2020	4,242.28	28,288.79	6,377.80	1,178.10	89.44	151.50	40,327.91	9,054.95	117.82
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

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, 2020		As at March 31, 2019	
		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

i) 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.

ii) 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, 2020	As at March 31, 2019
A) Non Current		
Deposits with Public Bodies and Others	379.62	367.50
	379.62	367.50
B) Current		
Deposit with public bodies and others	3.74	3.74
Other advances	394.87	169.58
Claims Receivable	1.38	1.38
Interest accrued	3.38	7.46
Other receivables	100.90	330.62
	504.27	512.78

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

Note 4 - Other assets

Particulars	As at March 31, 2020	As at March 31, 2019
A) Non current (Unsecured considered good)		
Capital Advances	-	10.51
Other advances recoverable	2,213.31	2,135.11
Advance lease payments	720.94	735.69
Deposits for tax and other statutory dues	56.72	63.75
	2,990.97	2,945.06
B) Current (Unsecured considered good)		
Prepaid Expenses	262.50	301.31
Indirect tax recoverable	51.21	51.55
Advance to Suppliers	151.49	213.34
Advance to Employees	16.29	19.50
Excess of GST input credit over liability	308.98	-
Export benefit receivable	442.60	360.15
	1,233.07	945.85

Note 5 - Inventories

Particulars	As at March 31, 2020	As at March 31, 2019
Food and Beverages	523.90	469.45
Stores and Operating Supplies	291.99	281.73
	815.89	751.18

Note 6 - Trade receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Considered good - Unsecured	1,565.45	1,866.05
Credit impaired	93.29	137.60
	1,658.74	2,003.65
Less : Provision for Trade Receivables which are credit impaired	93.29	137.60
	1,565.45	1,866.05

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, 2020	As at March 31, 2019
Cash and cash equivalents		
Cash on hand	24.70	30.71
Balances with banks in current account	0.00	109.72
Margin money deposits	5.40	1.16
Other deposit with bank	700.00	-
	730.10	141.59
Bank balances other than cash and cash equivalents		
Earmarked balances with banks on account of unclaimed dividends	46.97	44.73
	46.97	44.73

Note 8 - Equity Share Capital

Particulars	As at March 31, 2020	As at March 31, 2019
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

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

i) Reconciliation of equity shares outstanding :

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Rs.lakhs	No. of shares	Rs.lakhs
Shares outstanding at the beginning of the year	6,27,01,495	1,254.03	6,27,01,495	1,254.03
Add : Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	6,27,01,495	1,254.03	6,27,01,495	1,254.03

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

Name of Shareholder	As at March 31, 2020		As at March 31, 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mrs. G. Indira Krishna Reddy	75,68,947	12.07	75,68,947	12.07
Mrs. Shalini Bhupal	2,34,48,859	37.40	2,34,48,859	37.40
The Indian Hotels Company Limited	1,60,00,400	25.52	1,60,00,400	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, 2020	As at March 31, 2019
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	25,099.93	23,118.19
Add: Current period profits	2,385.35	2,431.32
Less: Transition adjustment on adoption of Ind AS 116	1,137.70	-
Add: Transitional adjustment for deferred tax recognition of lease liability and RTU assets	331.30	-
Less: Dividends	376.21	376.21
Less: Dividend tax	88.92	65.73
Total Retained Earnings	26,213.75	25,107.57
Reserves and Surplus	39,915.05	38,808.87
Other Comprehensive Income	(53.89)	(7.64)
Total Other Equity	39,861.16	38,801.24

Note 10 - Borrowings

Particulars	As at March 31, 2020	As at March 31, 2019
A) Long term borrowings		
Term Loan from Banks		
Secured	16,562.48	19,787.48
Less: Unamortized Borrowing Cost	80.90	101.12
	16,481.58	19,686.36
Less: Current maturities of Long term borrowings (shown under Other current financial liabilities)	2,437.50	3,675.00
Total Long term borrowings	14,044.08	16,011.36
B) Short term borrowings		
Loans repayable on demand from Banks		
Secured	66.20	-
Total Short term borrowings	66.20	-
Total Borrowings	14,110.28	16,011.36

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

i) Term Loans from Banks:

- a) Rs.84.38 crores from HDFC Bank Ltd at an interest rate of 1 year MCLR + spread of 115 bps.viz. 9.50% p.a is secured by first charge on all assets of Taj Chandigarh, Chandigarh repayable in 32 equal instalments starting from 1st Nov 2016. The loan is sanctioned with a moratorium of 2 years from the date of first disbursement. ie. Aug 2014.
- b) Rs.81.25 crores from AXIS Bank Ltd at an interest rate of 1 year MCLR + spread of 110 bps.viz. 9.20% 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.
- c) The Company has availed of the moratorium on loans announced by the RBI in view of the lockdown due to the Covid 19 pandemic and hence the current maturities of long term borrowings have been adjusted to that extent.

ii) Loans repayable on demand from Banks

Bank Overdraft from AXIS BAnk Ltd Rs.66.20 lakhs (2019 : Nil) at an interest rate of 1 month MCLR + spread of 165 bps.viz. 9.65% 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 (2019 : 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, 2020	As at March 31, 2019
Dues to Micro and Small Enterprises (Refer Note (i))	60.17	-
Others	3,391.86	3,530.46
Accrued expenses and others	1,015.88	789.70
	4,467.91	4,320.16

Note : i) 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.

The disclosures relating to Micro and Small Enterprises are as under:

Particulars	As at March 31, 2020	As at March 31, 2019
a) The principal amount remaining unpaid to supplier as at the end of the accounting year	59.96	-
b) The interest due thereon remaining unpaid to supplier as at the end of the accounting year	-	-
c) The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the year		
e) The amount of interest accrued and remaining unpaid at the end of the accounting year	0.21	
f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Note 12 - Other financial liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
A) Non Current financial liabilities		
Deposits refundable	147.77	165.60
Creditors for Capital goods and services	47.97	47.67
	195.74	213.26
B) Current financial liabilities		
Current maturities of long term borrowings	2,437.50	3,675.00
Interest accrued but not due	125.66	-
Deposits from others	7.98	11.28
Creditors for capital expenditure	190.39	193.36
Unclaimed dividend	46.97	44.73
Employee Related Liabilities	357.29	267.12
Others	41.11	42.14
	3,206.90	4,233.64

Note 13 - Provision for Employee Benefits

Particulars	As at March 31, 2020	As at March 31, 2019
Non Current		
Post-retirement compensated absences	175.35	171.09
Gratuity	217.89	106.12
	393.24	277.21

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

Note 14 - Other non financial Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Current		
Advances towards revenues	415.55	371.13
Statutory dues	159.64	395.18
	575.19	766.30

Note 15 - Deferred Tax Liabilities (Net)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Liabilities:		
Depreciation on Fixed Assets	6,297.47	6,225.22
Amortization of finance cost	23.56	35.34
Total (A)	6,321.03	6,260.55
Deferred Tax Assets:		
Provision for Doubtful Debts	27.17	48.08
Employee Benefits	114.51	96.87
Amortization of prepaid lease payments	44.62	49.51
Lease liability and right to use assets	301.13	-
Total (B)	487.43	194.46
Net Deferred Tax Liabilities (A-B)	5,833.60	6,066.09

Note 16 - Revenue from Operations

Particulars	Current Year	Previous Year
Room Revenue, Food, Restaurants and Banquet Revenue	29,783.25	30,073.35
Shop rentals	442.82	527.79
Membership fees	50.06	55.50
Export benefits	250.43	184.99
Others	734.97	845.84
Total	31,261.53	31,687.46

Note 17 - Other Income

Particulars	Current Year	Previous Year
Interest Income at amortised cost		
Deposits with banks	0.23	5.43
Others	9.86	9.43
Interest on Income Tax Refunds	-	15.60
Total	10.09	30.46
Profit on sale of assets	6.86	20.17
Exchange Gain (Net)	2.87	5.04
Others	102.58	666.33
Total	122.40	722.01

Note 18 - Food and Beverages Consumed

Particulars	Current Year	Previous Year
Food and Beverages Consumed	3,327.89	3,484.02

Note 19 - Employee Benefit Expense

Particulars	Current Year	Previous Year
Salaries, Wages, Bonus etc.	4,148.76	3,976.42
Company's Contribution to Provident and Other Funds	317.91	279.03
Reimbursement of Expenses on Personnel Deputed to the Company	970.38	1,026.77
Contractor employee expenses	640.01	616.42
Staff Welfare Expenses	594.18	627.50
Total	6,671.25	6,526.14

