CONTENTS	PAGE NO.

CHAIRPERSON AND MANAGING DIRECTOR
Dr. Jyotsna Suri

EXECUTIVE DIRECTORS
Ms. Divya Suri Singh
Ms. Deeksha Suri
Mr. Keshav Suri

DIRECTORS
Mr. Ramesh Suri
Dr. M.Y. Khan
Mr. Dhruv Prakash
Mr. Vivek Mehra
Mr. Ranjan Mathai
Ms. Shovana Narayan

CHIEF FINANCIAL OFFICER
Ms. Urmila Khurana

COMPANY SECRETARY
Mr. Himanshu Pandey

REGISTERED OFFICE
Barakhamba Lane, New Delhi - 110001, India

STATUTORY AUDITORS
Walker Chandiok & Co LLP
Chartered Accountants
L-41 Connaught Circus
New Delhi 110001, India

BANKERS
Yes Bank Ltd.
ICICI Bank Ltd.
Axis Bank Ltd.
The Jammu & Kashmir Bank Ltd.

FINANCIAL INSTITUTION
KSIDC Ltd.

BOARD'S REPORT

TO THE MEMBERS,

The Directors have pleasure in presenting the 37th Annual Report together with the Audited Financial Statements for the Financial Year ended 31st March, 2018.

FINANCIAL HIGHLIGHTS

The financial highlights of the Company for the year under review, on standalone basis, are given below:

(Rs. in lac)

Particulars	2017-18	2016-17
Revenue from operations	**63,859.72**	57,477.98
Other Income	**692.23**	795.20
Total Income	**64,551.95**	58,273.18
Profit before interest, tax, Depreciation and amortisation (EBITDA)	**18,875.20**	17,764.34
Add: Finance Income	**2,285.67**	4,262.43
Less: Finance costs	**12,107.22**	11,418.47
Less: Depreciation & amortization expenses	**5,178.94**	5,087.79
Profit before tax & exceptional items	**3,874.71**	5,520.51
Less: Tax expenses	**750.75**	1,851.28
Profit/ (Loss) for the year	**3123.96**	3,669.23
Other comprehensive income/ (loss)	**(59.56)**	(7.08)
Total comprehensive income, net of tax	**3,064.40**	3,662.15
Add: Retained Earnings brought forward from the previous year	**51,549.79**	48,573.60
Less: Cash dividend	**759.91**	569.93
Less: Tax on distribution of equity dividend	**(154.70)**	(116.03)
Retained Earnings	**53,699.58**	51,549.79

OPERATIONS AND STATE OF THE COMPANY'S AFFAIRS

The Lalit Suri Hospitality Group is a domestic hospitality chain having a distinctive mix of city hotels, palaces and resorts spread across key business and leisure travel destinations across India with 12 luxury hotel properties in India under the brand "The LaLiT" and two hotels in the mid-market segment in India under the brand "The LaLiT Traveller". The group has entered into a management consultancy services and licensing agreement in connection with the operation and management of The LaLiT London, a hotel in London. The group has also entered into an exclusive sales and marketing arrangement with one of our group companies for a hotel in Faidabad, 'Vibe by The Lalit Traveller', pursuant to which we provide technical services, management, marketing and operational services and have licensed the use of our trademark, "The LaLiT Traveller".

The group is also setting up two new hotels in Ahmedabad, one in the luxury segment under "The LaLiT" brand and the other in the mid-market segment under "The LaLiT Traveller" brand. The hotels are expected to be opened in 2019.

The group has set up a hospitality school at Faridabad under the name of "The Lalit Suri Hospitality School". The Lalit Suri Hospitality School is affiliated with the National Council for Hotel Management and Catering Technology (NCHMCT), and offers a three-year Bachelor of Science degree in Hospitality and Hotel Administration jointly with the Indira Gandhi National Open University.

During the financial year 2017-18, the total turnover of the Company was Rs. 64,551.95 lacs (Previous year: Rs. 58,273.18 lacs), an increase of 10.77 % and EBIDTA was Rs. 18,875.20 lacs (Previous year: Rs. 17,764.34 lacs), an increase of 6.25% due to higher turnover and effective cost control, Total comprehensive income, net of tax was Rs. 3,064.40 lacs (Previous year: Rs. 3,662.15 lacs), a decrease of 16.32 % as compared to the previous year.

DIVIDEND

The Board has recommended a dividend of 10% per share i.e. Rs. 1 (Previous Year: Rs. 1) per equity share of Rs. 10/- each. The proposal is subject to the approval of shareholders at the ensuing Annual General Meeting.

The total outgo because of dividend payment shall be Rs. 759.91 lacs.

The register of shareholders and share transfer registers shall remain closed from Friday, August 17, 2018 to Friday, August 24, 2018 (both days inclusive).

TRANSFER OF UNPAID AND UNCLAIMED DIVIDEND TO IEPF AND SHARES TO DEMAT ACCOUNT OF IEPFA

The unclaimed dividend up to the financial year 2009-10 has been transferred to the Investor Education and Protection Fund ("IEPF") set up by Government of India, pursuant to the provisions of Section 124 of the Companies Act, 2013 ("Act") read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

In the present financial year 2018-19, the unclaimed dividend for the financial year 2010-11 will be transferred to the IEPF, on completion of seven years from transfer of the dividend of the said year to Unpaid Dividend Account.

Further, in accordance with the rules, the shares of those shareholders who have not claimed dividend for last seven consecutive years, shall be transferred to the DEMAT Account of Investor Education and Protection Fund Authority (IEPFA). The details of the shareholders whose shares are liable to be transferred to the DEMAT account of IEPFA are available on the website of the Company i.e. www.thelalit.com.

TRANSFER TO RESERVES

During the financial year 2017-18, no amount has been transferred to General Reserve.

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

There was no material change or commitment affecting the financial position of the Company between the end of the financial year and the date of this report. However, the Company is in the process to file its Draft Red Herring Prospectus (DRHP) with SEBI to garner up to Rs. 1200 crore through initial public offer.

CHANGE IN NATURE OF BUSINESS

During the year, there has been no change in the nature of business of the Company. All the hotels of the Company are operated under the brand "The LaLiT".

SUBSIDIARIES

The consolidated accounts of the Company and following Subsidiaries and Joint Venture of the Company/ Subsidiaries forms part of the Annual Report.

1. Jyoti Limited,
2. Prime Cellular Limited,
3. Apollo Zipper India Limited,
4. Prima Buildwell Private Limited,
5. Kujjal Builders Private Limited,
6. Cavern Hotel & Resorts FZCo (Joint venture of Prima Buildwell Private Limited) and
7. The Lalit Suri Educational and Charitable Trust.

Further, a statement containing the salient features of the financial statements of all subsidiaries / joint ventures pursuant to Section 129 (3) of the Companies Act, 2013 in the prescribed form AOC-1 forms part of the Annual Report.

The statement provides the details of performance and financial position of each of the subsidiaries.

During the financial year 2017-18, Kujjal Builders Pvt. Ltd. has become the subsidiary of the Company pursuant to the provisions of Section 2(87)(i) of the Companies Act, 2013.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the last financial year, Mr. Dharam Vir Batra and Mr. Lalit Bhasin ceased to be the directors of the Company with effect from August 14, 2017 and September 6, 2017 respectively. The Board records its appreciation and gratitude to the outgoing Directors for their valuable guidance and contribution to the Company.

In the last financial year, the following new Independent Directors joined the Board of the Company. They have been appointed for a period of five years from the date of their respective appointments:

Sr. No	Name of Director	Date of Appointment
1.	Mr. Dhruv Prakash (DIN: 05124958)	July 21, 2017
2.	Mr. Vivek Mehra (DIN: 00101328)	July 21, 2017
3.	Mr. Ranjan Mathai (DIN: 07572976)	August 29, 2017
4.	Ms. Shovana Narayan (DIN: 07957359)	October 16, 2017

The Company has received declarations from Dr. M.Y. Khan, Mr. Dhruv Prakash, Mr. Vivek Mehra, Mr. Ranjan Mathai and Ms. Shovana Narayan, Independent Directors of the Company confirming that they meet the criteria of independence in accordance with the provisions of Section 149(6) and 149 (7) of the Companies Act, 2013.

The shareholders had appointed Dr. Jyotsna Suri, Chairperson & Managing Director and Mr. Ramesh Suri, Director as permanent directors. However, under the present strength of the Board, only one Director can be a permanent Director. Mr. Ramesh Suri has consented to hold office as director liable to retire by rotation. Accordingly, pursuant to the provisions of Section 152(6) of the Companies Act, 2013, Mr. Ramesh Suri and Ms. Divya Suri Singh, Directors of the Company retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment.

During the last financial year, Mr. Sandeep Chandna resigned from the position of Company Secretary on September 20, 2017 and Mr. Himanshu Pandey was appointed as Company Secretary of the Company w.e.f October 16, 2017.

Mr. Madhav Sikka ceased to be the Chief Financial Officer w.e.f March 24, 2018 and Ms. Urmila Khurana, Sr. Vice President - Finance was made the Chief Financial Officer of the Company w.e.f May 15, 2018.

MEETINGS OF THE BOARD

The Board of Directors of the Company met five times during the financial year 2017-2018 on:

1. May 26, 2017,
2. July 21, 2017,
3. August 29, 2017,
4. October 16, 2017 and
5. February 12, 2018.

The number and dates of meetings of the Board and also the various Committees of the Company during the financial year 2017-2018 and the number of meetings attended by each Director of the Company is given in Annexure I, which forms part of this report.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

a) in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) the directors had 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 and of the profit and loss of the Company for that period;

c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the directors had prepared the Annual Accounts on a going concern basis;

e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and;

f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

BOARD EVALUATION

On recommendation of the Nomination and Remuneration Committee of the Company, the Board of Directors has approved the policy for evaluating the performance of directors, key managerial personnel and the committees of the Board.

The Nomination and Remuneration Committee reviewed the performance of directors, key managerial personnel and various committees of the Board for the financial year 2017-2018.

AUDIT COMMITTEE

The Company has constituted an Audit Committee with the following Directors as its members:

Sr. No	Name of Directors	Status
1.	Dr. M. Y. Khan	Chairman (Independent Director)
2.	Mr. Keshav Suri	Member (Non-Independent Director)
3.	Mr. Vivek Mehra	Member (Independent Director)
4.	Mr. Dhruv Prakash	Member (Independent Director)

Ms. Urmila Khurana, CFO of the Company attends the Committee meetings as the Head of Finance and Mr. Himanshu Pandey, Company Secretary is the Secretary of the Committee. Each Member of the Committee has the relevant experience in the field of finance, banking and accounting.

The Committee met five times during the financial year 2017-2018 and all recommendations of the Audit Committee were accepted by the Board.

NOMINATION AND REMUNERATION COMMITTEE

The Company has constituted a Nomination and Remuneration Committee with the following Directors as its members:

Sr. No	Name of Directors	Status
1.	Mr. Dhruv Prakash	Chairman (Independent Director)
2.	Dr. M. Y. Khan	Member (Independent Director)
3.	Mr. Ramesh Suri	Member (Non-Executive Director)
4.	Ms. Shovana Narayan	Member (Independent Director)

The Committee met four times during the financial year 2017-2018 and all recommendations of the Nomination and Remuneration Committee were accepted by the Board.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has constituted a Stakeholders Relationship Committee with the following Directors as its members:

Sr. No	Name of Directors	Status
1.	Mr. Ramesh Suri	Chairman (Non Executive Director)
2.	Dr. Jyotsna Suri	Member (Chairperson & Managing Director)
3.	Ms. Divya Suri Singh	Member (Executive Director)

This Committee was earlier known as “Share Transfer and Stakeholders Relationship Committee” and was renamed as “Stakeholders Relationship Committee” by the Board of Directors at its meeting held on October 16, 2017.

The Committee met eleven times during the financial year 2017-2018 and all recommendations of the Stakeholders Relationship Committee were accepted by the Board.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has constituted a Corporate Social Responsibility Committee of the Company, with the following Directors as its members:

Sr. No	Name of Director	Status
1.	Dr. Jyotsna Suri	Member (Chairperson & Managing Director)
2.	Ms. Divya Suri Singh	Member (Executive Director)
3.	Ms. Shovana Narayan	Member (Independent Director)

Pursuant to the Section 135 of the Companies Act, 2013, the Board of Directors had approved the Corporate Social Responsibility Policy of the Company which interalia includes the corporate social responsibility activities to be taken by the Company. The said policy may be referred at the Company's website https://www.thelalit.com/wp-content/uploads/2018/06/CSR-Policy.pdf

As a part of its CSR initiatives, the Company has developed programs to address needs in the communities it serves. The Company is implementing Project Disha with 'SEED', a National NGO.under which the Company assists school students and youth to have access to quality "education leading to employment".

The initiatives include establishment of library and supplementing teaching in the areas of English and General Knowledge at school level and providing employment oriented vocational training in the hospitality sector including computer literacy, personality development, spoken English courses and life skills training with a special emphasis on workplace behavior. These centers are currently operating at four locations across India namely, Khajuraho, Bekal, Jaipur and Srinagar.

A snapshot of the initiative undertaken by the Company is as under:

Sr. No	Particulars	Number
1.	Total Beneficiaries	13482
2.	Total in school Beneficiaries	8812
3.	Total Vocational Training Beneficiaries	4570
4.	Total students placed	2853

The Annual Report on CSR activities in accordance with the provisions of Section 135 of the Companies Act, 2013, and the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time, is given in 'Annexure- II' which forms part of this report.

AWARDS & RECOGNITIONS

The following awards and recognitions were received by the hotels and management of the group during the financial year 2017-18:

The Lalit New Delhi

- "Certificate of Excellence" by Trip Advisor for 2017.
- "Baluchi, the Best Indian Restaurant" by Eazy Diner Foodie.
- "National Tourism Award - Hotel Providing best facilities for differently abled guests" by Department of Tourism, Government of India.
- "Kitty Su - Best Night Club NCR" by India Nightlife Convention & Awards.

The Lalit Ashok Bangalore

- "Kitty Ko - Best Lounge Bar - Nightlife Category" by Times Food Awards.
- OKO received the ¯best sushi for the year award from EazyDiner Foodie Awards

The Lalit Resort & Spa Bekal

- "Best Beach Property" by Outlook Traveller Boutique Hotel Awards 2017.
- "Best Ayurvedic Spa & Wellness Centre" by Geo Spa AsiaSpa India Awards 2017.

The Lalit Jaipur

· "Certificate of Excellence for the hotel" by Trip Advisor.

The Lalit Chandigarh:

- "Certificate of Excellence for the hotel" by Trip Advisor.
- "Kitty Su received the ¯"Best Night Club" award at the Times Nightlife Awards
- Baluchi won the ¯Best North Indian – Fine Dining Category

The Lalit Temple View Khajuraho:

- "Certificate of Excellence" from Tripadvisor.com
- "29 Best Hotels of 29 States in India"- on Tripoto.com

The Lalit Grand Palace Srinagar:

- "Special Recognition for Best Luxury Hill Resort Category" by Outlook Traveller.

