

May 17, 2016

General Manager
Bombay Stock Exchange Limited
1st Floor, New Trading Ring, Rotunda Bldg,
P J Towers, Dalal Street, Fort
MUMBAI - 400 001.

Scrip Code: 532390

Dear Sir,

Sub: Outcome of Board Meeting.

We write further to our letter dated 27.04.2017 and seek to inform you that the Board of Directors of the Company in its meeting held on today i.e., 17.05.2017 had considered and approved the following business:

1. Audited Financial Results (Standalone and Consolidated) of the company for the 4th quarter year ended 31st March, 2017 along with Auditors' Report and Form A (for Audit Report on un-modified opinion) copy enclosed.
2. The Board of Directors recommended a dividend of Rs.0.40 (Forty paise) i.e. 20% per share on face value of Rs.2/- each for the financial year 2016-17 subject to approval of the shareholders.
3. The 22nd Annual General Meeting (AGM) of the Company will be held on Thursday, the 1st August, 2017.
4. The Register of Members and Share Transfer books of the Company shall remain closed from 26.07.2017 to 01.08.2017 (both days inclusive) for the purpose of the AGM and for the payment of dividend subject to approval of the shareholders, in the ensuing AGM as per clause 42(2) of SEBI (Listing Obligations and Disclosures Requirements (LODR) Regulations, 2015.
5. Subject to approval of shareholders, the Board of Directors have appointed M/s.Bhaskara Rao & Co., Chartered Accountants as Statutory Auditors of the Company for a period of 5 years to hold office from the conclusion of 22nd AGM, in place of M/s. Brahmayya & Co., Chartered Accountants the retiring Statutory Auditors of the Company.

The Board meeting commenced at 11.30 a.m. and concluded at 5.10 P.M.

This is for your information and record.

Thanking you, we remain

Yours faithfully

For TAJGVK Hotels & Resorts Limited


J SRINIVASA MURTHY
CFO & Company Secretary



Encl: a/a

STATEMENT OF AUDITED STANDALONE & CONSOLIDATED FINANCIAL RESULTS
Audited Financial Results for the quarter and year ended 31st March, 2017

₹ lakhs

Particulars	Quarter Ended			Standalone-Year ended		Consolidated - Year Ended	Consolidated - Year ended
	Audited			Audited		Audited	
	March 31, 2017	Dec 31, 2016	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Income from Operations							
Sales/ Income from Operations	7343	7240	7728	26977	27200	26977	27200
Other Operating Income							
Total Income from Operations	7343	7240	7728	26977	27200	26977	27200
Expenses							
a. Cost of Materials Consumed	814	881	864	3102	3178	3102	3178
b. Employee Benefits Expense	1580	1539	1395	6058	5712	6058	5712
c. Fuel, Power and Light	708	682	702	2884	2915	2884	2915
d. Depreciation and Amortisation Expense	461	452	453	1813	1847	1813	1847
e. Other Expenditure	2891	2228	2511	8833	8891	8833	8891
Total Expenses	6445	5782	5926	22689	22544	22689	22544
Profit/ (Loss) from Operations before Other Income, Finance Costs and Exceptional Items	898	1458	1802	4289	4657	4289	4657
Other Income	-	8					
Profit/ (Loss) before Finance Costs and Exceptional Items	898	1466	1802	4289	4657	4289	4657
Finance Costs	698	732	764	2907	3133	2907	3133
Profit/ (Loss) after Finance Costs but before Exceptional Items	200	734	1038	1382	1524	1382	1524
Exceptional items	-	-		481		481	
Profit/ (Loss) before tax	200	734	1038	1863	1524	1863	1524
Tax Expense	106	293	460	741	680	741	680
Short/ (Excess) Provision of Tax of Earlier Years	16	68		84	23	84	23
Profit/ (Loss) after tax	78	373	578	1,037	821	1037	821
Less :Share of Loss of Joint Venture	-	-	-	-	-	(616)	(461)
Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates	78	373	578	1037	821	422	360
Other Comprehensive Income (Net of tax)	(15)			(15)		(15)	
Total Comprehensive Income (Comprising Profit/ (Loss) and Other Comprehensive Income (after tax))	62	373	578	1,022	821	407	360
Paid-up Equity Share Capital (Face value per share - ₹ 2 each)	1254	1254	1254	1254	1254	1254	1254
Compulsorily Convertible Debentures included in Other Equity							
Other Equity (excluding Revaluation Reserves)				34994	34274	33899	33794
Earnings Per Share (Face value - ₹ 2 each)							
Basic	0.10	0.60	0.92	1.63	1.31	0.65	0.57
Diluted	0.10	0.60	0.92	1.63	1.31	0.65	0.57
Debt Equity Ratio				0.70	0.75		
Debt Service Coverage Ratio				1.02	1.49		
Interest Service Coverage Ratio				1.48	1.49		
See accompanying notes to the financial results							