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

Note 20 - Finance costs

Particulars	Current Year	Previous Year
Interest Expense	1,818.09	2,138.20
Interest cost on lease liability	424.45	-
Other borrowing costs	20.22	20.22
Total	2,262.76	2,158.42

Note 21 - Other Operating and General Expenses

Particulars	Current Year	Previous Year
(i) Operating expenses consist of the following :		
Linen and Room Supplies	580.77	675.60
Catering Supplies	288.32	300.61
Other Supplies	26.12	24.98
Fuel, Power and Light	2,715.01	2,820.62
Repairs to Buildings	675.33	1,030.20
Repairs to Machinery	1,076.91	1,103.28
Repairs to Others	556.58	869.02
Linen and Uniform Washing and Laundry Expenses	454.30	454.18
Payment to Orchestra Staff, Artistes and Others	391.12	386.61
Guest Transportation	200.52	160.11
Travel Agents' Commission	780.35	795.48
Credit card Commission	226.70	239.38
Other Operating Expenses	706.63	839.67
Total	8,678.66	9,699.74
(ii) General expenses consist of the following :		
Rent	161.23	189.30
Licence Fees	398.15	822.92
Rates and Taxes	1,025.33	1,095.64
Insurance	117.21	102.43
Advertising and Publicity	683.54	675.25
Printing and Stationery	117.54	131.08
Passage and Travelling	38.30	41.18
Communication expenses	262.07	271.58
Provision for Doubtful Debts	0.25	49.34
Bad debts written off	97.81	69.36
Expenditure on Corporate Social Responsibility	59.85	44.91
Donations	75.00	-
Operating & Management Fees	951.54	885.98
Professional Fees	160.54	227.05
Outsourced Support Services	234.07	165.15
Loss on Sale of Fixed Assets	8.32	7.63
Payment made to Statutory Auditors		
i. As Auditors	27.00	25.00
ii. For Tax Audit	3.00	3.00
iii. For certification	-	0.05
Directors' Sitting Fees	11.55	17.60
Amortized expenses	11.25	15.00
Other Expenses	726.80	218.85
Total	5,170.35	5,058.29
	13,849.01	14,758.04

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

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 (2019: Rs. Nil).

Contingent liabilities not provided for in respect of

Particulars	As at March 31, 2020	As at March 31, 2019
Value added tax matters (Rs.97.20 lakhs paid under protest against the demands)	307.40	307.40
Income tax matters (Rs. 102.30 lakhs paid under protest against the demands)	259.00	259.00
Service tax matters	2541.76	2541.76
Probable customs duty payable on the Equipment Imported under Export Promotion Capital Goods Scheme	371.90	371.06
Bank Guarantees - Others	108.00	90.00

23. On March 11, 2020, the World Health Organization declared Covid-19 outbreak as a pandemic. Responding to the potentially serious threat that this pandemic has to public health, the Indian Government has taken a series of measures to contain the outbreak, which included imposing multiple 'lock-downs' across the country, from March 22, 2020, and extended up to June 30, 2020. Business operations in the various markets where the Company operates have also been impacted to varying extent based on the spread of the pandemic and the restrictions on business activities placed by the Government. Lockdown guidelines mandated closure of hotel operations and cessation of air traffic and other forms of public transport. This has resulted in low occupancies / shut downs of our hotels.

Most of the hotels of the Company were shut down entirely during the lockdown phase as the Company was not part of Government denominated essential services. With the lifting of the partial lockdown restrictions, the Company expects the hotels to become operational in a phased manner and once the confidence of travellers is restored. The Company expects the demand for its services to pick up albeit at a slower pace and recovery in business to be driven by domestic leisure tourism, staycations, domestic business travel and limited international travel.

The Company has assessed the potential impact of Covid-19 on its capital and financial resources, profitability, liquidity position, ability to service debt and other financing arrangements, supply chain and demand for its services. Various steps have been initiated to avail of the loan instalment moratoriums from banks and the Company is in a comfortable liquidity position to meet its commitments. The Company has judiciously invoked the Force Majeure clauses for reliefs during the lock down period and does not foresee any disruption in raw material supplies.

The Company has also assessed the potential impact of Covid-19 on the carrying value of property, plant & equipment, right to use assets, intangible assets, investments, trade receivables, inventories, and other current assets appearing in the financial statements of the Company. In developing the assumptions and estimates relating to the future uncertainties in the economic conditions because of this pandemic, the Company as at the date of approval of these Financial statements has used internal and external sources of information and based on current estimates, expects to recover the carrying amounts of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

24. The Company has adopted Ind AS 116 "Leases" and applied it to all its identified lease contracts existing on April 01, 2019 as a lessee using the modified retrospective method. Transition to the said Standard resulted in recognition of liability of Rs.4335 Lakhs being the present value of future lease payments as at April 01,2019 and a corresponding Right -to-Use asset (RTU) of Rs.3197 Lakhs. Rs. 1138 Lakhs being the cumulative difference between the said liability and RTU for the period of the lease that has already expired is recognized in opening retained earnings. The effect of this adoption in the Statement of Profit and Loss for the year is a net increase of Rs.104 Lakhs in the expenditure. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted.
25. Other operating and general expenses in Note No.21 include:
- Rs.410.17 lakhs being expenditure incurred for excavation of land and other indirect cost related thereto pertaining to land taken on lease-cum-sale basis from Telangana State Industrial Infrastructure Corporation for Ginger hotel project, written off as the company is yet to get the approval for change of land use.
 - Rs.117.34 lakhs being expenditure incurred for lake cleaning project at lake adjacent to Taj Banjara hotel, written off since the work in our scope is completed and handed over to GHMC for their works.
26. Pending renewal of Operating Agreement for Taj Deccan, no provision has been made in the accounts towards Management Fees and Specific Reimbursable expenses for the months of February and March 2020.
27. In accordance with the provisions of section 197 of the Companies Act read with Schedule V thereto, the remuneration paid to the Managing Director and the Joint Managing Director for the financial year 2019-20 is in excess of the limits specified under section

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

197 and also under schedule V of the Companies Act, 2013, aggregating to Rs.277.97 lakhs and Rs.148.53 lakhs respectively. The Company shall place the proposal for waiver of recovery of the excess remuneration paid to Managing Director and Joint Managing Director to Nomination and Remuneration Committee (NRC) of the Board and to Board of Directors for their approval at their next meeting(s). The company shall place NRC recommended and Board approved resolution for approval of the shareholders at the ensuing Annual General Meeting as required under the amended provisions of the Companies Act, 2013.

28. 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”.

29. 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 (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. N Sandeep Reddy	Independent Director
Mr. N Anil Kumar Reddy	Independent Director
Mrs. Dinaz Noria	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
Shriyasom Fashions International LLP	Lessee

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	Alakananda Hydro Power Co Ltd
GVK Power (Goindwal Sahib) Ltd	GVK Ratle Hydro Electrical Projects Ltd
GVK Deoli Kota Expressway Ltd	

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

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	774.37	670.16
Sitting fees to other non executive / Independent Directors	11.55	17.60
Joint Venturer:		
Indian Hotels Company Limited		
Management fee	951.53	885.98
Reimbursement of advertisement expenses	364.20	395.29
Deputed Staff In expenses	831.57	939.10
Deputed Staff Out reimbursements	315.96	310.56
Enterprises in which key management personnel and / or their relatives have significant influence:		
Orbit Tours and Travels (P) Ltd - Purchase of travel tickets	13.99	25.37
GVK Foundation - Donation	75.00	-
Income from sale of rooms and food & beverages:		
- GVK Gautami Power Ltd	4.72	2.73
- Mumbai International Airport Pvt Ltd	8.51	4.00
- GVK Biosciences Pvt Ltd	12.91	5.48
- GVK Industries Ltd	0.48	0.46
- GVK Jaipur Expressway Pvt Ltd	0.18	0.16
- GVK Power and Infrastructure Ltd	4.08	4.94
- GVK Energy Ltd	0.64	0.13
- GVK EMRI	0.44	0.32
- GVK Airport Developers Ltd	0.01	0.06
- Crescent EPC Projects & Technical Services Ltd	2.68	4.53
- Navi Mumbai International Airport Pvt. Ltd	0.83	2.48
Shop Rentals		
- Shriyasom Fashions International LLP	6.00	-

Balances Outstanding as of 31 March, 2020:

Name of the related party	As at March 31, 2020	As at March 31, 2019
Joint Venturer:		
Indian Hotels Company Limited	1105.31	919.54
Operating fee, reimbursable expenses and current account dues payable (net)		
Jointly controlled entity:		
Green Woods Palaces & Resorts (P) Ltd	11025.00	11025.00
Investment in Equity Shares		
Enterprises in which key management personnel and / or their relatives have significant influence:		
Amount receivable for sale of rooms and food & beverages:		
Mumbai International Airport Ltd	5.73	3.84
GVK Biosciences Pvt Ltd	0.13	3.34
GVK Industries Ltd	1.30	3.54
GVK Jaipur Expressway Pvt Ltd	0.02	-
GVK Power and Infrastructure Ltd	4.64	2.02
GVK Energy Ltd	-	0.11
GVK EMRI	0.58	-
Crescent EPC Projects & Technical Services Ltd	0.72	3.08
Navi Mumbai International Airport Pvt. Ltd	2.23	1.84
Alakananda Hydro Power Co Ltd	0.28	5.10
GVK Power (Goindwal Sahib) Ltd	5.19	3.96
GVK Ratle Hydro Electrical Projects Ltd	0.22	-
GVK Deoli Kota Expressway Ltd	-	0.20
Amount payable for Purchase of travel tickets:		
Orbit Tours and Travels (P) Ltd	0.43	2.60
Shop Rental receivable		
Shriyasom Fashions International LLP	2.00	-

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

30. 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, 2020	As at March 31, 2019
Not later than one year	653.58	829.28
Later than one year but not later than five years	289.97	356.04
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, 2020	As at March 31, 2019
Not later than one year	412.21	400.87
Later than one year but not later than five years	2114.98	2095.21
Later than 5 years	17948.23	18380.23

31. Employee benefits

Defined contribution plan:

Amount recognized as an expense in statement of profit and loss Rs.119.21 lakhs (2019: Rs. 100.03 lakhs) on account of provident fund and Rs.46.91 lakhs (2019: Rs. 62.67 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.2,000,000/-

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	31.51	29.28
Past Service Cost	-	-
Interest on Net Defined Benefit liability / (asset)	4.24	12.70
Changes in financial assumptions	32.26	4.90
Changes in demographic assumptions	-	(0.18)
Experience adjustments	35.83	8.91
Actuarial return on plan assets less interest on plan assets	7.94	(1.90)
Net charge to Profit & Loss and OCI	111.78	53.71

b. Reconciliation of Defined Benefit Obligation

Particulars	As at March 31, 2020	As at March 31, 2019
Opening Defined benefit Obligation	581.77	535.51
Current Service Cost	31.51	29.28
Past Service Cost	-	-
Interest Cost	37.33	35.08
Actuarial Losses / (Gain)	68.09	13.63
Benefits Paid	(24.14)	(31.73)
Closing Defined Benefit Obligation	694.56	581.77

c. Change in Fair Value of Plan Assets

Particulars	As at March 31, 2020	As at March 31, 2019
Opening Fair Value of Plan Assets	475.65	358.10
Employer Contributions	-	125.00
Interest on Plan Assets	33.09	22.38
Actuarial gain / (Losses)	(7.94)	1.90
Benefits Paid	(24.14)	(31.73)
Closing Fair Value of Plan Assets	476.66	475.65

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

d. Amount recognized in Balance Sheet

Particulars	As at March 31, 2020	As at March 31, 2019
Opening net defined benefit liability / (asset)	106.11	177.40
Expense charged to profit and loss account	35.74	41.97
Amount recognized outside profit and loss account	76.03	11.74
Employer Contributions	-	(125.00)
Net Liability recognized in the Balance Sheet	217.88	106.11

e. Description of Plan Assets

Particulars	As at March 31, 2020	As at March 31, 2019
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	6.65%	7.55%
Mortality Rate	Indian Assured Lives Mortality (2012-14) 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, 2020	March 31, 2019
Discount rate (p.a)	6.65%	7.55%
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 2020 works out to Rs.2,57,81,794/- (2019: Rs. 2,53,65,566/-)

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.

32. Corporate Social Responsibility Expenditure

Gross amount required to be spent and actually spent by the company during the year: Rs. 59.84 lakhs (2019: Rs.44.91 lakhs)

33. 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	3,594.30	3,812.84
Income tax rate as applicable	34.94%	34.61%
Calculated taxes based on above, without any adjustments for deductions	1,046.66	1,332.36
Permanent tax differences due to:		
Effect of income that is exempt from taxation	(131.25)	(16.68)
Income considered as capital in nature under tax and tax provisions	(2.00)	(7.05)
Effect of expenses that are not deductible in determining taxable profit	154.74	(35.52)
Expense considered to be capital in nature under tax and tax provisions	2.42	2.67
Others	-	(43.68)
Income tax expense recognized in the Statement of Profit and Loss	1,070.57	1,232.09
Rounded off to	1,088.00	1,237.00

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

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

35. 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.

36. 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 organization, while maximizing effectiveness in terms of customer service and satisfaction, which is an area of great importance for your Company.

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

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

37. 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 2019-20 and FY 2018-19.

Particulars	March 31, 2020	March 31, 2019
Borrowings	16,562.48	19,787.48
Trade Payables	4,467.91	4,320.16
Less: Cash & Cash Equivalents	730.10	141.59
	20,300.29	23,966.06
Equity Capital	41,115.19	40,055.27
Equity Capital and Net Debt	61,415.47	64,021.33
Gearing Ratio	33%	37%

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

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

38. 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, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Financial Assets				
Investments	11,026.80	11,026.80	11,026.80	11,026.80
Other financial assets	379.62	367.50	379.62	367.50
Tax Assets (Net)	2,345.53	2,541.09	2,345.53	2,541.09
Trade Receivables	1,565.45	1,866.05	1,565.45	1,866.05
Cash and Cash Equivalents	730.10	141.59	730.10	141.59
Bank balances other than cash and cash equivalents	46.97	44.73	46.97	44.73
Other financial assets	504.27	512.78	504.27	512.78
Total	16,598.74	16,500.54	16,598.74	16,500.54
Financial Liabilities				
Non-current Borrowings	14,044.08	16,011.36	14,044.08	16,011.36
Other non-current financial Liabilities	195.74	213.26	195.74	213.26
Current Borrowings	66.20	-	66.20	-
Trade Payables	4,467.97	4,320.16	4,467.97	4,320.16
Other current financial Liabilities	3,206.90	4,233.64	3,206.90	4,233.64
Total	21,980.83	24,778.42	21,980.83	24,778.42

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.

39. 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 2020:

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-20	11,026.80	-	11,026.80	-
Other financial assets	31-Mar-20	379.62	-	379.62	-
Tax Assets (Net)	31-Mar-20	2,345.53	-	2,345.53	-
Trade Receivables	31-Mar-20	1,565.45	-	1,565.45	-
Cash and Cash Equivalents	31-Mar-20	730.10	-	730.10	-
Bank balances other than cash and cash equivalents	31-Mar-20	46.97	-	46.97	-
Other financial assets	31-Mar-20	504.27	-	504.27	-
Total		16,598.74	-	16,598.74	-

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

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

Quantitative disclosures fair value measurement hierarchy for liabilities as at 31 March, 2020:

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-20	14,044.08	-	14,044.08	-
Other non-current financial Liabilities	31-Mar-20	195.74	-	195.74	-
Current Borrowings	31-Mar-20	66.20	-	66.20	-
Trade Payables	31-Mar-20	4,467.91	-	4,467.91	-
Other current financial Liabilities	31-Mar-20	3,206.90	-	3,206.90	-
Total		21,980.83	-	21,980.83	-

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, 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		16,500.54	-	16,500.54	-

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, 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.

40. 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 2020 and 31 March 2019.

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 2020 and 31 March 2019.

Interest rate risk

The interest rate risk arises 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, 2020		
INR	0.5% p. a.	(98.93)
INR	(0.5%) p. a.	98.93
March 31, 2019		
INR	0.5% p. a.	(114.31)
INR	(0.5)% p. a.	114.31

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 carries 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.

(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 31/3/2020					
Borrowings	66.20	2,437.50	14,124.98	-	16,628.68
Other financial liabilities	-	769.40	195.74	-	965.14
Trade and other payables	-	-	-	-	-
Total	66.20	3,206.90	14,320.72	-	17,593.82

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	-	558.64	213.26	-	771.90
Trade and other payables	-	-	-	-	-
Total	-	4,233.64	16,325.74	-	20,559.38

41. Balances in the accounts of various parties are subject to confirmation and reconciliation.
42. 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 : June 25, 2020

For and on behalf of the Board

G Indira Krishna Reddy
Managing Director
DIN:00005230

Dr. G V K Reddy
Non-Executive 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 company which is incorporated in India (the Holding Company and its said Joint Venture together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2020, 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, 2020, 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

We draw attention to the following Notes to the Financial Statements:

Note 23

Regarding the Management's impairment assessment of property, plant and equipment, right-of-use assets, intangible assets, investments, trade receivables, inventories and other current assets of the Company as at 31 March 2020, being considered unimpaired/recoverable based on its internal and external sources of information and estimates, and its judgments on implication expected to arise from COVID-19 pandemic which being an unprecedented event and the consequences of which are difficult to estimate, and the actual outcome could vary from the said estimates.