The Lalit Suri Hospitality Group:-

- "The Best Employer Brand Award" by National Talent Management Awards.

Awards for Mr. Keshav Suri, Executive Director:

- "GQ The 50 Most Influential Young Indians' Award" by GQ.

VIGIL MECHANISM POLICY

Pursuant to the Section 177 of the Companies Act, 2013, the Company has adopted the Whistle Blower Policy under which employees or any other stakeholder can raise their concerns relating to fraud, malpractice or any such activity which is against the Company's interest. The Whistle Blower's can directly approach the Vigilance and Ethics Officer or Chairman of the Audit Committee. The Company has provided adequate safeguards against victimization of employees or other Whistle Blowers who express their concerns.

The policy is available on the website of the Company under the link: https://www.thelalit.com/wp-content/uploads/2018/06/Vigil-Mechanism-Policy.pdf

RISK MANAGEMENT POLICY

The Company has adopted a Risk Management Policy, pursuant to the provisions of Section 134 of the Act, to identify and evaluate business risks and opportunities for mitigation of the same on a continual basis. This framework seeks to create transparency, minimize adverse impact on business objective and enhance your Company's competitive advantage.

The Risk Management framework defines the risk management approach across the enterprise at various levels including documentation and reporting.

Your Company is faced with risks of different types, each of which need varying approaches for mitigation. Risk Management Policy lays down the process for identification and mitigation of risks.

The policy is available on the website of the Company under the link:https://www.thelalit.com/wp-content/uploads/2018/06/Risk-management-policy.pdf

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

Pursuant to the Section 178 of the Companies Act, 2013, the Board of Directors of the Company had adopted policy regulating appointment and remuneration of Directors, Key Managerial Personnel's and Senior Managerial Personnel's. The policy lays down the criteria for determining qualifications, positive attributes, independence of a director and other related matters. The said policy is given in 'Annexure III' which forms part of the report and is also available on the website of the Company under the link: https://www.thelalit.com/wp-content/uploads/2018/06/Appointment-and-Remuneration-Policy.pdf

INTERNAL FINANCIAL CONTROLS

Company has Internal Control Systems, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is well defined in the organisation. The Internal Audit function reports to the Audit Committee of the Board.

The Internal Audit Department 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 your Company. Based on the report of the Internal Audit function, 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. The internal financial controls as laid down are adequate and were operating effectively during the year.

For the financial year 2017-18, as required under Section 143 of the Act, the Statutory Auditors have evaluated and expressed that the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls were operating effectively as at March 31, 2018.

EMPLOYEE STOCK OPTION PLAN, 2017

In order to attract, reward and retain the talented and key employees and encourage them to align individual performance with the Company objectives, the Company implemented "Bharat Hotels Employees Stock Option Scheme 2017, which was approved by the Shareholders of the Company in the EGM held on January 8, 2018. The applicable disclosure under SEBI (Share Based Employee Benefits) Regulations, 2014 is uploaded on the website of the Company under the link **https://www.thelalit.com/wp-content/uploads/2018/07/ESOP-Disclosure.pdf.** The Statutory Auditors of the Company i.e. M/s. Walker Chandiok & Co. LLP, have certified that the implementation of the ESOP Schemes/ Plan is in accordance with the SEBI (Share Based Employees Benefits) Regulations, 2014.

Details of the options granted under Employee Stock Option Plan (ESOP), and also the disclosures in compliance with Section 62 of the Companies Act, 2013 and Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 and SEBI (Share Based Employee Benefits) Regulations, 2014 are set out in the 'Annexure IV', which forms part of this report.

AUDITORS

At the Annual General Meeting held on 23rd August, 2017 the shareholders of the Company appointed M/s. Walker Chandiok & Co LLP, Chartered Accountants, (Firm Registration No.001076N/N500013) as Statutory Auditors of the Company for a term of five years.

Pursuant to the amendment in Section 134 of the Act, requirement of ratification of appointment of Statutory Auditors at every Annual General Meeting has been omitted, accordingly the proposal for ratification of the appointment of M/s. Walker Chandiok & Co LLP, Chartered Accountants, (Firm Registration No.001076N/N500013 has not been considered.

AUDITORS' REPORT

The Auditors' Report read together with Annexure referred to in the Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimers. However, the Auditors in its report has reported that "no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit except for the instance of misappropriation of funds by certain employees of the Company amounting to Rs 30.51 lacs relating to Loyalty Programme at one of the hotels of the Company and the omission in/manipulation of the books of accounts of the aforesaid amount".

DISCLOSURE IN TERMS OF SECTION 134 (3)(ca) OF THE COMPANIES ACT, 2013

In the current year, at Bangalore hotel, certain employees of the Company had misappropriated funds by selling 'Lalit Loyalty cards' allegedly in cash. The Company had appointed independent forensic auditor to assess the impact. The Company had taken steps including conducting investigation and terminating the services of employees involved in the case and has filed FIR with the police authorities.

SECRETARIAL AUDIT

During the year, M/s RSM & Co., Company Secretaries were appointed by the Board to conduct the Secretarial Audit of the Company for the financial year 2017-2018, as required under Section 204 of the Companies Act, 2013. The Secretarial Audit Report for the financial year 2017-2018 forms part of this report as 'Annexure V'. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

DISCLOSURE UNDER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an anti harassment policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committees have been set up at each hotel of the Company to redress any sexual harassment complaints received. All employees (permanent or contractual or trainees) are covered under the policy. No complaint was received from any employee of any hotel or otherwise during the financial year 2017-2018 and hence no complaint is outstanding as on March 31, 2018 for redressal.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92 of the Companies Act 2013, and Rules there under, the extract of the Annual Report in prescribed form MGT- 9 is set out as 'Annexure- VI', which forms part of this report.

FIXED DEPOSITS

The Company has not accepted deposits from public as envisaged under Sections 73 to 76 of Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014 from the public during the year. There are no unpaid or unclaimed deposits lying with the Company.

LOANS, GUARANTEES OR INVESTMENTS

Particulars of loans given, investments made, guarantees and securities provided by the Company are given in the notes forming part of the standalone financial statements 2017-18 of the Company and need no separate mention.

RELATED PARTY TRANSACTIONS

During the financial year all transactions entered by the Company with related parties were in the ordinary course of business and on arm's length basis hence, no details have been given pursuant to clause (h) of sub-section (3) of Section 134 of Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules 2014 in part 2 of form no. AOC-2. Particulars of all related parties transactions entered during the financial year 2017-18, are given in note 51 to the financial statement.

INFORMATION REGARDING PARTICULARS OF EMPLOYEES

Information as per Rules 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended vide notification dated 30th June, 2016, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in 'Annexure VII', which forms part of this report.

INFORMATION REGARDING CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in 'Annexure VIII' , which forms part of this report.

OTHER DISCLOSURES

No disclosure or reporting is required in respect of the following items as there were no transactions or instance on these items during the financial year under review:

1. Details relating to deposits covered under Chapter V of the Companies Act, 2013 as required pursuant to the Rule 8(5) of the Companies (Accounts) Rules, 2014.

2. Issue of equity shares with differential rights as to dividend, voting or otherwise.

3. Issue of Sweat Equity Shares in terms of Section 54 of the Companies Act, 2013 and Rules there under.

4. The Company has not provided any financial assistance to any person for the purpose of purchase or subscription of the shares in the Company in terms of Section 67 of the Companies Act, 2013.

5. Neither the Chairperson & Managing Director nor any Executive Directors of the Company received any remuneration or commission from any of its subsidiaries except sitting fees received by Dr. Jyotsna Suri and Mr. Keshav Suri for attending the Board meetings of Apollo Zipper India Limited.

6. No significant or material orders were passed by the Regulators, Courts or Tribunals impacting the going concern status and Company's operations in future.

ACKNOWLEDGEMENT

The Directors acknowledge with gratitude the whole-hearted support and the co-operation extended by all associated with the operations of the hotels of the Company as well as the hotels under construction and renovation. They also express their appreciation to the employees at all levels for their dedication and sincerity. The employee-management relations were cordial throughout the year.

Your Directors also place on record sincere appreciation for the wholehearted support extended by the Government and other Statutory Authorities, Company's Bankers and lenders, Business Associates, Auditors, all the stakeholders and members of public for their continued support and confidence reposed in the management of the Company.

For and on behalf of the Board

Sd/-
(Dr. JYOTSNA SURI)
CHAIRPERSON AND MANAGING DIRECTOR
DIN: 00004603

Dated: 22nd June, 2018
Place: New Delhi

Annexure-I

Meetings of the Board and Committees held during the Financial Year 2017-2018

A) Meeting of Board of Directors:

- Number of Meetings : 5 (Five)
- Date of Meetings : 26-5-2017, 21-7-2017, 29-8-2017, 16-10-2017 and 12-2-2018

S.No.	Particulars of Directors	No. of Meeting(s) attended
1.	Dr. Jyotsna Suri, Chairperson & Managing Director	5
2.	Ms. Divya Suri Singh, Executive Director	5
3.	Ms. Deeksha Suri, Executive Director	4
4.	Mr. Keshav Suri, Executive Director	5
5.	Mr. Ramesh Suri, Director	5
6.	Dr. M.Y. Khan, Independent Director	5
7.	Mr. Dhruv Prakash, Independent Director(w.e.f : 21-7-2017)	4
8.	Mr. Vivek Mehra, Independent Director(w.e.f: 21-7-2017)	3
9.	Mr. Ranjan Mathai, Independent Director(w.e.f : 29-8-2017)	3
10.	Ms. Shovana Narayan, Independent Director(w.e.f: 16-10-2017)	1
11.	Mr. Hanuwant Singh, Director, (upto:30-6-2017)	1
12.	Mr. Dharam Vir Batra, Director, (upto:14-8-2017)	1
13.	Mr. Lalit Bhasin, Independent Director, (upto: 06-9-2017)	2

B) Committees of Board of Directors:

i) Audit Committee

- Number of Meetings : 5 (Five)
- Date of Meetings : 24-5-2017, 21-7-2017, 28-08-2017, 16-10-2017 and 12-2-2018

S.No.	Particulars of Members	No. of Meeting(s) attended
1.	Dr. M.Y. Khan	5
2.	Mr. Vivek Mehra, (w.e.f : 21-7-2017)	2
3.	Mr. Keshav Suri, (w.e.f : 16-10-2017)	2
4.	Mr. Hanuwant Singh, (upto: 30-6-2017)	1
5.	Mr. Lalit Bhasin, (upto: 6-9-2017)	3

ii) **Stakeholders Relationship Committee (previously known as Share Transfer and Stakeholder Relationship Committee)**

- Number of Meetings : 11 (Eleven)
- Date of Meetings : 16-5-2017, 13-6-2017, 21-7-2017, 7-9-2017, 16-10-2017, 30-10-2017, 23-11-2017, 14-12-2017, 10-1-2018, 12-2-2018 and 1-3-2018

S.No.	Particulars of Members	No. of Meeting(s) attended
1.	Dr. Jyotsna Suri	10
2.	Mr. Ramesh Suri	8
3.	Ms. Divya Suri Singh (w.e.f: 21-7-2017)	8
4.	Mr. Hanuwant Singh (upto: 30-6-2017)	1

iii) **Management Committee**

- Number of Meetings : 4 (Four)
- Date of Meetings : 19-4-2017, 23-2-2018, 8-3-2018 and 31-3-2018

S.No.	Particulars of Members	No. of Meeting(s) attended
1.	Dr. Jyotsna Suri, Chairperson	4
2.	Ms. Divya Suri Singh	4
3.	Ms. Deeksha Suri	4
4.	Mr. Keshav Suri	4

iv) **Nomination and Remuneration Committee**

- Number of Meetings : 4 (Four)
- Date of Meetings : 21-7-2017, 29-8-2017, 16-10-2017 and 12-2-2018

S.No.	Particulars of Members	No. of Meeting(s) attended
1.	Dr. M.Y Khan	4
2.	Mr. Dhruv Prakash (w.e.f : 21-7-2017)	4
3.	Mr. Ramesh Suri (w.e.f : 16-10-2017)	2
4.	Mr. Lalit Bhasin (upto: 6-9-2017)	0

v) **Corporate Social Responsibility Committee**

- Number of Meeting : 1 (One)
- Date of Meeting : 21-7-2017

S.No.	Particulars of Members	No. of Meeting(s) attended
1.	Dr. Jyotsna Suri	1
2.	Ms. Divya Suri Singh	1
3.	Ms. Shovana Narayan (w.e.f : 16-10-2017)	0
4.	Mr. Lalit Bhasin (upto: 6-9-2017)	0

ANNEXURE II

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2017-2018:

1. **A brief outline on the Company's CSR Policy"**

   Our Company believes that it is the people that account for the success of our hotels. Therefore, our initiative is to involve the local population, give them training & employment, thereby giving a boost to the economic environment of the place. Accordingly, Corporate Social Responsibility has always been on the company agenda.

2. **The Composition of the CSR Committee:**

   The CSR Committee comprises of following directors:

   - Dr. Jyotsna Suri - Chairperson;
   - Ms. Divya Suri Singh - Member;
   - Ms. Shovana Narayan - Member.

3. **Average net profit of the Company for last three financial years:** Rs. 2669.13 lacs

4. **Prescribed CSR Expenditure:** Rs. 53.38 lacs

5. **Details of CSR spent during the financial year:**

   a) **Total amount spent for the financial year:** Rs. 38.42 lacs

   b) **Amount unspent, if any**: Rs. 14.96 lacs

   c) **Manner in which the amount spent during the financial year is detailed below:**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR Project or activity identified	Sector in which the project is covered	Project 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 (In Rs.)	Amount spent on the projects or programs sub-heads (1) Direct expenditure on projects or programs (2) Overheads (In Rs.)	Cumulative expenditure up to the reporting period (In Rs.)	Amount spent Direct or through implementing agency
1	Project Disha (An initiative of the Lalit Suri Foundation being implemented under the CSR policy of Bharat Hotels Ltd.)	Promotion of Education and Skills Development	- Srinagar (J&K) -Khajuraho (M.P.) - Bekal (Kerala) - Jaipur (Raj.)	- Manpower Cost: 21,00,000 - Project Expenses: 12,42,096 -Project Management Expenses: On actual basis	21,88,748 10,18,410 1,34,938	21,88,748 32,07,158 33,42,096	SEED* SEED SEED
2	Donation to Non-Government Organization	Promoting health care including preventive health care and sanitation	Faridabad (Haryana)	5,00,000	5,00,000	5,00,000	Implementing agency- Swachhta-Hamare Aangan
				Total	38,42,096	38,42,096	

* SEED- Society For Educational Welfare & Economic Development

6. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in the Board report:

The entire proposed expenditure of CSR could not be completed during the year and therefore, the balance expenditure and pending CSR proposals are expected to be taken up in the coming year.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company:

The CSR Committee hereby confirms that the implementation and monitoring of CSR activities is in compliance with CSR objectives and the CSR Policy of the Company.

Sd/-
(Dr. Jyotsna Suri)
Chairperson & Managing Director
Chairperson of CSR Committee

Dated: 22nd June, 2018
Place: New Delhi

Annexure-III

Appointment and Remuneration Policy of Directors, Key & Senior Managerial Personnel

Effective Date : With the approval of the Board pursuant to its resolution dated 22.05.15.
Amended : With the approval of the Board pursuant to its resolution dated 12.02.2018.