TAJGVK HOTELS & RESORTS LIMITED

CIN: L40109AP1995PLC019349

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 HOTELS AND RESORTS LIMITED
STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2017

Rs.lakhs

Particulars	Standalone			Consolidated	
	As at			As at	
	Mar 31, 2017	Mar 31, 2016	Apr 01, 2015	Mar 31, 2017	Mar 31, 2016
	Audited	Audited	Audited	Audited	Audited
ASSETS					
NON-CURRENT ASSETS					
Property, Plant and Equipment	43,772.47	45,393.38	40,577.71	43,772.47	45,393.38
Capital work-in-progress	7,669.40	7,035.76	7,536.47	7,669.40	7,035.76
Intangible Assets	264.52	149.56	185.96	264.52	149.56
	51,706.39	52,578.69	48,300.14	51,706.39	52,578.69
Financial Assets:					
Non-current Investments	11,026.80	11,026.80	11,026.80	9,931.71	10,546.60
Other non-current financial assets	407.60	416.65	345.35	407.60	416.65
Advance Tax (Net)	3,140.27	2,903.43	2,503.51	3,140.27	2,903.43
Other Non-current Assets	3,099.53	2,602.33	7,100.81	3,099.53	2,602.33
	69,380.59	69,527.91	69,276.61	68,285.50	69,047.71
CURRENT ASSETS					
Inventories	902.70	771.46	804.96	902.70	771.46
Financial Assets:					
Trade and other receivables	1,140.76	1,345.77	1,374.35	1,140.76	1,345.77
Cash and Cash Equivalents	320.31	69.70	26.76	320.31	69.70
Other current financial assets	1,380.14	738.88	464.84	1,380.14	738.88
Other Current Assets	685.35	662.11	775.54	685.35	662.11
	4,429.26	3,587.90	3,446.44	4,429.26	3,587.90
TOTAL ASSETS	73,809.85	73,115.81	72,723.05	72,714.76	72,635.61
EQUITY AND LIABILITIES					
EQUITY					
Equity Share capital	1,254.03	1,254.03	1,254.03	1,254.03	1,254.03
Other Equity	34,994.49	34,273.81	33,452.80	33,899.40	33,793.61
Total Equity	36,248.52	35,527.84	34,706.83	35,153.43	35,047.64
LIABILITIES					
Non-current Liabilities					
Financial Liabilities:					
Interest bearing loans and borrowings	22,722.91	25,475.68	26,863.73	22,722.91	25,475.68
Other non-current financial Liabilities	148.13	134.04	137.30	148.13	134.04
Employee benefit obligations	303.89	295.62	196.84	303.89	295.62
Deferred Tax Liabilities (net)	5,596.36	4,854.96	4,174.59	5,596.36	4,854.96
	28,771.28	30,760.30	31,372.46	28,771.28	30,760.30
Current Liabilities					
Financial Liabilities:					
Interest bearing loans and borrowings	-	251.21	1,621.34	-	251.21
Trade Payables	4,802.78	3,832.42	3,311.02	4,802.78	3,832.42
Other current financial Liabilities	3,281.13	1,933.79	914.30	3,281.13	1,933.79
Other current liabilities	706.15	810.24	797.10	706.15	810.24
	8,790.06	6,827.67	6,643.77	8,790.06	6,827.67
TOTAL EQUITY AND LIABILITIES	73,809.85	73,115.81	72,723.05	72,714.76	72,635.61