Note 26

Regarding non-provision of Management fees and expenses reimbursable for Taj Deccan for the reasons stated therein.

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

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 <ul style="list-style-type: none">• 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 there against.

S. No	Key Audit Matter	Auditor's Response
2	<p>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</p>	<p>Principal Audit Procedures Our audit approach was as follows:</p> <ul style="list-style-type: none"> • 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.
3	<p>Lease Accounting -Under Ind AS 116 The Company has adopted Ind AS 116 -Leases from the date of its initial application on 1st April 2019 which resulted in changes to accounting policies. The Standard was adopted retrospectively from 1st April 2019 and recognised the cumulative effect of initially applying the Standard as an adjustment to the opening balance of retained earnings as disclosed in Note 24.</p> <p>We identified Leases as a key audit matter because adoption of the standard resulted in significant changes to the financial statements, along with changes to the processes, systems and controls and the estimates made in determining the impact.</p> <p>Adoption of the standard lead to recognition of Right to use Asset of Rs.3197 Lakhs and Corresponding Lease Liability of Rs.4335 Lakhs and Company has operating Leases in 4 of the 6 properties its Operates.</p>	<p>Principal Audit Procedures Our audit approach included understanding the Company's adoption of the Standard and identification of leases, Measurement of the lease liability and right to use asset for accounting.</p> <p>Our substantive tests included:</p> <ul style="list-style-type: none"> • Verifying the underlying lease contracts for identifying the leases to which the said Standard applies; • Verifying the borrowing rates used for discounting future lease payments • Verifying the accuracy of recognition of Right to Use Asset and lease Liabilities as on the Transition date and Reporting Date • Verifying the correctness and completeness of the annual / periodic charge to the Profit & Loss Account in respect of Lease Liability and Right to Use Asset mentioned above • Verifying whether the disclosures are in accordance with the Standard.
4	<p>Impact of COVID-19 pandemic -Refer Note 23 On 11 March 2020, the World Health Organisation declared the Novel Coronavirus (COVID-19) outbreak to be a pandemic. The Indian Government has imposed lock-downs across the country from 22 March 2020 up to 30 June 2020. These lockdowns and restrictions due to COVID-19 pandemic have posed significant challenges to the businesses of the Company. This required the Company to assess impact of COVID-19 on its operations. The Company has assessed the impact of COVID-19 on the future cash flow projections. The Company has also prepared a range of scenarios to estimate financing requirements. In view of the above, we identified impact of COVID-19 on going concern as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of key assumptions adopted by the Company in assessing the Impact based on our understanding of the Company's business • Performed the following procedures: <ul style="list-style-type: none"> • Reviewed the status of long-term borrowings and company's availment of moratorium to the repayment; • Reviewed the receivables position as at 31st March 2020 on the date of report • Assessed impact of Government's announcement to lift the lockdown restrictions and Company's plan to re-open hotels in a phased manner; • Assessed disclosures made in the Consolidated financial statements with regard to the above. Refer to note 23.

Information Other than the Consolidated Financial Statements and Auditor's Report there on

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

The said other information is expected to be made available to us after the date of this audit report. When we read the other information, when furnished to us, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and the shareholders at 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 Holding 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 Boards 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 Boards 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 the Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Boards 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 and its said joint venture have 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 the Management.
- Conclude on the appropriateness of the 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 the going concern assumption in preparing these Consolidated Financial Statements. 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.

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 Holding Company's share of profit of Rs. 424.33 Lakhs for the year ended March 31, 2020, as considered in the consolidated financial statements, in respect of its said 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 the said Joint Venture 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 matters with respect to our reliance on the work done and the reports of the other auditors.

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 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, 2020 taken on record by the Board of Directors of the Company and its Joint Venture Company incorporated in India and the report of the statutory auditors of the said Joint Venture company, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, We report that the excess over minimum remuneration paid to the Managerial Personnel for the year 2019-20 is being presented to the ensuing AGM for its approval in accordance with the provisions of the Section 197 (16) of 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 said 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 the impact of pending litigations on the consolidated financial position of the Group. (Refer Note 22)
- 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 said Joint Venture Company.

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

M. Bhaskara Rao
Partner
(Membership No.5176)

Place: Hyderabad,
Date: June 25, 2020

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 which is incorporated in India as of March 31, 2020 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 Boards of Directors of the Company and its said Joint Venture Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies, 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 and on that of the said Joint Venture based on the report of its Auditor. 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 the 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

In our opinion, to the best of our information and according to the explanations given to us, the Company and its said Joint Venture 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, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report 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 said Joint Venture Company, is based on the corresponding report of the auditors of the said Joint Venture Company.

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

M. Bhaskara Rao
Partner
(Membership No.5176)

Place: Hyderabad
Date: June 25, 2020

Consolidated Balance Sheet

as at March 31, 2020

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

Particulars	Note	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	1	40,327.91	41,407.92
Right to Use Assets		3,117.21	-
Capital work-in-progress		9,054.95	9,231.65
Intangible Assets	1	117.82	161.09
		52,617.89	50,800.66
Financial Assets			
Investments	2	10,582.25	10,157.91
Other financial assets	3	379.62	367.50
Tax Assets (Net)		2,345.53	2,541.08
Other non current assets	4	2,990.97	2,945.06
		16,298.36	16,011.55
Total Non-Current Assets		68,916.25	66,812.21
Current Assets			
Inventories	5	815.89	751.18
Financial Assets			
Trade Receivables	6	1,565.45	1,866.05
Cash and Cash Equivalents	7	730.10	141.59
Bank balances other than cash and cash equivalents	7	46.97	44.73
Other financial assets	3	504.27	512.78
Other Current assets	4	1,233.07	945.85
Total Non-Current Assets		4,895.75	4,262.18
Total Assets		73,812.00	71,074.39
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	8	1,254.03	1,254.03
Other Equity	9	39,416.60	37,932.35
Total Equity		40,670.63	39,186.38
Non-Current Liabilities			
Financial Liabilities			
Borrowings	10	14,044.08	16,011.36
Other financial Liabilities	12	195.74	213.26
Lease Liabilities		4,358.51	-
Provision for Employee benefits	13	393.24	277.21
Deferred Tax Liabilities (net)	15	5,833.60	6,066.09
		24,825.17	22,567.92
Current Liabilities			
Financial Liabilities			
Borrowings	10	66.20	-
Trade Payables			
- Micro and Small Enterprises	11	60.17	-
- Others	11	4,407.74	4,320.16
Other financial Liabilities	12	3,206.90	4,233.64
Other current liabilities	14	575.19	766.30
		8,316.20	9,320.10
Total Equity And Liabilities		73,812.00	71,074.39
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 : June 25, 2020

For and on behalf of the Board

G Indira Krishna Reddy
Managing Director
DIN:00005230

Dr. G V K Reddy
Non-Executive Chairman
DIN:00005212

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

Consolidated Statement of Profit and Loss for the year ended March 31, 2020

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

Particulars	Note	Current Year	Previous year
Revenue from Operations	16	31,261.53	31,687.46
Other Income	17	122.40	722.01
Total Income		31,383.93	32,409.47
Expenses			
Food and Beverages Consumed	18	3,327.89	3,484.02
Employee Benefit Expense and Payment to Contractors	19	6,671.25	6,526.14
Finance Costs	20	2,262.76	2,158.42
Depreciation and Amortisation	1	1,598.68	1,670.01
Amortization of right to use assets		80.04	-
Other Operating and General Expenses	21	13,849.01	14,758.04
Total Expenses		27,789.63	28,596.63
Profit Before Exceptional Items and Tax		3,594.30	3,812.84
Exceptional Items		-	-
Profit Before Tax		3,594.30	3,812.84
Tax Expenses			
Current Tax		1,088.00	1,237.00
Deferred Tax		120.95	103.38
Tax relating to earlier years		-	41.14
Total Tax Expenses		1,208.95	1,381.52
Profit for the Period		2,385.35	2,431.32
Share Of Profit / (Loss) From Joint Venture		424.33	287.97
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)		(53.89)	(7.64)
Total Comprehensive Income for the period		2,755.79	2,711.66
Earnings Per Share			
No.of equity shares of Rs.2/-each		6,27,01,495	6,27,01,495
1) Basic		4.40	4.32
2) Diluted		4.40	4.32
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 : June 25, 2020