Introduction:

In terms of provisions of Section 178 of the Companies Act, 2013, read with the rules made there under, each as amended (the "**Companies Act**"), and Regulation 19 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "**Listing Regulations**"), the Nomination and Remuneration Committee (the "**Committee**") of the Board of Directors (the "**Board**") of Bharat Hotels Limited (the "**Company**") has been entrusted with the following powers:

i) To identify persons who are qualified to become directors and who may be appointed to senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;

ii) To carry out the evaluation of every director' s performance and to specify the manner for effective evaluation of performance of Board;

iii) To formulate the criteria for determining qualification, positive attributes and independence of directors;

iv) To recommend remuneration of executive directors and any increase therein from time to time, within the limit approved by the members of the Company;

v) To recommend remuneration to non-executive directors in the form of sitting fees for attending meetings of Board and its Committees, remuneration for other services, commission on profits;

vi) To recommend to the Board a policy, relating to the remuneration for the directors, Key Managerial Personnel and other Senior Managerial Personnel;

vii) To engage the services of any consulting/ professional or other agency for the purpose of recommending to the Committee on compensation structure/policy; and

viii) To exercise such other powers as may be delegated to it by the Board from time to time.

Policy Statement:

In accordance with the above duties entrusted with the Committee, this policy on Director's appointment and remuneration (this "**Policy**") has been formulated and shall be read in line with the requirements of the Companies Act and the Listing Regulations and such other rules, regulations, circulars and notifications as may be applicable.

a) "**KMP**" shall include:

   (i) the Chief Executive Officer or the Managing Director or the Manager and in their absence, a whole-time director;

   (ii) the Company Secretary;

   (iii) the Chief Financial Officer; and

   (iv) such other officer as may be prescribed under the Companies Act.

b) "**Senior Managerial Personnel**" of the Company shall include all Corporate Vice Presidents/Functional Heads, General Managers and/or Resident Managers of all the hotels of the Company.

Applicability:

This Policy is applicable to all Directors, KMPs and SMPs of the Company.

Appointment criteria and qualifications for appointment of Director and Key Managerial Personnel:

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMPs and SMPs and recommend to the Board his / her appointment.

A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

Term / Tenure:

The Company shall not appoint any person as Managing Director / Whole-Time Director who has attained the age of 70 years.

Provided that the term of the person holding this position may be extended beyond the age of 70 years with the approval of shareholders by passing a special resolution based on the justification for extension of appointment beyond 70 years.

Managing Director/Whole-time Director

The Company shall appoint or re-appoint any person as its executive Chairperson, Managing Director or Executive Director for a term not exceeding such term as may be specified under the Companies Act. No re-appointment shall be made earlier than one year before the expiry of term, and which shall be done with the approval of the shareholders of the Company.

Independent Director:

An independent director shall hold office for a term in accordance with the Companies Act, particularly Section 149 of the Companies Act, and will be eligible for reappointment on passing of a Special Resolution by the Company and disclosure of such appointment in the Board's report.

No independent director shall hold office for more than two consecutive terms, but such independent director shall be eligible for appointment after expiry of three years of ceasing to become an independent director. Provided that an independent director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

Remuneration to Directors of the Company:

The remuneration payable to Directors of the Company, including any Managing or Whole-Time Director or Manager shall be determined in accordance with and subject to the articles of association of the Company or by a resolution (or a special resolution if required by the articles of association of the Company).

Remuneration to Whole-time / Executive / Managing Director:

a) Managing Director /Whole-Time/Executive Director shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to provident fund, medical expenses, LTA, club fees etc. shall be decided and approved by the Board, shareholders and Central Government, if required, and the same shall be in accordance with the provisions of the Companies Act and the Rules.

b) If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its managing director / whole-time director in accordance with the provisions of Schedule V of the Companies Act.

c) The remuneration payable by the Company to the non-executive directors shall be subject to conditions specified in the Companies Act and the Listing Regulations, including the monetary limits, disclosure requirements and approval requirements.

Remuneration to Non- Executive / Independent Director:

a) Remuneration/Commission: The remuneration by way of fees, reimbursement of expenses for participation in the Board and other meetings (including committee meetings) and profit related commission shall be fixed as per the limits mentioned in the Companies Act, subject to approval from the shareholders as applicable. The payment of commission shall be placed before the Board on an annual basis every year for its consideration and approval and the sitting fees shall be reviewed periodically and aligned with comparable companies.

b) Sitting Fees: The non- executive/independent director shall receive remuneration by way of fees for attending meetings of Board or committee thereof, provided that the amount of such fees shall not exceeds the amount as may be prescribed by the Central Government from time to time.

c) Non- Executive / Independent Director shall not be entitled to any stock options in the Company.

d) Non-executive and independent directors are entitled to be paid all travelling and other expenses that they may incur for attending to the Company's affairs, including attending meetings of the Company.

e) The remuneration payable by the Company to the non-executive and independent directors shall be subject to conditions specified in the Companies Act and the Listing Regulations, including the monetary limits, disclosure requirements and approval requirements.

Remuneration to Key Managerial Personnel and Senior Managerial Personnel (other than Whole-time / Executive / Managing Director)

The Chairperson & Managing Director on the recommendation of the Committee shall approve the remuneration of the KMPs and SMPs.

A formal annual performance management process will be applicable to the KMPs and SMPs. Annual increases in fixed and variable compensation of individual executives will be directly linked to the performance ratings of individual employee.

The managerial remuneration payable by the Company shall be subject to the conditions specified under the Companies Act and the Listing Regulations, including in terms of monetary limits, approval requirements and disclosure requirements.

Disclosure

This Policy and other contents as required to be disclosed shall be disclosed in the annual report of the Company and posted on the website of the Company, if required under the Companies Act, 2013 and rules thereunder, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and any other regulatory requirements.

Effective date

The Appointment and Remuneration Policy of Director's, KMPs and SMPs. has been adopted by Board pursuant to its resolution dated 22.05.2015.

This Amended Policy has been issued with the approval of the Board pursuant to its resolution dated 12.02.2018.

Amendments and Updation:

The Nomination & Remuneration Committee shall periodically review this Policy and may recommend amendments to this Policy from time to time as it deems appropriate, which shall be in accordance with the provisions of the Companies Act and the Listing Regulations.

In case of any inconsistencies between the Policy and the Companies Act, the provisions of the Companies Act shall prevail.

ANNEXURE IV

DETAILS OF THE OPTIONS GRANTED UNDER EMPLOYEE STOCK OPTION PLAN

A. Disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time: Not Applicable as the ESOP were granted during the current Financial Year.

B. Diluted EPS on issue of shares calculated in accordance with 'Accounting Standard Ind AS-33 - Earnings per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time: The options being anti-dilutive, are ignored in the calculation of diluted EPS.

C. Details related to ESOP.

S.N	Particulars	Details
1.	Name of the Scheme	Bharat Hotels ESOP 2017
2.	Total number of Options approved under the Plan	3,795,000
3.	Shareholders Approval Date	January 8, 2018
4.	Vesting requirement	Vesting of the options shall take place over (four) years from the date of grant as follows: • 10% of options shall vest at the end of a period of 1.5 (one and a half) years from the grant date. • 20% of options shall vest at the end of a period of 2 (two) years from the grant date. • 30% of options shall vest at the end of a period of 3 (three) years from the grant date. • 40% of options shall vest at the end of a period of 4 (four) years from the grant date.
5.	Pricing formula	Equity value: Comparable Companies Multiple methodology.Option value: Black Scholes methodology.
6.	Exercise price of options in [1] (as on date of grant of options)	The options shall be priced at Rs. 383.28 per option.
7.	Maximum term of options granted	Though the maximum term for vesting is five years but vesting of the options shall take place over four years from the date of grant. This is approved by Nomination & Remuneration Committee, which has been authorised by the Board of Directors to administer and implement the ESOP scheme.
8.	Sources of Shares	Primary
9.	Number of options outstanding at the beginning of the period (April 1, 2017)	Nil

<table>
<tr><td>10.</td><td>Number of options granted during the year (2017-18)</td><td>Nil</td></tr>
<tr><td>11.</td><td>Number of options forfeited / lapsed during the year (2017-18)</td><td>Nil</td></tr>
<tr><td>12.</td><td>Number of options vested during the year (2017-18)</td><td>Nil</td></tr>
<tr><td>13.</td><td>Number of options exercised during the year (2017-18)</td><td>Nil</td></tr>
<tr><td>14.</td><td>Number of shares arising as a result of exercise of options (2017-18)
Money realized by exercise of options (INR), if scheme is implemented directly by the company</td><td>Nil</td></tr>
<tr><td>15.</td><td>Number of options outstanding at the end of the year (March 31, 2018)</td><td>Nil</td></tr>
<tr><td>16.</td><td>Number of options exercisable at the end of the year (March 31, 2018)</td><td>Nil</td></tr>
<tr><td>17.</td><td>Weighted average exercise price and the weighted average fair value of options whose exercise price either equals or exceeds or is less than the market price of the stock</td><td><table>
<tr><th>Year</th><th>Weighted average exercise price as on the date of grant</th><th>Weighted average Fair value as on the (date of grant)</th></tr>
<tr><td>April 1, 2018 to June 22, 2018</td><td>383.28</td><td>33.65</td></tr>
</table></td></tr>
<tr><td>18.</td><td>Total number of options in force.</td><td><table>
<tr><th>Financial Year/Period</th><th>Total number of Options granted</th></tr>
<tr><td>2018</td><td>Nil</td></tr>
<tr><td>April 1, 2018 to June 22, 2018</td><td>700,600</td></tr>
<tr><td>Total</td><td>700,600</td></tr>
</table></td></tr>
<tr><td>19.</td><td>Variation of terms of options.</td><td>NA</td></tr>
<tr><td rowspan="3">20.</td><td>Employee-wise detail of options granted to :
a) Directors:</td><td>Nil</td></tr>
<tr><td>b) Senior Managerial Personnel</td><td><table>
<tr><th>Name of Senior / Key Managerial Personnel</th><th colspan="3">No. of Options</th></tr>
<tr><th></th><th>Granted</th><th>Exercised</th><th>Outstanding</th></tr>
<tr><td>Urmila Khurana</td><td>10,000</td><td>N.A.</td><td>10,000</td></tr>
<tr><td>Poonam Tyagi</td><td>7,000</td><td>N.A.</td><td>7,000</td></tr>
<tr><td>Rakesh Mitra</td><td>10,000</td><td>N.A.</td><td>10,000</td></tr>
<tr><td>Hemant Khattar</td><td>10,000</td><td>N.A.</td><td>10,000</td></tr>
<tr><td>Vivek Shukla</td><td>10,000</td><td>N.A.</td><td>10,000</td></tr>
<tr><td>Rocky Kalra</td><td>10,000</td><td>N.A.</td><td>10,000</td></tr>
<tr><td>Himanshu Pandey</td><td>7,000</td><td>N.A.</td><td>7,000</td></tr>
</table></td></tr>
<tr><td>c) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year.</td><td></td></tr>
</table>

	d) Identified employees who were granted options, during any one year, equal to/ exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	Nil
21.	Method of Accounting followed for stock options granted to employees	The Employee stock options is accounted under the "Fair Value" as per Ind AS 102 'share based payments', notified under Section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. The same is in accordance with the SEBI ESOP Regulations.
22.	Where the Company has calculated the employee compensation cost using the intrinsic value of stock options, difference if any, between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost calculated on the basis of fair value of stock options	N.A.
23.	Where the Company has calculated the employee compensation cost using the intrinsic value of stock options, difference if any, between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost calculated on the basis of fair value of stock options	N.A.
24.	Method and significant assumptions used to estimate the fair value of options granted during the year including weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in the market at the time of grant of the option	(see table below)

Particulars	**From April 1, 2018 to June 22, 2018**
Weighted average share price	383.28
Exercise Price	383.28
Volatility	46.10%
Life of the options granted in years	1.5 years to 4 years
Average risk-free interest rate	7.3% to 7.92 %

D The movement of options during the year (2017-18) : Not Applicable

ANNEXURE-V

R S M & CO.
COMPANY SECRETARIES

D-63, JFF COMPLEX,
JHANDEWALAN, NEW DELHI 110 055
PHONE 011 236 238 13, 9911919008
Email. Info@csrsm.com

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2018

FORM NO. MR-3

[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

The Members
Bharat Hotels Limited
(CIN: U74899DL1981PLC011274)
Barakhamba Lane,
NEW DELHI -110 001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BHARAT HOTELS LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company'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 authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 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 Securities of the Company are not listed with any stock exchange , therefore Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act) are not applicable.

We further report that:

6. We have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under the other applicable Act, Laws and Regulations to the Company. Therefore, we are of the opinion that the management has 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.

   The laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector/industry are:

i) Food Safety & Standards Act, 2006

ii) Food Safety and Standards Rules, 2011

Beside above, the Company has complied with the applicable central and state laws, including those related to Environment, Legal Metrology Act laws pertaining to the hotels of the Company. The Company has also obtained the necessary licenses/registrations/approvals from respective authorities which are mandatory to run activities related to hotel(s).

7. We further report the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by Statutory Auditors and other designated Professionals.

   We have also examined the compliance with the applicable clauses of the following:-

   (i) Secretarial Standards issued by the Institute of Company Secretaries of India

   During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

8. We further report that:-

   The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Women Director and Independent Directors. The changes in the composition of 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 and Committee 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 clarification on the agenda items before the meeting and for meaningful participation at the meeting; and

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

9. We further report that during the audit period, the Company has passed following special resolutions which is/are having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines standard etc.

   i) Approval of initial public offer and issuance of equity shares in the initial public offer

   ii) Amendment in Article of Association (AOA)

   iii) Approval of Bharat Hotels Employee Stock Option Plan, 2017 and Grant of Stock Options to the eligible Employee/Directors of the Company under the scheme

   iv) Approval of Bharat Hotels Employee Stock Option Plan, 2017 and Grant of Stock Options to the eligible Employee/Directors of the Company's Subsidiaries under the scheme.

10. This report is to be read with our letter of even date which is annexed as "**Annexure-A**" and forms an integral part of this report.

For RSM & CO.
Company Secretaries

Sd/-
RAVI SHARMA
PARTNER
FCS NO.4468, C. P. NO.3666

Place: New Delhi
Date: 22nd June, 2018

R S M & CO.
COMPANY SECRETARIES

D-63, JFF COMPLEX,
JHANDEWALAN, NEW DELHI 110 055
PHONE 011 236 238 13, 9911919008
Email. Info@csrsm.com

ANNEXURE A

The Members
Bharat Hotels Limited
(CIN: U74899DL1981PLC011274)
Barakhamba Lane,
NEW DELHI -110 001

Our Report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on the Secretarial Records based on our audit.

2. 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 verifications were done on the 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.

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

4. Wherever required, we have obtained the Management representation about the compliances of Laws, Rules and Regulations and happening of events etc.