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Notes:

1. The Standalone and Consolidated Audited Financial results were considered by the Audit Committee and taken on record by the Board of Directors at their meeting held on 17th May 2017.
2. The company has adopted Indian Accounting standards (IND AS) from 1st April 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the IND AS 34 Interim financial reporting prescribed under section 133 of the Companies Act 2013 read with relevant rules issued there-under and other accounting principles generally accepted in India. Accordingly, the results for the quarter and year ended March 31, 2016 have also been restated and prepared in accordance with the recognition and measurement principles of IND AS 34.
3. Reconciliation of financial results between Ind AS and previous Indian GAAP for the quarter / year ended 31st March 2016

Particulars	Rs. Lacs		
	Standalone		Consolidated
	Quarter ended 31 st March 2016	Year ended 31 st March 2016	Year ended 31 st March 2016
Net Profit/(Loss) after tax published as per Previous GAAP	583	842	359
Ind AS: Adjustments increase / (decrease):			
Imputed interest income on interest-free lease deposits	-	1	21
Imputed rent expense on interest-free lease deposits	(3)	(13)	(55)
Amortization of finance charges	(5)	(20)	(20)
Tax adjustments	3	11	55
Total Adjustments to Profit/(Loss)	(5)	(21)	1
Total comprehensive income / (loss) under Ind AS	578	821	360

4. Reconciliation of Equity between previous Ind GAAP and Ind AS:

Particulars	Rs. Lacs		
	Standalone		Consolidated
	As at 31 st March 2016	As at 01.04.2015	As at 31 st March 2016
Equity under Previous GAAP	33935	33395	33433
Adjustments as per Ind AS			
Fair valuation of lease deposits	(107)	(95)	(85)
Amortization of finance charges	162	182	162
Tax adjustments	(18)	(30)	(18)
Dividend and dividend tax reversed	302	-	302
Total Adjustments to Profit/(Loss)	339	57	361
Total comprehensive income / (loss) under Ind AS	34274	33452	33794

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5. The formulae used for calculation of Debt Service Ratio, Debt Service Coverage Ratio and Interest Service Coverage Ratio are as follows:
 - a. Debt Equity Ratio = Total debt outstanding / Total Equity
 - b. Debt Service Coverage Ratio = Profit before interest, depreciation and tax / (interest + principal)
 - c. Interest Service Coverage Ratio = Profit before interest, depreciation and tax / interestThe above ratios have been computed on a trailing twelve months basis
6. The Consolidated Financial Results for the Company for the year ended 31st March 2017 have been prepared in accordance with the applicable Accounting Standards and based on the audited accounts of Joint Venture company.
7. Exceptional items represent liabilities of the past period not considered payable. (Previous period Rs.Nil)
8. In the absence of Operating Agreement for Taj Chandigarh, no provision was made in the Accounts towards Management Fee.
9. Figures of the previous year / period have been regrouped to conform to the current year / period of presentation.
10. The Register of Members and Share Transfer Books of the Company shall remain closed from 26/07/2017 to 01/08/2017 (both days inclusive) for the purpose of Annual General Meeting of the Company.
11. Disclosure of segment wise information is not applicable as Hoteliering is the Company's only business segment.

Hyderabad
May 17, 2017

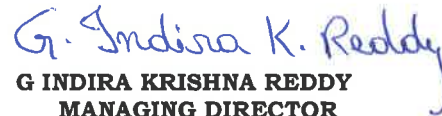
In terms of our report attached
For **BRAHMAYYA & CO.**,
Chartered Accountants
Firm Regn No.0005133



S.Satyanarayana Murthy
Partner
Membership No.023651



By Order of the Board



G INDIRA KRISHNA REDDY
MANAGING DIRECTOR
DIN - 00005230





Brahmayya & Co.,

CHARTERED ACCOUNTANTS

VIJAYAWADA, HYDERABAD, VISAKHAPATNAM, GUNTUR, KAKINADA, TANUKU, ALSO AT CHENNAI, BANGALORE AND ADONI.