For and on behalf of the Board

G Indira Krishna Reddy
Managing Director
DIN:00005230

Dr. G V K Reddy
Non-Executive Chairman
DIN:00005212

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

Consolidated Cash Flow Statement for the year ended March 31, 2020

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

Particulars	Current Year		Previous Year	
A) CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit Before Tax		3,594.30		3,812.84
Less: Share of profit / (loss) before tax from Joint Venture		567.37		389.12
Consolidated profit before tax		4,161.67		4,201.96
Adjustments for :				
Consolidation of proportionate share of joint venture	(424.33)		(287.97)	
Depreciation	1,598.68		1,670.01	
Amortization expense on Right-To-Use assets	80.04		-	
Miscellaneous Expenditure Written off	11.25		15.00	
Loss on sale of assets	8.32		7.63	
Profit on sale of assets	(6.86)		(20.17)	
Provision for Bad & Doubtful Debts	97.81		69.36	
Bad debts written off	0.25		49.34	
Provision for bad & doubtful debts credited back	(44.55)		(0.67)	
Finance Costs	2,262.76		2,158.42	
Interest earned	(10.09)		(30.46)	
		3,573.27		3,630.48
Operating Profit before working capital changes		7,734.94		7,832.44
Adjustments for :				
Trade Receivables	247.09		(50.08)	
Inventories	(64.70)		108.76	
Non-current and current financial assets	(7.71)		477.60	
Other Non-current and current assets	(344.38)		(36.61)	
Non-current and current financial liabilities	162.43		54.18	
Other Current Liabilities	(191.11)		(6.20)	
Employee benefit obligations	116.03		(51.24)	
Trade payables	147.74	65.39	(1,923.37)	(1,426.94)
Cash generated from operations		7,800.33		6,405.50
Less: Taxes paid / (refund received)		195.56		405.69
Less: Tax adjustment on account of share of Joint Venture		144.05		103.94
Net Cash in Flow from Operating Activities		7,460.72		5,895.86
B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets /addition to CWIP	(310.20)		(1,682.02)	
Interest Received	14.18		31.02	
Sale of Fixed Assets	10.04		26.92	
Net Cash Out flow from Investing Activities		(285.98)		(1,624.09)
C) CASH FLOW FROM FINANCING ACTIVITIES				
Long term loans (repaid)	(3,225.00)		(3,075.00)	
Working capital borrowings	66.20		-	
Long term deposits raised/(paid back)	(17.52)		43.44	
Interest paid	(1,818.08)		(2,138.20)	
Interest costs on lease liability	(424.45)		-	
Fixed deposits created	(700.00)		-	
Dividend paid	(376.21)		(376.21)	
Taxes on dividend paid	(88.93)		(65.73)	
Net Cash Out flow from Financing Activities		(6,583.99)		(5,611.70)
Net increase in cash and cash equivalent		590.75		(1,339.92)
Cash and Cash equivalents as at beginning of the year		186.32		1,526.24
Cash and Cash equivalents as at end of the year		777.07		186.32

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 : June 25, 2020

For and on behalf of the Board

G Indira Krishna Reddy

Managing Director

DIN:00005230

Dr. G V K Reddy

Non-Executive Chairman

DIN:00005212

J Srinivasa Murthy

CFO & Company Secretary

M. No. : FCS4460

Financial Liability Statement

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

Particulars	Current Year	Previous Year
1) Net debt		
Cash and cash equivalents	777.07	186.32
Current Investment	-	-
Total Liquid Investment - (a)	777.07	186.32
Long term Borrowings (Including Current portion)	16,562.48	19,787.48
Short Term Borrowings	66.20	-
Gross Debt - (b)	16,628.68	19,787.48
Net Debt (b) - (a)	15,851.61	19,601.16
2) Other financial Liabilities		
Derivatives	-	-
Interest Accrued but not due	125.66	-
Total Other financial Liabilities	125.66	-
Grand Total	15,977.27	19,601.16

Particulars	Other assets		Liabilities from financing activities				Total
	Cash and cash equivalents	Current Investment	Gross Debt	Net Debt	Derivatives	Interest Accrued but not due	
As at 1 April 2019	186.32	-	19,787.48	19,601.16	-	-	19,601.16
Cash flows	590.75	-	(3,225.00)	(3,815.75)	-	-	(3,815.75)
Borrowings	-	-	66.20	66.20	-	125.66	191.86
As at 31 March 2020	777.07	-	16,628.68	15,851.61	-	125.66	15,977.27

Statement of Changes in Equity as at Mar 31, 2020

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, 2019)	1,254.03	3,469.30	3,132.00	7,100.00	24,231.04	39,186.37
Less:						
Transition adjustment on adoption of Ind AS 116	-	-	-	-	1,137.70	1,137.70
Add:						
Profit for the year	-	-	-	-	2,809.68	2,809.68
Transitional adjustment for deferred tax recognition of lease liability and RTU assets	-	-	-	-	331.30	331.30
Other Comprehensive Income for the period, net of taxes, excluding actuarial gain/ (losses)	-	-	-	-	(53.89)	(53.89)
Dividends paid for FY 2018-19	-	-	-	-	376.21	376.21
Tax on Dividend	-	-	-	-	88.92	88.92
Balance at the end of the year (Mar 31, 2020)	1,254.03	3,469.30	3,132.00	7,100.00	25,715.30	40,670.63

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 : June 25, 2020

For and on behalf of the Board

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

1. General information

TAJGVK Hotels & Resorts Limited (“TAJGVK” / “the Company”) was incorporated on 02nd 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 June 25, 2020.

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 and 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, 2020	As at March 31, 2019
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 recognizes its share of any changes, when applicable, in the statement of changes in equity. Unrealized 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:

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

All other assets are classified as non-current.

A liability is treated as current when it is :

- Expected to be settled in the normal operating cycle;
- 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:

Effective April 1, 2019 the company has applied Ind AS 116 which replaces Ind AS 17 Leases.

Lessee:

On inception of a contract, the company (as a lessee) assesses whether it contains a lease. A contract is, or contains a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether: (i) the contract involves the use of an identified asset (ii) the company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the company has the right to direct the use of the asset.

At the date of commencement of the lease, the company recognizes a right-to-use asset ("RTU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-to-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for initial direct costs incurred, lease payments made at or before the commencement date, any asset restoration obligation, and less any lease incentives received. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are also adjusted for any re-measurement of lease liabilities. Unless the company is reasonably certain to obtain ownership of the leased assets or renewal of the leases at the end of the lease term, recognised right-of-use assets are depreciated to a residual value over the shorter of their estimated useful life or lease term.

The lease liability is initially measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments and variable lease payments that depend on an index or a rate, less any lease incentives receivable. In calculating the present value of lease payments, the company uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease term includes periods subject to extension options which the company is reasonably certain to exercise and excludes the effect of early termination options where the company is not reasonably certain that it will exercise the option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments are presented as amortization of RTU assets along with depreciation and interest on lease liability along with finance cost.

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. No change in recognition or disclosure is made to lease rentals earned by the company in the capacity as a lessor, pursuant to adoption of Ind AS 116.

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 recognised 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 recognised 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 derecognised 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 amortization is included as finance costs in the statement of profit and loss.

De-recognition :

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 consolidated 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 Statement for the year ended March 31, 2020

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

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, 2019	4,244.11	30,994.25	10,743.69	1,817.36	311.68	60.49	48,171.58	9,231.65	382.20
Additions	-	-	145.80	153.92	22.67	164.52	486.91	350.81	-
Disposals	-	0.23	16.21	1.67	-	35.38	53.49	527.51	-
As At Mar 31, 2020	4,244.11	30,994.02	10,873.28	1,969.61	334.35	189.63	48,605.00	9,054.95	382.20
Depreciation									
At April 1, 2019	1.83	2,161.91	3,690.11	647.71	204.80	57.31	6,763.67	-	221.11
Charge for the period	-	543.34	814.57	144.37	40.11	13.02	1,555.41	-	43.27
Disposals	-	0.02	9.20	0.57	-	32.20	41.99	-	-
As At Mar 31, 2020	1.83	2,705.23	4,495.48	791.51	244.91	38.13	8,277.09	-	264.38
Net Block									
As At Mar 31, 2020	4,242.28	28,288.79	6,377.80	1,178.10	89.44	151.50	40,327.91	9,054.95	117.82
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

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, 2020		As at March 31, 2019	
		No. of shares	Rs.lakhs	No. of shares	Rs.lakhs
Non-Current Investments - Unquoted					
(i) Investment in Joint Venture	10/-	3,67,50,000	11,025.00	3,67,50,000	11,025.00
Green Woods Palaces and Resorts Pvt Ltd (fully paid Equity shares)					
Less: Share of loss from Joint Venture			(444.55)		(868.89)
			10,580.45		10,156.11
(ii) Others	10/-	18,000	1.80	18,000	1.80
Green Infra Windfarms Limited (fully paid Equity shares)					
Total Non-current Investments			10,582.25		10,157.91

i) 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.