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

6. Our Secretarial Audit Report 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 RSM & CO.
Company Secretaries

Sd/-
RAVI SHARMA
PARTNER
FCS NO.4468, C. P. NO. 3666

Place: New Delhi
Date: 22nd June, 2018

ANNEXURE- VI

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the Financial year ended on 31.03.2018

[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	:	U74899DL1981PLC011274
ii)	Registration Date	:	22/01/1981
iii)	Name of the Company	:	Bharat Hotels Limited
iv)	Category / Sub-Category of the Company	:	Public Company
v)	Address of the Registered office and contact details	:	Barakhamba Lane, New Delhi-110001 Tel.: 011-44447777, Fax: 011-44441234, Email Address: corporate@thelalit.com
vi)	Whether listed company (~~Yes~~ / No)	:	Unlisted
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	M/S Karvy Computershare Private Limited 305 New Delhi House, 27, Barakhamba Road, New Delhi-110001

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Hotel & Restaurant Operations	55101, 56 *	98.92 %

(There is no other activities contributing 10 % or more of the total turnover of the Company)

*** NIC Code-2008**

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	**Jyoti Limited** Gulab Bhawan, Gupkar Road, Srinagar (J&K)	U55101JK1964PLC000286	Subsidiary	99.99	Section 2(87)(ii)
2.	**Apollo Zipper India Limited** 18, Hemanta Basu Sarani, Kolkata (West Bengal)	U36999WB2004PLC097656	Subsidiary	90.00	Section 2(87)(ii)
3.	**Prime Cellular Limited** 401, World Trade Tower, Barakhamba Lane, New Delhi-110001	U74899DL1995PLC066703	Subsidiary	99.60	Section 2(87)(ii)
4.	**Prima Buildwell Private Limited** 25, Ground Floor, World Trade Centre, Barakhamba Lane, New Delhi-110001	U70109DL2006PTC149732	Subsidiary	99.99	Section 2(87)(ii)
5.	**Kujjal Builders Private Limited** 51& 52, Ground Floor, World Trade Centre, Barakhamba Lane, New Delhi-110001	U70101DL2005PTC139829	Subsidiary	-	Section 2(87)(i)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (01-04-2017)				No. of Shares held at the end of the year (31-03-2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters and Promoter Group									
(1) Indian									
(a) Individual/ HUF	2024094	10779882	12803976	16.85	12803976	-	12803976	16.85	-
(b) Central Govt.	-	-	-	-	-	-	-	-	-
(c) State Govt(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	3274077	37590861	40864938	53.78	40864938	-	40864938	53.78	-
(e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A) (1)	**5298171**	**48370743**	**53668914**	**70.63**	**53668914**	**-**	**53668914**	**70.63**	**-**
(2) Foreign									
(a)NRIs - Individuals	10399998	-	10399998	13.69	10399998	-	10399998	13.69	-
(b)Other- Individuals	-	-	-	-	-	-	-	-	-
(c)Bodies Corp.	-	9591200	9591200	12.62	-	9591200	9591200	12.62	-
(d)Banks / FI	-	-	-	-	-	-	-	-	-
(e)Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2) :-	10399998	9591200	19991198	26.31	10399998	9591200	19991198	26.31	-
Total Shareholding of Promoter and Promoter Group A = (A) (1) + (A) (2)	**15698169**	**57961943**	**73660112**	**96.93**	**64068912**	**9591200**	**73660112**	**96.93**	-
B. Public Shareholding									
1. Institutions									
(a)Mutual Funds	-	699	699	0.00	-	0	0	0.00	0.00
(b)Banks / FI	99	1548	1647	0.00	99	0	99	0.00	0.00
(c)Central Govt.	-	-	-	-	-	-	-	-	-
(d)State Govt(s)	-	-	-	-	-	-	-	-	-
(e)Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f)Insurance Companies	-	-	-	-	-	-	-	-	-
(g)FIIs	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1) :-	**99**	**2247**	**2346**	**0.00**	**99**	**0**	**99**	**0.00**	**0.00**

2. Non-Institutions									
(a) Bodies Corp									
(i) Indian	99815	50419	150234	0.20	98609	5384	103993	0.14	(0.06)
(ii) Overseas	66	-	66	0.00	0	-	0	0.00	0.00
(b) Individuals									
(i)Individual shareholders holding nominal share capital upto Rs. 1 lakh	1161446	595903	1757349	2.31	1182379	396679	1579058	2.08	(0.23)
(ii)Individual shareholders holding nominal share capital exceed of Rs.1lakh	175934	-	175934	0.23	176081	-	176081	0.23	0.00
(c) Others (specify)	-	-	-	-	-	-	-	-	-
NRIs:									
(i)Holding nominal share capital upto Rs. 1 lakh	60350	133697	194047	0.26	61850	47261	109111	0.14	(0.12)
(ii) Holding nominal share capital exceed of Rs.1lakh	-	39064	39064	0.05	-	0	0	0.00	(0.05)
Foreign Nationals	3999	-	3999	0.01	3999	-	3999	0.01	-
Trust (Indian)	8048	-	8048	0.01	8048	-	8048	0.01	-
Investor Education and Protection Fund Authority	-	-	-	0.00	350698	-	350698	0.46	0.46
Sub-total (B) (2) :-	**1509658**	**819083**	**2328741**	**3.07**	**1881664**	**449324**	**2330988**	**3.07**	-
Total Public Shareholding (B) = (B) (1) + (B) (2)	**1509757**	**821330**	**2331087**	**3.07**	**1881763**	**449324**	**2331087**	**3.07**	-
Grand Total (A+B)	**17207926**	**58783273**	**75991199**	**100.00**	**65950675**	**10040524**	**75991199**	**100.00**	-

ii Shareholding of Promoter and Promoter Group

S. No.	Shareholder's Name	Shareholding at the beginning of the year (01-04-2017)			Share holding at the end of the year (31-03-2018)			% 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	Deeksha Holding Ltd*	30710301	40.41	-	30710301	40.41	-	-
2	Dr. Jyotsna Suri*	7247935	9.54	-	7247935	9.54	-	-
3	Mr. Ramesh Suri*	1219998	1.61	-	1219998	1.61	-	-
4	Responsible Builders Pvt Ltd	7106400	9.35	-	7106400	9.35	-	-
5	Jyotsna Holding Pvt Ltd	3024039	3.98	-	3024039	3.98	-	-
6	Mr. Keshav Suri	3880596	5.11	-	3880596	5.11	-	-
7	Lalit Suri (HUF)	202950	0.27	-	202950	0.27	-	-
8	Ramesh Suri (HUF)	159999	0.21	-	159999	0.21	-	-
9	Ms. Ritu Suri	68400	0.09	-	68400	0.09	-	-
10	Premium Exports Ltd	18000	0.02	-	18000	0.02	-	-
11	Mercantile Capital and Financial Services Private Ltd.	6198	0.01	-	6198	0.01	-	-
12	Ms. Deeksha Suri	1	0.00	-	1	0.00	-	-
13	Ms. Divya Suri	1	0.00	-	1	0.00	-	-
14	Mr.Jayant Nanda	10399998	13.69	-	10399998	13.69	-	-
15	Richmond Enterprises S.A	5491200	7.23	-	5491200	7.23	-	-
16	Groves Universal Group S.A	4100000	5.40	-	4100000	5.40	-	-
17	Smt. Raj Kumari Nanda	19998	0.03	-	19998	0.03	-	-
18	Mr. Santosh Chanana	4098	0.01	-	4098	0.01	-	-
	Total	**73660112**	**96.93%**	-	**73660112**	**96.93%**	-	-

* Promoters

(iii) Change in Promoters' and Promoter's Group Shareholding

Sl. No.	Name of shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	**Deeksha Holding Ltd**				
	At the beginning of the year	30710301	40.41		
	Increase / Decrease:	-	-	-	-
	At the End of the year			**30710301**	**40.41**
2.	**Dr. Jyotsna Suri**				
	At the beginning of the year	7247935	9.54		
	Increase / Decrease:	-	-	-	-
	At the End of the year			**7247935**	**9.54**
3.	**Responsible Builders Pvt Ltd**				
	At the beginning of the year	7106400	9.35		
	Increase / Decrease:	-	-	-	-
	At the End of the year			**7106400**	**9.35**
4	**Jyotsna Holding Pvt Ltd**				
	At the beginning of the year	3024039	3.98		
	Increase / Decrease:	-	-	-	-
	At the End of the year			**3024039**	**3.98**
5.	**Mr. Keshav Suri**				
	At the beginning of the year	3880596	5.11		
	Increase / Decrease:	-	-	-	-
	At the End of the year			**3880596**	**5.11**
6.	**Mr. Ramesh Suri**				
	At the beginning of the year	1219998	1.61		
	Increase / Decrease:	-	-	-	-
	At the End of the year			**1219998**	**1.61**
7.	**Lalit Suri (HUF)**				
	At the beginning of the year	202950	0.27		
	Increase / Decrease:	-	-	-	-
	At the End of the year			**202950**	**0.27**
8.	**Ramesh Suri (HUF)**				
	At the beginning of the year	159999	0.21		
	Increase / Decrease:	-	-	-	-
	At the End of the year			**159999**	**0.21**

9.	**Ms. Ritu Suri**				
	At the beginning of the year	68400	0.09		
	Increase / Decrease:	-	-	-	-
	At the End of the year			**68400**	**0.09**
10	**Premium Exports Ltd**				
	At the beginning of the year	18000	0.02		
	Increase / Decrease:	-	-	-	-
	At the End of the year			**18000**	**0.02**
11.	**Mercantile Capital and Financial Services Private Ltd.**				
	At the beginning of the year	6198	0.01		
	Increase / Decrease:	-	-	-	-
	At the End of the year			**6198**	**0.01**
12.	**Ms. Deeksha Suri**				
	At the beginning of the year	1	0.00		
	Increase / Decrease:	-	-	-	-
	At the End of the year			**1**	**0.00**
13.	**Ms. Divya Suri**				
	At the beginning of the year	1	0.00		
	Increase / Decrease:	-	-	-	-
	At the End of the year			**1**	**0.00**
14.	**Mr. Jayant Nanda**				
	At the beginning of the year	10399998	13.69		
	Increase / Decrease:	-	-	-	-
	At the End of the year			**10399998**	**13.69**
15.	**Richmond Enterprises S.A**				
	At the beginning of the year	5491200	7.23		
	Increase / Decrease:	-	-	-	-
	At the End of the year			**5491200**	**7.23**
16.	**Groves Universal Group S.A**				
	At the beginning of the year	4100000	5.40		
	Increase / Decrease:	-	-	-	-
	At the End of the year			**4100000**	**5.40**
17.	**Smt. Raj Kumari Nanda**				
	At the beginning of the year	19998	0.03		
	Increase / Decrease:	-	-	-	-
	At the End of the year			**19998**	**0.03**
18.	**Mr. Santosh Chanana**				
	At the beginning of the year	4098	0.01		
	Increase / Decrease:	-	-	-	-
	At the End of the year			**4098**	**0.01**

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	**Investor Education and Protection Fund Authority**				
	At the beginning of the year	-	-	-	-
	Date of Increase : 30/11/2017	6756	0.00	6756	0.00
	15/12/2017	343267	0.46	350023	0.46
	19/12/2017	675	0.00	350698	0.46
	Reasons: Transfer to IEPFA pursuant to Section 124(6) of the Companies Act, 2013				
	At the End of the year			350698	0.46
2.	**Mr. Yash Paul Sabharwal**				
	At the beginning of the year	57000	0.07		
	Date of Decrease (Transfer):31/10/2017	(17000)	(0.02)	40000	0.05
	03/11/2017	(20000)	(0.03)	20000	0.03
	At the End of the year			20000	0.03
	Mr. Nitin Sabharwal				
	At the beginning of the year	-	-	-	-
	Date of Increase (Transfer):03/11/2017	20000	0.03	20000	0.03
	At the End of the year			20000	0.03
3.	**Mr. Samuel K. Abraham**				
	At the beginning of the year	18660	0.02		
	Date of Increase / (Decrease): N.A	-	-	-	-
	At the End of the year			18660	0.02
4.	**Hungerford Consultants Private Limited**				
	At the beginning of the year	17772	0.02		
	Date of Increase / (Decrease): N.A	-	-	-	-
	At the End of the year			17772	0.02
	Hanurang Projects Private Limited				
	At the beginning of the year	17772	0.02		
	Date of Increase / (Decrease): N.A	-	-	-	-
	At the End of the year			17772	0.02

5.	**Ms. Saroj Sabharwal**				
	At the beginning of the year	-	-	-	-
	Date of Increase (Transfer): 31/10/2017	17000	0.02	17000	0.02
	At the End of the year			17000	0.02
6.	**Mr. Arvind Sachdev**				
	At the beginning of the year	16684	0.02		
	Date of Increase / (Decrease): N.A	-	-		
	At the End of the year			16684	0.02
7.	**Mr. Prabodh Gupta**				
	At the beginning of the year	1200	0.00		
	Date of Increase (Transfer):24/11/2017	3600	0.00	4800	0.00
	15/12/2017	1800	0.00	6600	0.00
	22/12/2017	600	0.00	7200	0.01
	12/01/2018	9450	0.01	16650	0.02
	At the End of the year			16650	0.02
8.	**Mr. Ajay Kumar**				
	At the beginning of the year	18842	0.02		
	Date of Increase/(Decrease):15/09/2017	1995	0.00	20837	0.03
	15/12/2017	(5000)	0.00	15837	0.02
	Reasons: Transfer				
	At the End of the year			15837	0.02
9.	**Ms. Anju Gupta**				
	At the beginning of the year	14830	0.01		
	Date of Increase / (Decrease): N.A	-	-		
	At the End of the year			14830	0.01
10.	**Mr. Mahavir Surana**				
	At the beginning of the year	13458	0.01		
	Date of Increase / (Decrease): N.A	-			
	At the End of the year			13458	0.01

(V) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP(s)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	**Dr. Jyotsna Suri Chairperson & Managing Director**				
	At the beginning of the year	7247935	9.54		
	Date wise Increase / Decrease & Reasons:	-	-	-	-
	At the End of the year			**7247935**	**9.54**
2.	**Ms. Divya Suri Singh, Executive Director**				
	At the beginning of the year	1	0.00		
	Date wise Increase / Decrease & Reasons:	-	-	-	-
	At the End of the year			**1**	**0.00**
3.	**Ms. Deeksha Suri, Executive Director**				
	At the beginning of the year	1	0.00		
	Date wise Increase / Decrease & Reasons:	-	-	-	-
	At the End of the year			**1**	**0.00**
4.	**Mr. Keshav Suri, Executive Director**				
	At the beginning of the year	3880596	5.11		
	Date wise Increase / Decrease & Reasons:	-	-	-	-
	At the End of the year			**3880596**	**5.1**
5.	**Mr. Ramesh Suri, Director**				
	At the beginning of the year	1219998	1.60		
	Date wise Increase / Decrease & Reasons:	-	-	-	-
	At the End of the year			**1219998**	**1.60**
6.	**Mr. Dharam Vir Batra, Director**				
	At the beginning of the year	-	-		
	Date wise Increase / Decrease & Reasons:	-	-	-	-
	At the End of the year			-	-
	upto:14-08-2017*				
7.	**Mr. Lalit Bhasin, Director**				
	At the beginning of the year	-	-		
	Date wise Increase / Decrease & Reasons:	-	-	-	-
	At the End of the year			-	-
	Upto 06-09-2017*				
8.	**Dr. M.Y. Khan, Director**				
	At the beginning of the year	-	-		
	Date wise Increase / Decrease & Reasons:	-	-	-	-
	At the End of the year			-	-