INDEPENDENT AUDITORS' REPORT

To the Member of TajGVK Hotels & Resorts Limited

Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying standalone financial statements of TajGVK Hotels & Resorts Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017 the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.






6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matters

9. Without qualifying our report, we draw attention to Note No: 25 to financial statements. The company has paid remuneration to its Managing Director and Executive Director as per the terms of appointment approved by the shareholders. Such remuneration paid is in excess of the limits laid down under Section 197 and 198 read with Schedule V to the Companies Act, 2013. The Company is in the process of applying to the Central Government for its approval.

Report on Other Legal and Regulatory Requirements

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

10. As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 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 -B".

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

i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2017 on its financial position in its standalone Ind AS financial statements – Refer Note 23 to the financial statements;

ii. The Company did not have any long-term contracts for which there were any material foreseeable losses as at March 31, 2017. The Company did not have any derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.

iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 24 to the financial statements.

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

(S Satyanarayana Murthy)
(Partner)

(Membership No. 023651)



Place: Hyderabad
Date: 17th May, 2017

Annexure-A to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of TajGVK Hotels & Resorts Limited on the standalone Ind AS financial statements for the year ended March 31, 2017

- (i) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Company has conducted the physical verification of fixed assets during the year and has not identified any material differences during the verification;
- (c) According to the information and explanations given to us and the records of the Company examined by us, the title deeds of immovable properties included in fixed assets register are held in the name of the company.
- (ii) The company's management has physically verified its inventories during the year. In our opinion the frequency of such verification is reasonable. No material discrepancies were noticed in respect of such confirmations.
- (iii) According to the information and explanation given to us, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company
- (v) The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified. Therefore, the provision of Clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of services where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been specified under subsection (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income



- tax, sales tax, service tax, duty of customs, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. As informed to us, the provisions relating to excise duty are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, customs duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us and the records of the Company examined by us, the following are the disputed demands:

Name of the statute	Nature of the dues	Amount Rs (in lacs)	Financial year to which the amount relates	Forum where the dispute is pending
Income- Tax Act, 1961		51.57	2006-07	CIT(Appeals), Hyderabad
		7.60	2009-10	CIT(Appeals), Hyderabad
		151.08	2012-13	CIT(Appeals), Hyderabad
Telangana Vat Act	Sales Tax	294.05	2008-09 to 2010-11	High Court of Andhra Pradesh
		13.36	2008-09	Appellate Tribunal
Finance Act, 1994	Service Tax	13.78	2005-06 To 2010-11	Commissioner Appeals (Chandigarh)
		2477.10	2006-07 To 2010-11	CESTAT (Bengaluru)
		316.61	2011-12	Commissioner Appeals (Hyderabad)
		64.08	2011-12	Jt. Commissioner, Hyderabad

- (viii) According to the information and explanations given to us and the records of the Company examined by us, the company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government. The Company has not issued debentures.
- (ix) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

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- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (xi) According to the information and explanations given to us and the records of the Company examined by us, with regard to the managerial remuneration, we report that requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013 are yet to be made by the company
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- (xiii) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Ind AS 24 Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended.
- (xiv) As the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

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

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



Place: Hyderabad
Date: 17th May, 2017

Annexure-B to Independent Auditors' Report

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of TajGVK Hotels & Resorts Limited on the standalone Ind AS financial statements for the year ended March 31, 2017

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

1. We have audited the internal financial controls over financial reporting of TajGVK Hotels & Resorts Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

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



Place: Hyderabad
Date: 17th May, 2017



CHARTERED ACCOUNTANTS

VIJAYAWADA, HYDERABAD, VISAKHAPATNAM, GUNTUR, KAKINADA, TANUKU, ALSO AT CHENNAI, BANGALORE AND ADONI.