ii) 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, 2020	As at March 31, 2019
A) Non Current		
Deposits with Public Bodies and Others	379.62	367.50
	379.62	367.50
B) Current		
Deposit with public bodies and others	3.74	3.74
Other advances	394.87	169.58
Claims Receivable	1.38	1.38
Interest accrued	3.38	7.46
Other receivables	100.90	330.62
	504.27	512.78

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

Note 4 - Other assets

Particulars	As at March 31, 2020	As at March 31, 2019
A) Non current (Unsecured considered good)		
Capital Advances	-	10.51
Other advances recoverable	2,213.31	2,135.11
Advance lease payments	720.94	735.69
Deposits for tax and other statutory dues	56.72	63.75
	2,990.97	2,945.06
B) Current (Unsecured considered good)		
Prepaid Expenses	262.50	301.31
Indirect tax recoverable	51.21	51.55
Advance to Suppliers	151.49	213.34
Advance to Employees	16.29	19.50
Excess of GST input credit over liability	308.98	-
Export benefit receivable	442.60	360.15
	1,233.07	945.85

Note 5 - Inventories

Particulars	As at March 31, 2020	As at March 31, 2019
Food and Beverages	523.90	469.45
Stores and Operating Supplies	291.99	281.73
	815.89	751.18

Note 6 - Trade receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Considered good - Unsecured	1,565.45	1,866.05
Credit impaired	93.29	137.60
	1,658.74	2,003.65
Less : Provision for Trade Receivables which are credit impaired	93.29	137.60
	1,565.45	1,866.05

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, 2020	As at March 31, 2019
Cash and cash equivalents		
Cash on hand	24.70	30.71
Balances with banks in current account	0.00	109.72
Margin money deposits	5.40	1.16
Other deposit with bank	700.00	-
	730.10	141.59
Bank balances other than cash and cash equivalents		
Earmarked balances with banks on account of unclaimed dividends	46.97	44.73
	46.97	44.73

Note 8 - Equity Share Capital

Particulars	As at March 31, 2020	As at March 31, 2019
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

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

i) Reconciliation of equity shares outstanding :

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Rs.lakhs	No. of shares	Rs.lakhs
Shares outstanding at the beginning of the year	6,27,01,495	1,254.03	6,27,01,495	1,254.03
Add : Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	6,27,01,495	1,254.03	6,27,01,495	1,254.03

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

Name of Shareholder	As at March 31, 2020		As at March 31, 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mrs. G. Indira Krishna Reddy	75,68,947	12.07	75,68,947	12.07
Mrs. Shalini Bhupal	2,34,48,859	37.40	2,34,48,859	37.40
The Indian Hotels Company Limited	1,60,00,400	25.52	1,60,00,400	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, 2020	As at March 31, 2019
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	24,231.04	21,961.33
Add: Current period profits	2,809.68	2,719.29
Less: Transition adjustment on adoption of Ind AS 116	1,137.70	-
Add: Transitional adjustment for deferred tax recognition of lease liability and RTU assets	331.30	-
Less: Dividends	376.21	376.21
Less: Dividend tax	88.92	65.73
Total Retained Earnings	25,769.19	24,238.68
Reserves and Surplus	39,470.49	37,939.98
Other Comprehensive Income	(53.89)	(7.64)
Total Other Equity	39,416.60	37,932.35

Note 10 - Borrowings

Particulars	As at March 31, 2020	As at March 31, 2019
A) Long term borrowings		
Term Loan from Banks		
Secured	16,562.48	19,787.48
Less: Unamortized Borrowing Cost	80.90	101.12
	16,481.58	19,686.36
Less: Current maturities of Long term borrowings (shown under Other current financial liabilities)	2,437.50	3,675.00
Total Long term borrowings	14,044.08	16,011.36
B) Short term borrowings		
Loans repayable on demand from Banks		
Secured	66.20	-
Total Short term borrowings	66.20	-
Total Borrowings	14,110.28	16,011.36

i) **Term Loans from Banks:**

a) Rs.84.38 crores from HDFC Bank Ltd at an interest rate of 1 year MCLR + spread of 115 bps.viz. 9.50% p.a is secured by first charge

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

on all assets of Taj Chandigarh, Chandigarh repayable in 32 equal instalments starting from 1st Nov 2016. The loan is sanctioned with a moratorium of 2 years from the date of first disbursement. ie. Aug 2014.

- b) Rs.81.25 crores from AXIS Bank Ltd at an interest rate of 1 year MCLR + spread of 110 bps.viz. 9.20% 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.
- c) The Company has availed of the moratorium on loans announced by the RBI in view of the lockdown due to the Covid 19 pandemic and hence the current maturities of long term borrowings have been adjusted to that extent.

ii) Loans repayable on demand from Banks

Bank Overdraft from AXIS BANK Ltd Rs.66.20 lakhs (2019 : Nil) at an interest rate of 1 month MCLR + spread of 165 bps.viz. 9.65% 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 (2019 : 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, 2020	As at March 31, 2019
Dues to Micro and Small Enterprises (Refer Note (i))	60.17	-
Others	3,391.86	3,530.46
Accrued expenses and others	1,015.88	789.70
	4,467.91	4,320.16

Note : i) 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.

The disclosures relating to Micro and Small Enterprises are as under:

Particulars	As at March 31, 2020	As at March 31, 2019
a) The principal amount remaining unpaid to supplier as at the end of the accounting year	59.96	-
b) The interest due thereon remaining unpaid to supplier as at the end of the accounting year	-	-
c) The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the year		
e) The amount of interest accrued and remaining unpaid at the end of the accounting year	0.21	
f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Note 12 - Other financial liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
A) Non Current financial liabilities		
Deposits refundable	147.77	165.60
Creditors for Capital goods and services	47.97	47.67
	195.74	213.26
B) Current financial liabilities		
Current maturities of long term borrowings	2,437.50	3,675.00
Interest accrued but not due	125.66	-
Deposits from others	7.98	11.28
Creditors for capital expenditure	190.39	193.36
Unclaimed dividend	46.97	44.73
Employee Related Liabilities	357.29	267.12
Others	41.11	42.14
	3,206.90	4,233.64

Note 13 - Provision for Employee Benefits

Particulars	As at March 31, 2020	As at March 31, 2019
Non Current		
Post-retirement compensated absences	175.35	171.09
Gratuity	217.89	106.12
	393.24	277.21

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

Note 14 - Other non financial Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Current		
Advances towards revenues	415.55	371.13
Statutory dues	159.64	395.18
	575.19	766.30

Note 15 - Deferred Tax Liabilities (Net)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Liabilities:		
Depreciation on Fixed Assets	6,297.47	6,225.22
Amortization of finance cost	23.56	35.34
Total (A)	6,321.03	6,260.55
Deferred Tax Assets:		
Provision for Doubtful Debts	27.17	48.08
Employee Benefits	114.51	96.87
Amortization of prepaid lease payments	44.62	49.51
Lease liability and right to use assets	301.13	-
Total (B)	487.43	194.46
Net Deferred Tax Liabilities (A-B)	5,833.60	6,066.09

Note 16 - Revenue from Operations

Particulars	Current Year	Previous Year
Room Revenue, Food, Restaurants and Banquet Revenue	29,783.25	30,073.35
Shop rentals	442.82	527.79
Membership fees	50.06	55.50
Export benefits	250.43	184.99
Others	734.97	845.84
Total	31,261.53	31,687.46

Note 17 - Other Income

Particulars	Current Year	Previous Year
Interest Income at amortised cost		
Deposits with banks	0.23	5.43
Others	9.86	9.43
Interest on Income Tax Refunds	-	15.60
Total	10.09	30.46
Profit on sale of assets	6.86	20.17
Exchange Gain (Net)	2.87	5.04
Others	102.58	666.33
Total	122.40	722.01

Note 18 - Food and Beverages Consumed

Particulars	Current Year	Previous Year
Food and Beverages Consumed	3,327.89	3,484.02

Note 19 - Employee Benefit Expense

Particulars	Current Year	Previous Year
Salaries, Wages, Bonus etc.	4,148.76	3,976.42
Company's Contribution to Provident and Other Funds	317.91	279.03
Reimbursement of Expenses on Personnel Deputed to the Company	970.38	1,026.77
Contractor employee expenses	640.01	616.42
Staff Welfare Expenses	594.18	627.50
Total	6,671.25	6,526.14