9.	**Mr. Hanuwant Singh, Director**				
	At the beginning of the year	-	-		
	Date wise Increase / Decrease & Reasons:	-	-	-	-
	At the End of the year			-	-
	Upto 30-06-2017*				
10.	**Mr. Vinod Khanna, Director**				
	At the beginning of the year	-	-		
	Date wise Increase / Decrease & Reasons:	-	-	-	-
	At the End of the year			-	-
	Upto 27-04-2017*				
11.	**Mr. Vivek Mehra, Director**				
	w.e.f 21-07-2017**				
	At the beginning of the year	-	-		
	Date wise Increase / Decrease & Reasons:	-	-	-	-
	At the End of the year			-	-
12.	**Mr. Dhruv Prakash, Director**				
	w.e.f 21-07-2017**				
	At the beginning of the year	-	-		
	Date wise Increase / Decrease & Reasons:	-	-	-	-
	At the End of the year			-	-
13.	**Mr. Ranjan Mathai, Director**				
	w.e.f 29-08-2017**				
	At the beginning of the year	-	-		
	Date wise Increase / Decrease & Reasons:	-	-	-	-
	At the End of the year			-	-
14.	**Ms. Shovana Narayan, Director**				
	w.e.f 16-10-2017**				
	At the beginning of the year	-	-		
	Date wise Increase / Decrease & Reasons:	-	-	-	-
	At the End of the year			-	-
15.	**Mr. Madhav Sikka, Chief Financial Officer** At the beginning of the year	-	-		
	Date wise Increase / Decrease & Reasons:	-	-	-	-
	At the End of the year			-	-
	upto:24-03-2018*				
16.	**Mr. Sandeep Chandna, Company Secretary**				
	At the beginning of the year	-	-		
	Date wise Increase / Decrease & Reasons:	-	-	-	-
	At the End of the year			-	-
	upto:20-09-2017*				
17.	**Mr. Himanshu Pandey, Company Secretary**				
	w.e.f. 16-10-2017 **	-	-		
	Date wise Increase / Decrease & Reasons:	-	-	-	-
	At the End of the year			-	-

* Date of cessation
** Date of appointment

V. INDEBTEDNESS

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

(Amt. in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year :				
i) Principal Amount	1,11,926.87	5,362.73	-	1,17,289.60
(ii) Interest due but not paid	-	-	-	
(iii) Interest accrued but not due	912.24	-	-	912.24
Total (i+ii+iii)	1,12,839.11	5,362.73	-	1,18,201.84
Change in Indebtedness during the financial year :				
Addition	780.90	-	-	780.90
Reduction	-	419.38	-	419.38
Net Change	780.90	419.38	-	361.52
Indebtedness at the end of the financial year:				
i) Principal Amount	1,12,898.32	4,943.35	-	1,17,841.67
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	721.69			721.69
Total (i+ii+iii)	**1,13,620.01**	**4,943.35**	**-**	**1,18,563.36**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time- Directors and/or Manager:

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		Dr. Jyotsna Suri Chairperson & Managing Director	Ms. Divya Suri Singh Executive Director	Ms. Deeksha Suri Executive Director	Mr. Keshav Suri Executive Director	
1. (a)	Gross salary Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	76,16,580	65,28,498	65,28,498	65,28,498	**27,202,074**
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	**-**
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	**-**
2.	Stock Option	-	-	-	-	**-**
3.	Sweat Equity	-	-	-	-	**-**
4.	Commission - As % of profit- Others, specify	-	-	-	-	
5.	Others (PF)	7,83,420	6,71,502	6,71,502	6,71,502	**27,97,927**
	Total (A)	**84,00,000**	**72,00,000**	**72,00,000**	**72,00,000**	**3,00,00,000**
Overall ceiling as per the act		Remuneration to Executive Directors is in accordance with Schedule V of the Act				

B. Remuneration to other directors:

1. Independent Directors

Sl. No.	Particulars	Name of Director			
		(1) Mr. Lalit Bhasin *	(2) Dr. M.Y. Khan	(3) Mr. Hanuwant Singh **	(4) Mr. Vinod Khanna ***
1.	Fee for attending Board/ Committee meetings	1,40,000	4,80,000	90,000	Nil
2.	Commission	-	-	-	
3.	Others	-	-	-	
	Total	**1,40,000**	**4,80,000**	**90,000**	**Nil**

* Date of cessation-06-09-2017

** Date of cessation-30-06-2017 (Non Independent)

*** Date of cessation-27-04-2017

Sl. No.	Particulars	Name of Director				
		(5) Mr. Dhruv Prakash *	(6) Mr. Vivek Mehra **	(7) Mr. Ranjan Mathai ***	(8) Ms. Shovana Narayan ****	Total
1.	Fee for attending Board/ Committee meetings	3,30,000	2,60,000	1,50,000	50,000	15,00,000
2.	Commission					
3.	Others					
	Total - B (1)	**3,30,000**	**2,60,000**	**1,50,000**	**50,000**	**15,00,000**

* Date of appointment-21-07-2017
** Date of appointment-21-07-2017
*** Date of appointment-29-08-2017
**** Date of appointment-16-10-2017

B. 2. Other Non Executive Directors

Sl. No.	Particulars	Name of Director		
		Mr. Ramesh Suri	Mr. D. V. Batra **	Total
1.	Fee for attending Board/ Committee meetings	5,00,000	50,000	5,50,000
2.	Commission	—	—	—
3.	Others	—	—	—
	Total - B (2)	**5,00,000**	**50,000**	**5,50,000**
	Total (B) = B (1) + B(2)	—	—	**20,50,000**
	Total Managerial Remuneration (including sitting fees)	—	—	**20,50,000**
	Overall Ceiling as per the Act	—	—	*

* Overall ceiling as per the Act is not applicable to sitting fees paid to Non- Executive Directors.
** Date of cessation-14-08-2017

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD :

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Mr. Madhav Sikka (CFO) *(upto 24-03-2018)*	Mr.Himanshu Pandey (CS) *(w.e.f.16-10-2017)*	Mr. Sandeep Chandna(CS) *(upto 20-09-2017)*	
1.	Gross salary(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	54,51,120	17,94,012	10,99,162	**83,44,294**
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	—	—	—	—
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—	—	—
2.	Stock Option	—	—	—	—
3.	Sweat Equity	—	—	—	—
4.	Commission As % of profit Others, specify	—	—	—	—
5.	Others (PF)	2,74,384	99,379	53,266	4,27,029
	Total	**57,25,504**	**18,93,391**	**11,52,428**	**87,71,323**

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT / COURT)	Appeal made, if any.
A. COMPANY					
Penalty Punishment Compounding	No Penalties, Punishments or Compounding of Offences				
B. DIRECTORS					
Penalty Punishment Compounding	No Penalties, Punishments or Compounding of Offences				
C. OTHER OFFICERS IN DEFAULT					
Penalty Punishment Compounding	No Penalties, Punishments or Compounding of Offences				

Information as per Rules 5(2) & (3) of the Companies (Appointment And Remuneration of Managerial Personnel) Rules, 2014 as amended upto vide notification dated 30th June, 2016

S. No.	Employee Name	Designation	Remuneration	Nature of Employment	Qualification	Experience	Date of Commencement of Employment	Age (In years)	Last Employment	% of shares held in the Company	Whether related to any Director
A	**List of top ten employees in terms of remuneration drawn during the financial year 2017-18:**										
1	Dr. Jyotsna Suri	Chairperson & Managing Director	8,400,000	Contractual	English Honours from Miranda House College, Delhi University	29 years	11-Jan-89	65 yrs.	—	9.55%	Related to Ms. Divya Suri Singh, Ms. Deeksha Suri, Mr. Keshav Suri and Mr. Ramesh Suri
2	Ms. Divya Suri Singh	Executive -Director	7,200,000	Contractual	Bachelor's in Law from Kings College , London.	17 years	26-Aug-09	43 yrs.	Practicing Lawyer	0.00%	Related to Dr. Jyotsna Suri, Ms. Deeksha Suri and Mr. Keshav Suri. Mr. Ramesh Suri is also related being Paternal Uncle.
3	Ms. Deeksha Suri	Executive -Director	7,200,000	Contractual	Post Graduation in Diploma Business Management from the London School of Economics.	16 years	01-Sep-02	38 yrs.	—	0.00%	Related to Dr. Jyotsna Suri, Ms. Divy Suri Singh and Mr. Keshav Suri. Mr. Ramesh Suri is also related being Paternal Uncle.
4	Mr. Keshav Suri	Executive -Director	7,200,000	Contractual	Master's Degree in International Management from Kings College, London, Master's in Law Degree from School of African & Oriental Studies (SAOS), London.	11 years	01-Jul-07	33 yrs.	—	5.11%	Related to Dr. Jyotsna Suri, Ms. Divy Suri Singh and Ms. Deeksha. Mr. Ramesh Suri is also related being Paternal Uncle.
5	Mr. Anoop Kochroo	Executive Pilot	5,725,504	Service	Diploma in Aircraft Maintence	22 years	21-Dec-15	51 yrs.	Air Chartered Services Pvt. Ltd.	—	—
6	Mr. Madhav Sikka*	Chief Financial Officer	4,963,303	Service	Chartered Accountant	32 years	02-Apr-07	61 yrs.	India Today Group, New Delhi	—	—
7	Mr. Arun Kumar Sinha	Executive Pilot	5,080,755	Service	M.SC. (Defence Study)	38 years	01-Jun-10	59 yrs.	OSS Air Management, New Delhi	—	—
8	Mr. Vivek Shukla	General Manager Corporate Affairs and The LaLit New Delhi	4,460,793	Service	Diploma in Hotel Management from IHM, Mumbai	25 years	13-Apr-05	46 yrs.	Grand Hyatt, Mumbai	—	—
9	Mr. Sanjeev Sabarwal	Executive Pilot	4,149,521	Service	B.SC.	34 years	01-Jun-16	54 yrs.	Pinnacle Air Pvt. Ltd.		—
10	Mr. Piyush Kumar Rishi**	Executive Pilot	4,086,124	Service	B.SC.	41 years	02-Jan-14	62 yrs.	OSS Air Management, New Delhi	—	—

** Resigned w.e.f. 24-3-2018*
*** Resigned w.e.f. 31-3-2018*

B **Personnel who are in receipt of remuneration aggregating not less than Rs. 1,02,00,000 per annum and employed through out the financial year:** NIL
C **Personnel who are in receipt of remuneration aggregating not less than Rs. 8,50,000 per month and employed for part of the financial year:** NIL
D **Personnel who are in receipt of remuneration is in excess of MD or WTD and holds 2% or more shares of the Company himself or along with spouse or dependent Children:** NIL
Note: Remuneration comprises of Salary, Allowances and Company's contribution to Provident Fund.

ANNEXURE – VIII

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under Rule 8 (3) the Companies (Accounts) Rules, 2014

(A) CONSERVATION OF ENERGY

(a) The energy conservation measures adopted by the Company in respect of its various hotels are as follows:

i) Chilled water system changed from primary to secondary-primary system and divided by different Zone wise having VFD's for chilled water pumping systems in order to save the energy getting wasted by the conventional system.

ii) Light Fixtures having conventional halogen bulbs, CFL are being replaced by LED's resulting in electrical energy savings.

iii) For better comfort condition in guest rooms, other area, and replacement of analog thermostats by digital to saves the electrical energy.

(b) The implementation of Energy Conservation programme is as follows:

i) The Company continuously studies fuel and utility bills; measuring the results of tracking energy consumptions and the objectives of record keeping; having commitment to and accountability for energy conservation at all levels of the operations of all the hotels; making a walk-through inspection of the hotel to identify wasteful conditions; implementing changes in operating procedures by instructions to the staff regarding wasteful energy practices, setting realistic energy saving objectives.

ii) Energy conservation efforts are undertaken through planned Preventive Maintenance Programme. Each month the maintenance department compiles an energy consumption report for the hotel that is a valuable energy conservation tool. Discussions with regard to the same are held on a continuous basis to achieve better results.

iii) Internal energy audit's are carried out to balance total energy inputs with use to identify all of the energy streams into a facility and to quantify energy use according to discrete functions.

iv) As a result of the aforesaid measures, considerable saving in Electrical unit, PNG & HSD has been achieved. The Company continues to make all efforts to keep consumption at optimum level.

(B) TECHNOLOGY ABSORPTION

i) The Company has adopted the worldwide standards with regard to uniform accounting system. Hotel's entire operation both front of the house and back of the house is fully computerised. To ensure the security of the guests and property as such, all the hotels have installed within the premises a Closed Circuit Security Surveillance System.

The Company has adopted the latest technology especially with regard to Engineering Design Standards to ensure against the hazards of fire and the life.

The Company has made successful efforts to adopt latest human resource development techniques which are being used extensively to motivate and train staff and to ensure that the standards are constantly met and continuously further improved.

The Company as part of continual product upgradation, has installed new Telephone Exchanges, which are specially designed for Hotels and are considered to be the latest in the world. This has resulted into more efficient and improved service to the Hotel Guests.

The Company as part of continual product upgradation, is upgrading electrical installation of hotels, to receive incentive for maintaining higher power factor above 0.95

The Company as part of product upgradation has already installed state of the art Reverse Osmoses system to provide best quality of portable water to the hotel Guests.

The hotel is continuously innovating by implementing new ideas, upgrading or replacing existing equipment with more energy efficient version with a view to enhance the facilities that can be enjoyed by its guests.

The company has made successful efforts to use renewable energy in, operating hotel by using 260,000 units generated by wind mills, also looking at options of harnessing solar power.

ii) As a result of the effective utilisation of technological resources, the Company has been able to achieve high level of customer's satisfaction, operational efficiency and development of variety of standards and skills in a short span of time after having become operational.

iii) The Company has acquired a variety of International standards and skills especially with regard to the facilities offered to the guests, fire safety systems, life safety standards and more importantly the service standards. In addition to the above, the Company is constantly developing:

- Training modules which develop and fine-tune employee's skills with regard to leadership, communication, supervision and general management.
- Hands on Culinary Skills Training for specialised cuisines, focusing on hygiene, foods preparation and food service.
- Assistance with setting up minimum standards of operations, in terms of quality of service and facilities provided in a hotel.
- Company has installed state of the art technology VRF for Guest Room, Public Area Air Conditioning.
- Company has installed state of the art technology Heat Pumps for reducing dependence on fossil fuel (HSD) to generate hot water and to have free chilled water for cooling in installed existing Air Conditioning System.
- Company is as part of product up gradation plan is, already replacing all the hot and cold water pipe lines of the properties.
- Company is as part of product up gradation plan is planning to upgrade existing old Building Management System with State of the art technology Integrated Building Management System.