INDEPENDENT AUDITORS' REPORT

To the Members of Taj GVK Hotels & Resorts Limited

Report on the Consolidated Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying consolidated Ind AS financial statements of Taj GVK Hotels & Resorts Limited (hereinafter referred to as "the Holding Company"), and its jointly controlled entity, comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement for the year then ended and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and changes in equity of the Group including its jointly controlled entity in accordance with accounting principles generally accepted in India including the Indian Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015 (as amended). The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. The respective Board of Directors of the companies are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have





taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

4. We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs Holding company and its jointly controlled entity as at March 31, 2017, and their consolidated profit (including other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Emphasis of Matters

7. Without qualifying our report, we draw attention to Note No: 25 to financial statements. The company has paid remuneration to its Managing Director and Executive Director as per the terms of appointment approved by the shareholders. Such remuneration paid is in excess of the limits laid down under Section 197 and 198 read with Schedule V to the Companies Act, 2013. The Company is in the process of applying to the Central Government for its approval.





Report on Other Legal and Regulatory Requirements

8. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 Ind AS financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiary included in the Group and joint venture company incorporated in India including relevant records relating to the preparation of the consolidated Ind AS financial statements.
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company and its jointly controlled entity as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and its jointly controlled entity, none of the directors of the Group's company and joint controlled entity is disqualified as on March 31, 2017 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 Holding Company and jointly controlled entity and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



[Handwritten signature]



Brahmayya & Co.,

CHARTERED ACCOUNTANTS

VIJAYAWADA, HYDERABAD, VISAKHAPATNAM, GUNTUR, KAKINADA, TANUKU, ALSO AT CHENNAI, BANGALORE AND ADONI.

- i. The consolidated Ind AS financial statements disclose the impact, if any, of pending litigations as at March 31, 2017 on the consolidated financial position of the Group and its joint venture – Refer Note 23 to the consolidated Ind AS financial statements.
- ii. The Holding Company and jointly controlled entity did not have any material foreseeable losses on long-term contracts as at March 31, 2017. The Holding Company and jointly controlled entity did not have any derivative contracts as at March 31, 2017.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and jointly controlled entity during the year ended March 31, 2017.
- iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 24.

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

(S.Satyanarayana Murthy)
(Partner)
(Membership No:023651)

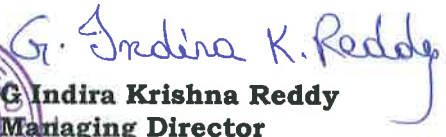




Place: Hyderabad
Date : 17th May, 2017

FORM A

(Audit Report with unmodified opinion)

(Pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1.	Name of the Company	:	TAJGVK HOTELS & RESORTS LIMITED
2.	Annual financial statements for the year ended	:	March 31, 2017 (Standalone and Consolidated)
3.	Type of Audit observations	:	Un-modified
4.	Frequency of observation	:	Not applicable
5.	To be signed by		
	For TAJGVK Hotels & Resorts Limited		For TAJGVK Hotels & Resorts Limited
	 G Indira Krishna Reddy Managing Director		 K Jayabharath Reddy Chairman of Audit Committee
	For TAJGVK Hotels & Resorts Limited		For BRAHMAYYA & CO,
	 J Srinivasa Murthy CFO & Company Secretary		Chartered Accountants (Registration No.000513S)  S Satynarayana Murthy Partner Membership No.023651
	Place : Hyderabad		
	Date : 17th May, 2017		

DECLARATION

Sub: Declaration pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2016 and SEBI Circular No. CIR/CFD/CMD/56/2016.

In compliance to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2016 and SEBI Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016, I hereby declare that Brahmayya & Co., Chartered Accountants (Firm No.000513S), Statutory Auditors of our Company, have issued an Audit Report with unmodified opinion on Audited Financial Results of the Company for the quarter and year ended March 31, 2017.

Kindly take this declaration on your records.

For TAJGVK HOTELS & RESORTS LIMITED



**J SRINIVASA MURTHY
CFO & COMPANY SECRETARY**