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

Note 20 - Finance costs

Particulars	Current Year	Previous Year
Interest Expense	1,818.09	2,138.20
Interest cost on lease liability	424.45	-
Other borrowing costs	20.22	20.22
Total	2,262.76	2,158.42

Note 21 - Other Operating and General Expenses

Particulars	Current Year	Previous Year
(i) Operating expenses consist of the following :		
Linen and Room Supplies	580.77	675.60
Catering Supplies	288.32	300.61
Other Supplies	26.12	24.98
Fuel, Power and Light	2,715.01	2,820.62
Repairs to Buildings	675.33	1,030.20
Repairs to Machinery	1,076.91	1,103.28
Repairs to Others	556.58	869.02
Linen and Uniform Washing and Laundry Expenses	454.30	454.18
Payment to Orchestra Staff, Artistes and Others	391.12	386.61
Guest Transportation	200.52	160.11
Travel Agents' Commission	780.35	795.48
Credit card Commission	226.70	239.38
Other Operating Expenses	706.63	839.67
Total	8,678.66	9,699.74
(ii) General expenses consist of the following :		
Rent	161.23	189.30
Licence Fees	398.15	822.92
Rates and Taxes	1,025.33	1,095.64
Insurance	117.21	102.43
Advertising and Publicity	683.54	675.25
Printing and Stationery	117.54	131.08
Passage and Travelling	38.30	41.18
Communication expenses	262.07	271.58
Provision for Doubtful Debts	0.25	49.34
Bad debts written off	97.81	69.36
Expenditure on Corporate Social Responsibility	59.85	44.91
Donations	75.00	-
Operating & Management Fees	951.54	885.98
Professional Fees	160.54	227.05
Outsourced Support Services	234.07	165.15
Loss on Sale of Fixed Assets	8.32	7.63
Payment made to Statutory Auditors		
i. As Auditors	27.00	25.00
ii. For Tax Audit	3.00	3.00
iii. For certification	-	0.05
Directors' Sitting Fees	11.55	17.60
Amortized expenses	11.25	15.00
Other Expenses	726.80	218.85
Total	5,170.35	5,058.29
	13,849.01	14,758.04

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

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 (2019: Rs. Nil).

Contingent liabilities not provided for in respect of

Particulars	As at March 31, 2020	As at March 31, 2019
Value added tax matters (Rs.97.20 lakhs paid under protest against the demands)	307.40	307.40
Income tax matters (Rs.102.30 lakhs paid under protest against the demands)	259.00	259.00
Service tax matters	2541.76	2541.76
Probable customs duty payable on the Equipment Imported under Export Promotion Capital Goods Scheme	371.90	371.06
Bank Guarantees - Others	108.00	90.00
Company's Share of contingent liabilities of Joint Venture - Probable customs duty payable on the Equipment Imported under Export Promotion Capital Goods Scheme	701.27	706.89

23. On March 11, 2020, the World Health Organization declared Covid-19 outbreak as a pandemic. Responding to the potentially serious threat that this pandemic has to public health, the Indian Government has taken a series of measures to contain the outbreak, which included imposing multiple 'lock-downs' across the country, from March 22, 2020, and extended up to June 30, 2020. Business operations in the various markets where the Company operates have also been impacted to varying extent based on the spread of the pandemic and the restrictions on business activities placed by the Government. Lockdown guidelines mandated closure of hotel operations and cessation of air traffic and other forms of public transport. This has resulted in low occupancies / shutdowns of our hotels.

Most of the hotels of the Company were shut down entirely during the lockdown phase as the Company was not part of Government denominated essential services. With the lifting of the partial lockdown restrictions, the Company expects the hotels to become operational in a phased manner and once the confidence of travelers is restored. The Company expects the demand for its services to pick up albeit at a slower pace and recovery in business to be driven by domestic leisure tourism, staycations, domestic business travel and limited international travel.

The Company has assessed the potential impact of Covid-19 on its capital and financial resources, profitability, liquidity position, ability to service debt and other financing arrangements, supply chain and demand for its services. Various steps have been initiated to avail of the loan instalment moratoriums from banks and the Company is in a comfortable liquidity position to meet its commitments. The Company has judiciously invoked the Force Majeure clauses for reliefs during the lock down period and does not foresee any disruption in raw material supplies.

The Company has also assessed the potential impact of Covid-19 on the carrying value of property, plant & equipment, right to use assets, intangible assets, investments, trade receivables, inventories, and other current assets appearing in the financial statements of the Company. In developing the assumptions and estimates relating to the future uncertainties in the economic conditions because of this pandemic, the Company as at the date of approval of these Financial statements has used internal and external sources of information and based on current estimates, expects to recover the carrying amounts of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

24. The Company has adopted Ind AS 116 "Leases" and applied it to all its identified lease contracts existing on April 01, 2019 as a lessee using the modified retrospective method. Transition to the said Standard resulted in recognition of liability of Rs.4335 Lakhs being the present value of future lease payments as at April 01,2019 and a corresponding Right -to-Use asset (RTU) of Rs.3197 Lakhs. Rs. 1138 Lakhs being the cumulative difference between the said liability and RTU for the period of the lease that has already expired is recognized in opening retained earnings. The effect of this adoption in the Statement of Profit and Loss for the year is a net increase of Rs.104 Lakhs in the expenditure. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted.
25. Other operating and general expenses in Note No.21 include:
- Rs.410.17 lakhs being expenditure incurred for excavation of land and other indirect cost related thereto pertaining to land taken on lease-cum-sale basis from Telangana State Industrial Infrastructure Corporation for Ginger hotel project, written off as the company is yet to get the approval for change of land use.
 - Rs.117.34 lakhs being expenditure incurred for lake cleaning project at lake adjacent to Taj Banjara hotel, written off since the work in our scope is completed and handed over to GHMC for their works.
26. Pending renewal of Operating Agreement for Taj Deccan, no provision has been made in the accounts towards Management Fees and Specific Reimbursable expenses for the months of February and March 2020.

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

27. In accordance with the provisions of section 197 of the Companies Act read with Schedule V thereto, the remuneration paid to the Managing Director and the Joint Managing Director for the financial year 2019-20 is in excess of the limits specified under section 197 and also under schedule V of the Companies Act, 2013, aggregating to Rs.277.97 lakhs and Rs.148.53 lakhs respectively. The Company shall place the proposal for waiver of recovery of the excess remuneration paid to Managing Director and Joint Managing Director to Nomination and Remuneration Committee (NRC) of the Board and to Board of Directors for their approval at their next meeting(s). The company shall place NRC recommended and Board approved resolution for approval of the shareholders at the ensuing Annual General Meeting as required under the amended provisions of the Companies Act, 2013
28. 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”.
29. 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 (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. N Sandeep Reddy	Independent Director
Mr. N Anil Kumar Reddy	Independent Director
Mrs. Dinaz Noria	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
Shriyasom Fashions International LLP	Lessee

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	Alakananda Hydro Power Co Ltd
GVK Power (Goindwal Sahib) Ltd	GVK Ratle Hydro Electrical Projects Ltd
GVK Deoli Kota Expressway Ltd	

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

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	774.37	670.16
Sitting fees to other non executive / Independent Directors	11.55	17.60
Joint Venturer:		
Indian Hotels Company Limited		
Management fee	951.53	885.98
Reimbursement of advertisement expenses	364.20	395.29
Deputed Staff In expenses	831.57	939.10
Deputed Staff Out reimbursements	315.96	310.56
Enterprises in which key management personnel and / or their relatives have significant influence:		
Orbit Tours and Travels (P) Ltd - Purchase of travel tickets	13.99	25.37
GVK Foundation - Donation	75.00	-
Income from sale of rooms and food & beverages:		
- GVK Gautami Power Ltd	4.72	2.73
- Mumbai International Airport Pvt Ltd	8.51	4.00
- GVK Biosciences Pvt Ltd	12.91	5.48
- GVK Industries Ltd	0.48	0.46
- GVK Jaipur Expressway Pvt Ltd	0.18	0.16
- GVK Power and Infrastructure Ltd	4.08	4.94
- GVK Energy Ltd	0.64	0.13
- GVK EMRI	0.44	0.32
- GVK Airport Developers Ltd	0.01	0.06
- Crescent EPC Projects & Technical Services Ltd	2.68	4.53
- Navi Mumbai International Airport Pvt. Ltd	0.83	2.48
Shop Rentals		
- Shriyasom Fashions International LLP	6.00	-

Balances Outstanding as of 31 March, 2020:

Name of the related party	As at March 31, 2020	As at March 31, 2019
Joint Venturer:		
Indian Hotels Company Limited	1105.31	919.54
Operating fee, reimbursable expenses and current account dues payable (net)		
Jointly controlled entity:		
Green Woods Palaces & Resorts (P) Ltd	10580.43	10156.11
Investment in Equity Shares		
Enterprises in which key management personnel and / or their relatives have significant influence:		
Amount receivable for sale of rooms and food & beverages:		
Mumbai International Airport Ltd	5.73	3.84
GVK Biosciences Pvt Ltd	0.13	3.34
GVK Industries Ltd	1.30	3.54
GVK Jaipur Expressway Pvt Ltd	0.02	-
GVK Power and Infrastructure Ltd	4.64	2.02
GVK Energy Ltd	-	0.11
GVK EMRI	0.58	-
Crescent EPC Projects & Technical Services Ltd	0.72	3.08
Navi Mumbai International Airport Pvt. Ltd	2.23	1.84
Alakananda Hydro Power Co Ltd	0.28	5.10
GVK Power (Goindwal Sahib) Ltd	5.19	3.96
GVK Ratle Hydro Electrical Projects Ltd	0.22	-
GVK Deoli Kota Expressway Ltd	-	0.20
Amount payable for Purchase of travel tickets:		
Orbit Tours and Travels (P) Ltd	0.43	2.60
Shop Rental receivable		
Shriyasom Fashions International LLP	2.00	-

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

30. 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, 2020	As at March 31, 2019
Not later than one year	653.58	829.28
Later than one year but not later than five years	289.97	356.04
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, 2020	As at March 31, 2019
Not later than one year	412.21	400.87
Later than one year but not later than five years	2,114.98	2,095.21
Later than 5 years	17,948.23	18,380.23

31. Employee benefits

Defined contribution plan:

Amount recognized as an expense in statement of profit and loss Rs.119.21 lakhs (2019: Rs. 100.03 lakhs) on account of provident fund and Rs.46.91 lakhs (2019: Rs. 62.67 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.2,000,000/-

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	31.51	29.28
Past Service Cost	-	-
Interest on Net Defined Benefit liability / (asset)	4.24	12.70
Changes in financial assumptions	32.26	4.90
Changes in demographic assumptions	-	(0.18)
Experience adjustments	35.83	8.91
Actuarial return on plan assets less interest on plan assets	7.94	(1.90)
Net charge to Profit & Loss and OCI	111.78	53.71

b. Reconciliation of Defined Benefit Obligation

Particulars	As at March 31, 2020	As at March 31, 2019
Opening Defined benefit Obligation	581.77	535.51
Current Service Cost	31.51	29.28
Past Service Cost	-	-
Interest Cost	37.33	35.08
Actuarial Losses / (Gain)	68.09	13.63
Benefits Paid	(24.14)	(31.73)
Closing Defined Benefit Obligation	694.56	581.77

c. Change in Fair Value of Plan Assets

Particulars	As at March 31, 2020	As at March 31, 2019
Opening Fair Value of Plan Assets	475.65	358.10
Employer Contributions	-	125.00
Interest on Plan Assets	33.09	22.38
Actuarial gain / (Losses)	(7.94)	1.90
Benefits Paid	(24.14)	(31.73)
Closing Fair Value of Plan Assets	476.66	475.65

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

d. Amount recognized in Balance Sheet

Particulars	As at March 31, 2020	As at March 31, 2019
Opening net defined benefit liability / (asset)	106.11	177.40
Expense charged to profit and loss account	35.74	41.97
Amount recognized outside profit and loss account	76.03	11.74
Employer Contributions	-	(125.00)
Net Liability recognized in the Balance Sheet	217.88	106.11

e. Description of Plan Assets

Particulars	As at March 31, 2020	As at March 31, 2019
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	6.65%	7.55%
Mortality Rate	Indian Assured Lives Mortality (2012-14) 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, 2020	March 31, 2019
Discount rate (p.a)	6.65%	7.55%
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 2020 works out to Rs.2,57,81,794/- (2019: Rs. 2,53,65,566/-)

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.

32. Corporate Social Responsibility Expenditure

Gross amount required to be spent and actually spent by the company during the year: Rs. 59.84 lakhs (2019: Rs.44.91 lakhs)

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

33. 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	3,594.30	3,812.84
Income tax rate as applicable	34.94%	34.61%
Calculated taxes based on above, without any adjustments for deductions	1,046.66	1,332.36
Permanent tax differences due to:		
Effect of income that is exempt from taxation	(131.25)	(16.68)
Income considered as capital in nature under tax and tax provisions	(2.00)	(7.05)
Effect of expenses that are not deductible in determining taxable profit	154.74	(35.52)
Expense considered to be capital in nature under tax and tax provisions	2.42	2.67
Others	-	(43.68)
Income tax expense recognized in the Statement of Profit and Loss	1,070.57	1,232.09
Rounded off to	1,088.00	1,237.00

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

35. 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.

36. 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.

37. 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.

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

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 2019-20 and FY 2018-19.

Particulars	March 31, 2020	March 31, 2019
Borrowings	16,562.48	19,787.48
Trade Payables	4,467.91	4,320.16
Less: Cash & Cash Equivalents	730.10	141.59
	20,300.29	23,966.06
Equity Capital	40,670.62	39,186.38
Equity Capital and Net Debt	60,970.91	63,152.43
Gearing Ratio	33%	38%

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

38. 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, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Financial Assets				
Investments	10,582.24	10,157.91	10,582.24	10,157.91
Other financial assets	379.62	367.50	379.62	367.50
Tax Assets (Net)	2,345.53	2,541.09	2,345.53	2,541.09
Trade Receivables	1,565.45	1,866.05	1,565.45	1,866.05
Cash and Cash Equivalents	730.10	141.59	730.10	141.59
Bank balances other than cash and cash equivalents	46.97	44.73	46.97	44.73
Other financial assets	504.27	512.78	504.27	512.78
Total	16,154.18	15,631.64	16,154.18	15,631.64
Financial Liabilities				
Non-current Borrowings	14,044.08	16,011.36	14,044.08	16,011.36
Other non-current financial Liabilities	195.74	213.26	195.74	213.26
Current Borrowings	66.20	-	66.20	-
Trade Payables	4,467.97	4,320.16	4,467.97	4,320.16
Other current financial Liabilities	3,206.90	4,233.64	3,206.90	4,233.64
Total	21,980.83	24,778.42	21,980.83	24,778.42

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.

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

39. 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, 2020:

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-20	10,582.24	-	10,582.24	-
Other financial assets	31-Mar-20	379.62	-	379.62	-
Tax Assets (Net)	31-Mar-20	2,345.53	-	2,345.53	-
Trade Receivables	31-Mar-20	1,565.45	-	1,565.45	-
Cash and Cash Equivalents	31-Mar-20	730.10	-	730.10	-
Bank balances other than cash and cash equivalents	31-Mar-20	46.97	-	46.97	-
Other financial assets	31-Mar-20	504.27	-	504.27	-
Total		16,154.18	-	16,154.18	-

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, 2020:

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-20	14,044.08	-	14,044.08	-
Other non-current financial Liabilities	31-Mar-20	195.74	-	195.74	-
Current Borrowings	31-Mar-20	66.20	-	66.20	-
Trade Payables	31-Mar-20	4,467.91	-	4,467.91	-
Other current financial Liabilities	31-Mar-20	3,206.90	-	3,206.90	-
Total		21,980.83	-	21,980.83	-

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, 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.

(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.

40. Financial risk management objectives and policies

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

Market risk

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

The sensitivity analysis in the following sections relate to the position as at 31 March 2020 and 31 March 2019.

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 2020 and 31 March 2019.

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, 2020		
INR	0.5% p. a.	(98.93)
INR	(0.5%) p. a.	98.93
March 31, 2019		
INR	0.5% p. a.	(114.31)
INR	(0.5%) p. a.	114.31

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.

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

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.

Particulars	On demand	Less than 1 Year	1 to 5 years	5 years and above	Total
Year ended 31/3/2020					
Borrowings	66.20	2,437.50	14,124.98	-	16,628.68
Other financial liabilities	-	769.40	195.74	-	965.14
Trade and other payables	-	-	-	-	-
Total	66.20	3,206.90	14,320.72	-	17,593.82

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	-	558.64	213.26	-	771.90
Trade and other payables	-	-	-	-	-
Total	-	4,233.64	16,325.74	-	20,559.38

41. Balances in the accounts of various parties are subject to confirmation and reconciliation.
42. 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 : June 25, 2020

For and on behalf of the Board

G Indira Krishna Reddy
Managing Director
DIN:00005230

Dr. G V K Reddy
Non-Executive Chairman
DIN:00005212

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





TAJGVK Hotels & Resorts Limited

CIN: L40109TG1995PLC019349

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