(C) FOREIGN EXCHANGE EARNING AND OUTGO:

(Rs. in Lacs)

Particulars	**Financial Year**	
	2017-2018	2016-2017
CIF Value of Imports	**245.98**	210.09
Expenditure in Foreign Currency	**1,489.93**	1,565.26
Earnings in Foreign Exchange	**10,166.83**	10,357.64

Walker Chandiok & Co LLP

Walker Chandiok & Co LLP
(Formerly Walker, Chandiok & CO)
L-41 Connaught Circus
New Delhi 110001
India

T +91 11 4278 7070
F +91 11 4278 7071

Independent Auditor's Report

To the Members of Bharat Hotels Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Bharat Hotels Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2018, 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 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 financial statements that give a true and fair view of the state of affairs (financial position), Profit or Loss (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 Indian Accounting Standards('Ind AS') as notified under Companies (Indian Accounting Standards) Rule, 2015, as amended, as specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

Auditor's Responsibility

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

4. We have taken into account the provisions of the Act, 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 in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other mandatory announcements. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these standalone 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the 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 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 these standalone 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 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 including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2018, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The financial statements of the Company for the year ended 31 March 2017, were audited by predecessor auditor who expressed an unmodified opinion vide its report dated 21 July 2017. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

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

11. 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 purpose 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 standalone financial statements dealt with by this report are in agreement with the books of account;

    d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act;

    e) on the basis of written representation received from the directors, to be read with note 60 of the financial statements, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018, from being appointed as a director in terms of Section 164(2) of the Act.

    f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2018, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 22 June 2018, as per Annexure II expressed an unmodified opinion.

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

        i. The Company, as detailed in Note 60 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position;

        ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

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

iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016 which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sd/-
per **Ashish Gupta**
Partner
Membership No.: 504662

Place: New Delhi
Date: 22nd June 2018

Annexure I to the Independent Auditor's Report of even date to the members of Bharat Hotels Limited on the standalone financial statements for the year ended 31 March 2018

Annexure I

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties which are included under the head 'Property, plant and equipment' are held in the name of the Company.

(ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.

(iii) The Company has granted loan to two companies and an entity and unsecured interest bearing loan to two companies covered in the register maintained under Section 189 of the Act; and with respect to the same:

(a) in our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the Company's interest.

(b) the schedule of repayment of principal and payment of interest has been stipulated and the principal amount along with the interest amount are not due for repayment currently.

(c) there is no overdue amount in respect of loans granted to such companies and other parties.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act, 2013 to the extent applicable in respect of loans and advances given, investments made, guarantees and securities given have been complied by the Company.

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, goods and services tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) The dues outstanding in respect of income-tax, sales-tax,service-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Statement of Disputed Dues.

Name of the statute	Nature of dues	Amount (₹)	Amount paid under Protest (₹)	Financial Year to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax	35,681,401	29,882,172	2004-05 to 2011-12	Customs, Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	3,445,176	3,445,176	2009-10 to 2010-11	Hon'ble High Court of Kerala
Kerela VAT Act, 2003	Work contract tax	2,935,130	880,539	2007-08 - 2009-10	Deputy Commissioner of Appeals
Custom Act, 1962	Custom Act	96,805,372	Nil	2006-07	Customs, Excise and Service Tax Appellate Tribunal
Urban Development Act	Urban Development tax	18,020,991	2,500,000	2007-08 to 2015-16	Hon'ble High Court of Rajasthan, Jodhpur
Central Excise Act, 1944	Excise Duty	781,080	781,080	2006-08	Customs, Excise and Service Tax Appellate Tribunal
Maharashtra Value Added Tax, 2002	Value Added Tax	6,243,814	711,000	2005-06, 2007-08 and 2010-11	Commissioner Appeals
Maharashtra Value Added Tax, 2002	Value Added Tax	5,088,163	846,852	2006-07, 2008-09 and 2009 -10	Maharashtra Sales Tax Tribunal
Income Tax Act, 1961	Income Tax	277,815,322	277,815,322	1997-2007, 2008-09, 2010-12	Hon'ble High Court of Delhi
Income Tax Act, 1961	Income Tax	24,387,086	24,387,086	2008-09, 2014-16	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	1,770,799	1,770,799	2012-14	Income Tax Appellate Tribunal

(viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution during the year. The Company did not have any outstanding debentures and loan from government during the year.

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained.

(x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit except for the instance of misappropriation of funds by certain employees of the Company amounting to Rs 30.51 lacs relating to Loyalty Programme at one of the hotels of the Company and the omission in/manipulation of the books of accounts of the aforesaid amount. We are informed that the Company has completed its investigation and has filed an FIR. Further, the Company has also terminated the services of such employees.

(xi) Managerial remuneration has been paid by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

(xiii) In our opinion, all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable Ind AS.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

(xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

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

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sd/-
per **Ashish Gupta**
Partner
Membership No.: 504662

Place: New Delhi
Date: 22nd June 2018

Annexure II to the Independent Auditor's Report of even date to the members of Bharat Hotels Limited on the standalone financial statements for the year ended 31 March 2018

Annexure II

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

1. In conjunction with our audit of the standalone financial statements of Bharat Hotels Limited ('the Company') as at and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note 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 IFCoFR were 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 IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, 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 IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR include 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 IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR 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, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2018, based on the internal control over financials reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sd/-
per **Ashish Gupta**
Partner
Membership No.:504662

Place:New Delhi
Date: 22nd June 2018

STANDALONE BALANCE SHEET AS AT 31 MARCH 2018

(All amounts Rs in Lacs)

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017
ASSETS			
Non-Current Assets			
a) Property, plant and equipment	2	120,863.51	121,813.39
b) Capital work-in-progress		18,793.85	14,939.28
c) Other intangible assets	3	190.34	78.51
d) Financial assets			
(i) Investments	4	81,709.21	42,909.79
(ii) Loans	5	13,913.47	36,410.72
(iii) Other non current financial assets	6	1,184.59	1,351.49
e) Non-current tax assets (net)	8	4,396.08	3,639.69
f) Other non-current assets	7	5,527.43	5,096.59
Total non current assets		**246,578.48**	**226,239.46**
Current Assets			
a) Inventories	9	1,557.34	1,653.62
b) Financial assets			
(i) Trade receivables	10	5,559.87	4,371.58
(ii) Cash and cash equivalents	11	1,923.51	6,597.89
(iii) Other bank balances	12	1,192.89	1,056.59
(iv) Loans	13	104.68	109.55
(v) Other current financial assets	14	1,640.47	11,578.97
c) Other current assets	15	1,555.70	2,098.23
Assets classified as held for sale	16	20.00	1,638.77
Total current assets		**13,554.46**	**29,105.20**
Total assets		**260,132.94**	**255,344.66**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	17	7,599.12	7,599.12
b) Other Equity	18	102,522.97	100,373.18
Total Equity		**110,122.09**	**107,972.30**
Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	19	102,754.11	95,865.89
(ii) Other non current financial liabilities	20	450.66	449.82
b) Provisions	21	916.61	766.65
c) Deferred tax liabilities (net)	22	12,591.95	12,731.77
d) Other non-current liabilities	23	3,474.97	3,594.81
Total non current liabilities		**120,188.30**	**113,408.94**

(All amounts Rs in Lacs)

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017
Current liabilities			
a) Financial liabilities			
(i) Borrowings	24	10,801.53	16,868.85
(ii) Trade payables	25	7,348.48	4,833.40
(iii) Other current financial liabilities	26	7,559.90	8,416.01
b) Provisions	27	839.83	716.00
c) Other current liabilities	28	3,272.81	3,129.16
Total current liabilities		**29,822.55**	**33,963.42**
Total equity and liabilities		**260,132.94**	**255,344.66**
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration Number: 001076N/N500013

Sd/-
per **Ashish Gupta**
Partner
Membership No. 504662

For and on behalf of the Board of Directors of
Bharat Hotels Limited

Sd/-
Dr. Jyotsna Suri
Chairperson and
Managing Director
DIN-00004603

Sd/-
Divya Suri Singh
Executive Director
DIN-00004559

Place : New Delhi
Date : 22nd June, 2018

Sd/-
Urmila Khurana
Chief Financial Officer

Sd/-
Himanshu Pandey
Head - Legal and
Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts Rs in Lacs)

Particulars	Notes	For the year ended 31 March 2018	For the year ended 31 March 2017
Revenue			
Revenue from operations	29	63,859.72	57,477.98
Other income	30	692.23	795.20
Total income		**64,551.95**	**58,273.18**
Expenses			
Cost of food and beverages consumed	31	7,635.99	6,751.18
Purchase of traded goods		55.74	74.60
Change in inventories of traded goods	32	5.32	(23.65)
Excise duty on sale of food		5.81	31.84
Employee benefits expense	33	11,336.56	10,197.09
Other expenses	34	26,637.33	23,477.78
Total expenses		**45,676.75**	**40,508.84**
Earnings before interest, tax, depreciation and amortisation (EBITDA)		**18,875.20**	**17,764.34**
Finance income	35	2,285.67	4,262.43
Finance costs	36	12,107.22	11,418.47
Depreciation and amortisation expense	37	5,178.94	5,087.79
Profit before exceptional items, share of net profits of investments accounted for using equity method and tax		**3,874.71**	**5,520.51**
Profit before tax and exceptional items		**3,874.71**	**5,520.51**
Tax expense:	40		
Current tax		859.04	1,259.54
Deferred tax (credit)/charge		77.49	1,851.28
Minimum alternate tax (MAT) credit		(185.78)	(1,259.54)
Total tax expense		**750.75**	**1,851.28**
Profit for the year		**3,123.96**	**3,669.23**
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent years			
i) Remeasurements of the net defined benefit plans - Actuarial Gain or Loss		(91.08)	(10.83)
Income tax effect		31.52	3.75
		(59.56)	**(7.08)**
Net other comprehensive income that will not be reclassified to profit or loss in subsequent years		**(59.56)**	**(7.08)**

(All amounts Rs in Lacs)

Particulars	Notes	For the year ended 31 March 2018	For the year ended 31 March 2017
Total comprehensive income for the year, net of tax		**3,064.40**	**3,662.15**
Earnings per equity share			
1) Basic, attributable to equity holders of the parent	41	4.11	4.83
2) Diluted, attributable to equity holders of the parent	41	4.11	4.83
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration Number: 001076N/N500013

Sd/-
per **Ashish Gupta**
Partner
Membership No. 504662

For and on behalf of the Board of Directors of Bharat Hotels Limited

Sd/-
Dr. Jyotsna Suri
Chairperson and Managing Director
DIN-00004603

Sd/-
Divya Suri Singh
Executive Director
DIN-00004559

Place : New Delhi
Date : 22nd June, 2018

Sd/-
Urmila Khurana
Chief Financial Officer

Sd/-
Himanshu Pandey
Head - Legal and Company Secretary

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts Rs in Lacs)

	Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
A	**Cash flow from operating activities**		
	Profit before tax	3,874.71	5,520.51
	Non-cash adjustments to reconcile profit before tax to net cash flows:		
	Depreciation and amortisation expenses	5,178.94	5,087.79
	Bad debts, advances and other balances written off	335.81	158.48
	Provision for doubtful debts	110.12	206.18
	Provision for doubtful advances	10.00	166.71
	Excess provision/ credit balances written back	(446.68)	(424.05)
	Loss on sale of property, plant and equipment (net)	4.65	18.15
	Unwinding of discount on security deposits	(34.89)	(24.78)
	Amortisation of deferred lease rent	(37.16)	67.31
	Interest Income	(2,250.78)	(4,188.89)
	Interest expense	12,107.22	11,418.47
	Assets held for sale reduced to net realisable value	-	10.00
	Government grant income	(36.69)	(47.80)
	Unrealised foreign exchange loss/(gain)	53.18	(230.38)
	Operating profit before working capital changes:	**18,868.43**	**17,737.70**
	Movements in working capital:		
	Decrease in other financial and other assets	1,605.72	4,838.83
	(Increase) in trade receivable	(1,314.98)	(628.80)
	Decrease in inventories	96.28	110.83
	Increase in trade payable	2,961.77	1,247.09
	Increase in other current and non-current liabilities	785.20	514.29
	Cash generated from operations	**23,002.42**	**23,819.94**
	Tax paid (net)	(1,615.43)	(1,245.27)
	Net cash flow from operating activities (a)	**21,386.99**	**22,574.67**
B	**Cash flow from investing activities**		
	Purchase of property, plant and equipment	(5,519.08)	(4,622.61)
	Proceeds from sale of property, plant and equipment	23.59	115.29
	Loans to subsidiaries	(6,356.90)	(19,422.97)
	Interest received and finance lease income	531.85	403.38
	Proceeds from/(investment in) bank deposits (net)	37.78	(681.91)
	Net Cash flow (used in) investing activities (b)	**(11,282.76)**	**(24,208.82)**
C	**Cash flow from financing activities**		
	Proceeds from long term borrowings	11,693.12	22,401.91
	Repayment of long term borrowings	(5,741.65)	(3,057.96)
	Repayment of short term borrowings, net	(6,123.65)	(510.19)
	Interest paid	(12,857.93)	(11,594.51)
	Dividend paid	(759.91)	(569.93)
	Tax on dividend paid	(154.70)	(116.03)
	Net Cash flow (used in)/from financing activities (c)	**(13,944.72)**	**6,553.29**

(All amounts Rs in Lacs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Net (decrease)/increase in cash and cash equivalents	**(3,840.49)**	**4,919.14**
Cash and cash equivalents at the beginning of the year	**5,666.19**	**747.05**
Cash and cash equivalents at the end of the year	**1,825.70**	**5,666.19**
Components of cash and cash equivalents		
Balances with banks:-		
On current accounts	1,700.49	6,368.91
On EEFC Accounts	51.55	69.67
Deposits with original maturity of less than three months	23.57	11.25
Cheques/drafts on hand	48.16	89.16
Cash on Hand	99.74	58.90
Less: Book Overdraft	(97.81)	(931.70)
	1,825.70	**5,666.19**

Notes:
1. The figures in bracket indicates outflows.
2. The cash flow has been prepared under the "Indirect method" as set out in Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows

See accompanying notes to the financial statements.

As per our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration Number: 001076N/N500013

Sd/-
per **Ashish Gupta**
Partner
Membership No. 504662

For and on behalf of the Board of Directors of Bharat Hotels Limited

Sd/-
Dr. Jyotsna Suri
Chairperson and Managing Director
DIN-00004603

Sd/-
Divya Suri Singh
Executive Director
DIN-00004559

Place : New Delhi
Date : 22nd June, 2018

Sd/-
Urmila Khurana
Chief Financial Officer

Sd/-
Himanshu Pandey
Head - Legal and Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

A. Equity share capital

(All amounts Rs in Lacs)

	Notes	As at March 31, 2018	As at March 31, 2017
As at beginning of the year	17	7,599.12	7,599.12
Change during the year		-	-
As at end of the year	17	7,599.12	7,599.12

B. Other equity

(All amounts Rs in Lacs)

	Attributable to equityholders of Bharat Hotels Limited				
	Reserves and Surplus (Note 18)				
	Securities Premium Reserve	Retained Earnings*	General Reserve	Capital Reserve	Total Other Equity
For the year ended 31 March 2017					
As at 1 April 2016	29,034.73	48,573.60	8,503.61	11,285.05	**97,396.99**
Profit for the year	-	3,669.23		-	**3,669.23**
Other comprehensive income (net of tax)	-	(7.08)	-	-	**(7.08)**
Total comprehensive income	**-**	**3,662.15**	**-**	**-**	**3,662.15**
Cash dividends (Refer note 50)		(569.93)			**(569.93)**
Tax on distribution of equity dividend		(116.03)			**(116.03)**
As at March 31, 2017	**29,034.73**	**51,549.79**	**8,503.61**	**11,285.05**	**100,373.18**
For the year ended 31 March 2018					
As at 1 April 2017	29,034.73	51,549.79	8,503.61	11,285.05	**100,373.18**
Profit for the year	-	3,123.96	-	-	**3,123.96**
Other comprehensive income (net of tax)	-	(59.56)	-	-	**(59.56)**
Total comprehensive income	**-**	**3,064.40**	**-**	**-**	**3,064.40**
Cash Dividends (Refer note 50)		(759.91)			**(759.91)**
Tax on distribution of equity dividend		(154.70)			**(154.70)**
As at March 31, 2018	**29,034.73**	**53,699.58**	**8,503.61**	**11,285.05**	**102,522.97**

As per our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration Number: 001076N/N500013

Sd/-
per **Ashish Gupta**
Partner
Membership No. 504662

Place : New Delhi
Date : 22nd June, 2018

For and on behalf of the Board of Directors of
Bharat Hotels Limited

Sd/-
Dr. Jyotsna Suri
Chairperson and Managing Director
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Divya Suri Singh
Executive Director
DIN-00004559

Sd/-
Urmila Khurana
Chief Financial Officer

Sd/-
Himanshu Pandey
Head - Legal and Company Secretary

NOTES TO THE STANDALONE FINANCIALS STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1. i) **Corporate Information**

Bharat Hotels Limited, ('the Company') is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in the business of hospitality services. The Company has its principal place of business located at Barakhamba Lane, New Delhi -110001.

The standalone financial statements were authorised for issue in accordance with a resolution of the directors on 22 June 2018.

ii) **Basis of Preparation**

The financial statements have been prepared by the management in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The financial statements have been prepared by the management on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),
- Property, plant and equipment and intangible assets have been carried at deemed cost (which includes revalued amount of land and building at certain locations) on the date of transition using the optional exemption allowed under Ind AS 101

The standalone financial statements are presented in INR and all values are rounded to the nearest lacs (INR 00,000), except when otherwise indicated.

iii) **Recent accounting developments**

Ind AS 115- Revenue from Contract with Customers

On 28 March 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, 'Revenue from Contract with Customers'. The core principle of the new standard is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors•

Retrospectively with cumulative effect of initially applying the standard recognised at the date of initial application (Cumulative catch - up approach)

The effective date for adoption of Ind AS 115 is financial periods beginning on or after 1 April 2018. The Company will adopt the standard on 1 April 2018, by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended 31 March 2018, will not be retrospectively adjusted. The Company is in the process of evaluating the impact of this adjustment.

Amendment to Ind AS 12

The amendment to Ind AS 12 requires the entities to consider restriction in tax laws in sources of taxable profit against which entity may make deductions on reversal of deductible temporary difference (may or may not have arisen from same source) and also consider probable future taxable profit. The Company is evaluating the requirements of the amendment and its impact on the financial statements.

Appendix B to Ind AS 21, foreign currency transactions and advance consideration:

On 28 March 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, 'Foreign currency transactions and advance consideration', which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from 1 April 2018. The Company has evaluated the effect of this on the financial statements and the impact is not material.

iv) Significant Accounting Policies

a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

b) Property, Plant and Equipment

Recognition and initial measurement

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

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight-line method using the rates arrived on the basis of the useful life which coincides with the useful life prescribed under Schedule II of the Companies Act, 2013. The identified components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

Leasehold buildings are amortised on a straight line basis over the unexpired period of lease or useful life, whichever is lower.

Non RCC structures for conference halls are depreciated over the period of eight years or their estimated useful life, whichever is lower.

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

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

c) Intangible Assets

Recognition and initial measurement

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

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

Subsequent measurement

The Company has capitalised computer software in the nature of software licenses as intangible assets and the cost of software is amortised over the license period or three years, being their expected useful economic life, whichever is lower.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

d) 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. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of 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. In any case, this growth rate does not exceed the long-term average growth rate for the market in which the asset is used.

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

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

The impairment assessment for all assets 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.

e) Foreign Currencies

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

f) Fair Value Measurement

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

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

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

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

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

BHL uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

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

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- o Disclosures for valuation methods, significant estimates and assumptions
- o Quantitative disclosures of fair value measurement hierarchy
- o Investment in unquoted equity shares
- o Financial instruments

g) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The Company applies the revenue recognition criteria to each separately identifiable component of the sales transaction as set out below:

Revenue from hotel operations:

Revenue from hotel operations comprise sale of rooms and apartments, food and beverages, liquor and wine, banquet rentals and other services relating to hotel operations including telecommunication, laundry, business centre, health centre etc. Revenue is recognised as and when the services are rendered and is disclosed net of allowances.

Aircraft charter:

Revenue from hiring of the aircraft is recognised as and when services are rendered.

Rent:

Income from rent is recognised over the period of the contract on straight line basis. Initial direct cost is expensed off when incurred.

Maintenance charges:

Amounts collectible as maintenance charges are recognised over the period of the contract, on an accrual basis. Corresponding costs are recorded as incurred.

Membership programme:

Membership revenue is recognised pro rata over the period of the membership term. Joining fee is recorded as income on sale of membership card.

Loyalty points programme:

The Company operates a Lalit loyalty points programme, Lalit Connect, Lalit Plus, Lalit Engage, which allows customers to accumulate points when they stay in the hotels of the Company. The points can be redeemed for free stay, subject to a minimum number of points being obtained. The fair value of the points issued is deferred and recognised as revenue when the points are redeemed.

Sale of goods (Trading goods)

Revenue is recognised when all significant risks and rewards of ownership of the goods have passed to the buyer and is disclosed net of taxes collected by the Company on behalf of the government.

Interest Income:

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

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

Commission Income:

Income is recognised when right to receive payment is established by the terms of the contract.

Consultancy / Management fee:

Consultancy / Management fee is recognised on accrual basis when right to receive payment is established by the terms of the contract.

Dividend income

Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

h) Borrowing Costs

Borrowing cost includes interest expense as per Effective Interest Rate (EIR).

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

i) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

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

- Debt instruments at amortised cost
- Equity instruments at fair value through profit or loss (FVTPL)

Debt instruments at amortised cost

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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 in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade, security deposits and other receivables.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

Derecognition

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

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

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

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Lease receivables under Ind AS 17

c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

d) Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates the following provision matrix at the reporting date, except to the individual cases where recoverability is certain:

	Less than or equal to 365 days	More than 365 days
Default rate	0%	100%

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for financial instruments is described below:

- Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

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

Subsequent measurement

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

Loans and borrowings

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

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.This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantees issued by the Company on behalf of group companies are designated as 'Insurance Contracts'. The Company assess at the end of each reporting period whether its recognised insurance liabilities (if any) are adequate, using current estimates of future cash flows under its insurance contracts.

Derecognition

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

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in P&L
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to P&L at the reclassification date

Offsetting of financial instruments

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

j) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. The Company has no obligation other than the contribution payable to the Provided Fund.

The Company operates a defined benefit gratuity plan in India.The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Other Employee Benefits

Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method. Actuarial gains or losses are recognized in the statement of profit and loss. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

k) Provisions

Provisions

General

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

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

l) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

m) Leases

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

Company as a Lessee

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

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss. Contingent rentals are recognised as expenses in the periods in which they are incurred. Lease management fees, legal charges and other initial direct costs are capitalised.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, except in case where lease rentals are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. 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.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

n) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of deductible temporary differences associated with investments in subsidiaries and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

o) Non-current assets held for sale

The Company classifies non-current assets and disposal groups as held for sale/ distribution to owners if their carrying amounts will be recovered principally through a sale/ distribution rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales/ distribution of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset highly probable when:

o The appropriate level of management is committed to a plan to sell the asset (or disposal group),

o An active programme to locate a buyer and complete the plan has been initiated (if applicable),

o The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,

- o The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- o Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

p) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Stores and spares inventory comprises cutlery, crockery, linen, other store items food and beverage, liquor and wine items in hand: Cost is determined on first in first out basis. Circulating stock of crockery and cutlery issued for more than two months is charged to the profit and loss account as consumption.

Trading goods: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a first in first out basis.

Net realizable value is the estimated selling price in the ordinary course of the business, less estimated costs necessary to make the sale.

Inventory of food and beverage items in hand includes items used for staff cafeteria and is charged to consumption, net of recoveries, when issued.

q) Government grants and subsidies

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual installments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

r) Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note 42. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

s) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) [Chairperson and Chief Financial Officer].

Identification of segments:

In accordance with Ind AS 108– Operating Segment, the operating segments used to present segment information are identified on the basis of information reviewed by the Company's CODM to allocate resources to the segments and assess their performance. An operating segment is a component of the Company that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Company's other components. Results of the operating segments are reviewed regularly by the CODM [Chairperson and Chief Financial Officer, which has been identified as the CODM], to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

Allocation of common costs:

Common allocable costs are allocated to each segment accordingly to the relative contribution of each segment to the total common costs.

Unallocated items:

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

t) 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.

u) Measurement of EBITDA

The Company has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the statement of profit and loss. The company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Company excludes depreciation and amortisation expense, interest income, finance costs, and tax expense from the profit/(loss) from continuing operations.

v) Cash dividend distribution to equity holders

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

(All amounts Rs in Lacs)

Note 2 : PROPERTY, PLANT & EQUIPMENT

Particulars	Freehold land	Freehold Building	Leasehold Building	Plant and Machinery	Office equipments	Furniture and Fixtures	Computers	Aircrafts	Vehicles	Total
Cost or valuation										
For the year ended 31 March 2017										
Gross carrying amount										
As at 01 April 2016	36,245.15	18,054.68	40,828.54	16,271.30	226.98	2,657.49	315.90	4,896.44	559.01	120,055.49
Additions for the year	-	47.85	7,100.08	3,869.27	55.08	497.16	324.00	48.45	43.18	11,985.07
Exchange differences	-	-	(131.05)	-	-	-	-	-	-	(131.05)
Disposals	-	(75.74)	(10.10)	(117.31)	(6.38)	(251.05)	(20.28)	-	(47.26)	(528.12)
Gross carrying amount as at 31 March 2017	36,245.15	18,026.79	47,787.47	20,023.26	275.68	2,903.60	619.62	4,944.89	554.93	131,381.39
Accumulated depreciation										
As at 01 April 2016	-	341.29	752.66	2,673.43	38.21	655.28	111.39	316.96	42.18	4,931.40
Depreciation charge for the year	-	341.98	781.58	2,805.40	57.49	540.45	101.02	319.10	84.26	5,031.28
Disposals	-	-	(10.10)	(81.28)	(5.94)	(232.80)	(19.37)	-	(45.19)	(394.68)
Closing accumulated depreciation	-	683.27	1,524.14	5,397.55	89.76	962.93	193.04	636.06	81.25	9,568.00
Net carrying amount as at 31 March 2017	36,245.15	17,343.52	46,263.33	14,625.71	185.92	1,940.67	426.58	4,308.83	473.68	121,813.39
For the year ended 31 March 2018										
Gross carrying amount										
As at 01 April 2017	36,245.15	18,026.79	47,787.47	20,023.26	275.68	2,903.60	619.62	4,944.89	554.93	131,381.39
Additions for the year	-	39.62	823.87	880.60	93.86	213.76	155.87	106.79	310.14	2,624.51
Exchange differences	-	-	26.31	-	-	-	-	-	-	26.31
Transferred from assets held for sale (Refer note 58)	1,538.37	-	-	-	-	-	-	-	-	1,538.37
Adjustments	-	-	498.17	(197.78)	10.89	(189.02)	(148.82)	-	-	(26.56)
Disposals	-	-	(5.25)	(49.37)	(67.11)	(17.46)	(28.17)	-	(61.32)	(228.68)
Gross carrying amount as at 31 March 2018	37,783.52	18,066.41	49,130.57	20,656.71	313.32	2,910.88	598.50	5,051.68	803.75	135,315.34
Accumulated depreciation										
As at 01 April 2017	-	683.27	1,524.14	5,397.55	89.76	962.94	193.03	636.05	81.25	9,567.99
Depreciation charge for the year	-	342.71	885.28	2,780.82	67.78	431.10	140.90	322.09	113.60	5,084.28
Disposals	-	-	(5.25)	(38.84)	(64.20)	(11.36)	(23.80)	-	(56.99)	(200.44)
Closing accumulated depreciation	-	1,025.98	2,404.17	8,139.53	93.34	1,382.68	310.13	958.14	137.86	14,451.83
Net carrying amount as at 31 March 2018	37,783.52	17,040.43	46,726.40	12,517.18	219.98	1,528.20	288.37	4,093.54	665.89	120,863.51

a. Capitalised borrowing costs

The borrowing cost capitalized during the year ended 31 March 2018, was Rs. 1,173.26 lacs (net of interest earned Rs. 5.69 lacs) (31 March 2017: Rs. 1,413.28 lacs (net of interest earned Rs. 5.34 lacs). The Company capitalized this borrowing cost to the capital work-in-progress. (Refer note 38).

b. Assets under construction

Capital work in progress as at 31 March 2018, comprises expenditure for the hotels in the course of construction. Total amount of CWIP is Rs. 18,793.85 lacs (31 March 2017: Rs. 14,939.28 lacs).

c. Reconciliation of the carrying amount of portion of own use building at the beginning and end of the year*:

Particulars	As at 31 March 2018	As at 31 March 2017
Gross block	2,646.86	2,646.86
Accumulated depreciation	578.50	534.10
Depreciation for the year	44.40	44.40
Net book value	2,068.36	2,112.76

* The Building is predominantly used by the Company for its own purpose, however, lets out a portion of the property on a short term basis

d. Depreciation charge for the year includes Rs. 0.01 lacs (31 March 2017: Rs. 25.99 lacs) transferred to Preoperative expenditure pending allocation under note 38.

Note:

Certain property, plant and equipment are pledged against borrowings, the details related to which have been described in the Note 19 and 24 on borrowings.

Refer note 37 for the depreciation and amortisation expense.

(All amounts Rs in Lacs)

Note 3 : INTANGIBLE ASSETS

Particulars	Software
For the year ended 31 March 2017	
Gross carrying amount	
As at 01 April 2016	342.97
Additions for the year	32.12
Disposals	(0.99)
Gross carrying amount as at 31 March 2017	**374.10**
Accumulated depreciation	
As at 01 April 2016	214.03
Depreciation charge for the year	82.50
Disposals	(0.94)
Closing accumulated depreciation	**295.59**
Net carrying amount as at 31 March 2017	**78.51**
For the year ended 31 March 2018	
Gross carrying amount	
As at 01 April 2017	374.10
Additions for the year	179.99
Adjustments	26.56
Disposals	(0.80)
Gross carrying amount as at 31 March 2018	**579.85**
Accumulated depreciation	
As at 01 April 2017	295.60
Depreciation charge for the year	94.67
Disposals	(0.76)
Closing accumulated depreciation	**389.51**
Net carrying amount as at 31 March 2018	**190.34**

(All amounts Rs in Lacs)

Note 4 : INVESTMENTS	As at 31 March 2018	As at 31 March 2017
Investments at Cost		
Unquoted equity shares of subsidiary companies		
727,832 (31 March 2017: 727,832) equity shares of Rs. 10 each fully paid up in Apollo Zipper India Limited (Refer note 51 & 57(b))	5,213.08	5,213.08
62,998 (31 March 2017: 62,998) equity shares of Rs. 100 each fully paid up in Jyoti Limited (Refer note 51 & 57(a))	3,107.89	3,107.89
3,984,000 (31 March 2017: 3,984,000) equity shares of Rs. 100 each fully paid up in Prime Cellular Limited (Refer note 51 & 57(c))	3,984.00	3,984.00
3,010,000 (31 March 2017: 3,010,000) equity shares of Rs. 10 each fully paid up in Prima Buildwell Private Limited (Refer note 51 & 57(d))	301.00	301.00
Less: Provision for diminution in the value of investment in Prima Buildwell Private Limited (Refer note 51)	(301.00)	(301.00)
Deemed investment in subsidiary companies		
Investment in the form of interest free loan to Apollo Zipper India Limited (Refer note 51 & 57(b))	32,185.13	30,134.49
Investment in the form of interest free loan to Kujjal Builders Private Limited (Refer note 51 & 59)	36,748.78	-
Investment in the form of interest free loan to Jyoti Limited (Refer note 51 & 57(a))	466.73	466.73
Investments at fair value through P&L		
Unquoted equity shares		
36,000 (31 March 2017: 36,000) equity shares of Rs. 10 each fully paid up in Green Infra Wind Power Generation Limited	3.60	3.60
	81,709.21	**42,909.79**
Aggregate value of unquoted investments	**82,010.21**	**43,210.79**
Aggregate value of impairment in value of investments	**301.00**	**301.00**

(All amounts Rs in Lacs)

Note 5 : LOANS	As at 31 March 2018	As at 31 March 2017
(Unsecured, considered good unless otherwise stated)		
Loans to related parties		
Subsidiary companies		
—Loans to subsidiary companies (Refer note 51 & 57(a,b,c & d))	8,722.07	32,894.02
—Considered Doubtful	529.02	529.02
	9,251.09	**33,423.04**
Less: Provision for doubtful advances	(529.02)	(529.02)
	8,722.07	**32,894.02**
Entity controlled by the Company	4,586.39	3,016.67
	4,586.39	**3,016.67**
Total	**13,308.46**	**35,910.69**
Security deposits at amortised cost	605.01	500.03
	13,913.47	**36,410.72**

Note 6 : OTHER NON CURRENT FINANCIAL ASSETS	As at 31 March 2018	As at 31 March 2017
(Unsecured, considered good unless otherwise stated)		
Balances with banks:		
- Margin money deposited (held as security)*	190.43	364.51
Interest accrued on deposits with banks	39.87	32.48
Finance lease receivable	954.29	954.50
	1,184.59	**1,351.49**
***Break up of margin money deposit held as security**		
Held as bank guarantees	12.18	9.88
Held as bank guarantee in favour of bank against bank loans	178.25	354.63

Note 7 : OTHER NON CURRENT ASSETS	As at 31 March 2018	As at 31 March 2017
(Unsecured, considered good unless otherwise stated)		
Capital advances	1,742.75	1,667.36
Prepaid expenses	45.55	5.29
Prepaid rent (including prepayments of leasehold land)	3,511.25	3,423.94
Deferred IPO expenses	227.88	-
	5,527.43	**5,096.59**

Note 8 : NON CURRENT TAX ASSETS (NET)	As at 31 March 2018	As at 31 March 2017
Advance income tax (net of taxes)	4,396.08	3,639.69
	4,396.08	**3,639.69**

(All amounts Rs in Lacs)

Note 9 : INVENTORIES*	As at 31 March 2018	As at 31 March 2017
(Valued at cost or net realisable value which ever is lower)		
Traded goods	118.98	124.30
Food and beverage (excluding liquor and wine)	250.36	253.43
Liquor and wine	521.40	561.61
Stores, cutlery, crockery, linen, provisions and others	666.60	714.28
	1,557.34	**1,653.62**

* Refer note 19 and 24 for inventories pledged

Note 10 : TRADE RECEIVABLES*	As at 31 March 2018	As at 31 March 2017
Secured, considered good	69.27	61.73
Unsecured, considered good	5,490.60	4,309.85
Unsecured, considered doubtful	954.29	867.74
	6,514.16	**5,239.32**
Less : Impairment allowance (allowance for doubtful debts)	(954.29)	(867.74)
	5,559.87	**4,371.58**

Trade receivables are non-interest bearing and are generally on terms of 60 to 90 days (Refer note 47).
Trade receivable includes dues from directors or other officers of the Company or from private companies and firms in which Company's any director is a partner or director (Refer note 51).
* Refer Note 19 and 24 for trade receivables pledged

Note 11 : CASH AND CASH EQUIVALENTS	As at 31 March 2018	As at 31 March 2017
Balances with banks:-		
In current accounts	1,700.49	6,368.91
In EEFC accounts	51.55	69.67
In deposits with original maturity of less than three months	23.57	11.25
Cheques/drafts on hand	48.16	89.16
Cash on hand	99.74	58.90
	1,923.51	**6,597.89**
(i) Available undrawn committed borrowings facilities	1,544.81	8,227.40

(ii) The Company has pledged a part of its short-term deposits to fulfil the collateral requirements. Refer Note 24 for details.

Note 12 : OTHER BANK BALANCES	As at 31 March 2018	As at 31 March 2017
Balances with banks:-		
Margin money (held against bank guarantee)	1,159.85	1,033.17
Deposits with original maturity of more than three months but less than twelve months	5.66	0.50
Unpaid dividend account	27.38	22.92
	1,192.89	**1,056.59**

(All amounts Rs in Lacs)

Note 13 : LOANS	As at 31 March 2018	As at 31 March 2017
(Unsecured, considered good unless otherwise stated)		
Security deposits at amortised cost	104.68	109.55
	104.68	**109.55**

Note 14 : OTHER CURRENT FINANCIAL ASSETS	As at 31 March 2018	As at 31 March 2017
(Unsecured, considered good unless otherwise stated)		
Recoverable from related parties		
—Subsidiary companies (Refer note 51)	877.15	11,033.54
	877.15	**11,033.54**
Loan to others		
Unbilled revenue	319.45	321.85
Interest accrued on deposits with banks	23.86	28.33
Subsidy receivable	142.12	93.89
Other advances recoverable	277.68	101.10
Finance lease receivable	0.21	0.26
	1,640.47	**11,578.97**

Note 15 : OTHER CURRENT ASSETS	As at 31 March 2018	As at 31 March 2017
(Unsecured, considered good unless otherwise stated)		
Prepaid rent (Including prepayment of lease hold land)	150.49	140.64
Prepaid expenses	584.51	720.39
Balances with statutory authorities	401.83	792.63
Other advances		
- considered good	418.87	444.57
- considered doubtful	22.77	170.77
	1,578.47	**2,269.00**
Less: Provision for doubtful advances	(22.77)	(170.77)
	1,555.70	**2,098.23**

Note 16 : ASSETS CLASSIFIED AS HELD FOR SALE	As at 31 March 2018	As at 31 March 2017
Land (Refer note 58)	-	1,618.77
Plant and machinery	20.00	20.00
	20.00	**1,638.77**

(All Amounts Rs. in lacs)

Note 17 : SHARE CAPITAL	As at 31 March 2018	As at 31 March 2017
Authorised		
100,000,000 (31 March 2017: 100,000,000) equity shares of Rs. 10 each fully paid up	10,000.00	10,000.00
Issued, Subscribed & Paid up		
75,991,199 (31 March 2017: 75,991,199) equity shares of Rs 10 each fully paid up	7,599.12	7,599.12
	7,599.12	**7,599.12**

a **Reconciliation of the Authorised and issued equity shares at the beginning and at the the end of the period**

	As at 31 March 2018		As at 31 March 2017	
	No. of Shares	Amounts	No. of Shares	Amounts
Authorised share capital at the beginning of the year	100,000,000	10,000.00	100,000,000	10,000.00
Change during the year	-	-	-	-
Authorised share capital at the end of the year	**100,000,000**	**10,000.00**	**100,000,000**	**10,000.00**

	As at 31 March 2018		As at 31 March 2017	
	No. of Shares	Amounts	No. of Shares	Amounts
Issued share capital at the beginning of the year	75,991,199	7,599.12	75,991,199	7,599.12
Change during the year	-	-	-	-
Issued share capital at the end of the period	**75,991,199**	**7,599.12**	**75,991,199**	**7,599.12**

b **Terms/ Rights attached to equity shares.**

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distributions will be in proportion to the number of equity shares held by the shareholders.

c **Details of shareholders holding more than 5% shares in the Company**

	As at 31 March 2018		As at 31 March 2017	
	No. of Shares	Percentage	No. of Shares	Percentage
Equity shares of Rs. 10 fully paid up				
Deeksha Holding Limited	30,710,301	40.41%	30,710,301	40.41%
Mr. Jayant Nanda	10,399,998	13.69%	10,399,998	13.69%
Dr. Jyotsna Suri	7,247,935	9.54%	7,247,935	9.54%
Responsible Builders Private Limited	7,106,400	9.35%	7,106,400	9.35%
Richmonds Enterprises S.A.*	5,491,200	7.23%	5,491,200	7.23%
Groves Universal Group S.A.*	4,100,000	5.40%	4,100,000	5.40%
Mr. Keshav Suri	3,880,596	5.11%	3,880,596	5.11%

As per the records of the Company, including its register of shareholders/members and other declaration received from the shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownerships of shares.

* Subsequent to 31 March 2018, above Companies have been dissolved and shares have been transmitted in the name of sole beneficiary, Mr. Jayant Nanda, resulting in the total shareholding to 199,911,98 shares and 26.32%.

d **Share reserved for issue under option**

The Company has reserved an option for the permanent employees of the Company and its subsidiaries, including directors under "Employee Stock Option Plan, 2017" and has issued 700,600 options to the permanent employees.

e **Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date**

The Group has not issued any shares pursuant to contract without payment being received in cash, nor allotted as fully paid up by way of bonus shares or bought back any shares during the period of five years immediately preceding the reporting date.

(All amounts Rs in Lacs)

Note 18 : OTHER EQUITY	As at 31 March 2018	As at 31 March 2017
Securities Premium Reserve		
As at the beginning of the year	29,034.73	29,034.73
As at end of the year	**29,034.73**	**29,034.73**
Retained Earnings		
As at the beginning of the year	51,549.79	48,573.60
Add: Net profit for the year	3,123.96	3,669.23
Add: Other comprehensive income for the year	(59.56)	(7.08)
Less: Dividend on equity shares	(759.91)	(569.93)
Less: Tax on distribution of equity dividend	(154.70)	(116.03)
As at end of the year	**53,699.58**	**51,549.79**
General Reserve		
As at the beginning of the year	8,503.61	8,503.61
As at end of the year	**8,503.61**	**8,503.61**
Capital Reserve		
As at the beginning of the year	11,285.05	11,285.05
As at end of the year	**11,285.05**	**11,285.05**
	102,522.97	**100,373.18**

Note 19 : BORROWINGS	As at 31 March 2018	As at 31 March 2017
Non current borrowings (Refer note 12 below)		
Term loans		
Secured		
Rupee loans from banks (Refer note 1 to 9 below)	99,852.29	91,604.69
Rupee loans from financial institutions (Refer note 10 below)	228.17	416.72
Foreign currency loan from a bank (Refer note 11 below)	6,959.68	8,399.33
	107,040.14	**100,420.74**
Less: Current maturities (Refer note 26)	4,286.03	4,554.85
	102,754.11	**95,865.89**

Net debt reconciliation*

Company's movement in its net debts during the year is as follows:

	Non current borrowings	Current borrowings	Interest accrued on borrowings	Total
Net debt as on 1 April 2017	100,420.74	16,868.85	912.24	118,201.83
Cash flows, net	5,951.47	(6,123.65)	-	(172.18)
Foreign exchange adjustments	82.48	56.33	-	138.81
Interest expense including effective interest expense	-	-	11,968.19	11,968.19
Interest paid	-	-	(12,752.24)	(12,752.24)
Capitalisation of interest	-	-	1,178.95	1,178.95
Other non-cash movements				
Fair value adjustments	585.45	-	(585.45)	-
Net debt as on 31 March 2018	**107,040.14**	**10,801.53**	**721.69**	**118,563.36**

* Effective 1 April 2017, the Company adopted the amendment to IND AS 7 'Statement of Cash Flows', which requires the entities to provide disclosures that enable users of financial statements to evaluate changes in

liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement

Further, as per paragraph 60 of the IND AS 7 'Statement of Cash Flows' (as amended), when the Company applies these amendments, it is not required to provide comparative information for the preceding periods, hence movement in net debts has been provided for current year only.

Notes:

1. Term Loan from Axis Bank Limited aggregating to Rs. 13,389.92 lacs (31 March 2017: Rs. 13,908.06 lacs) carries interest @ 10.50% per annum. The loan is repayable in 44 structured quarterly installments starting from November 2015 after a moratorium of 1 year from the date of first disbursement. The loan is secured by first pari-passu charge by way of hypothecation of movable fixed assets of Mumbai, Goa, Ahmedabad, Bangalore, Delhi and Udaipur hotels owned by Company (both present and future) and first pari-passu charge by way of mortgage over immovable fixed assets of Mumbai and Ahmedabad hotels.
2. Term Loan from Yes Bank Limited aggregating to Rs. 51,020.28 lacs (31 March 2017: Rs. 53,715.72 lacs) carries interest @ 10% per annum. The loan is repayable in 44 structured quarterly installments starting from February 2016 after a moratorium of 1 year from the date of first disbursement. The loan is secured by first pari-passu charge on land and building of Mumbai and Ahmedabad hotels and first pari-passu charge on movable fixed assets of Mumbai, Goa, Ahmedabad, Bangalore, Delhi and Udaipur hotels owned by the Company.
3. Term Loan from ICICI Bank Limited aggregating to Rs. 3,197.51 lacs (31 March 2017: Rs. 2,237.07 lacs) (sanctioned amount Rs. 3,600.00 lacs) carries interest @ 12.95% per annum. The loan is repayable in 40 quarterly installments after a moratorium of 8 quarters from the date of first disbursement. The loan is secured by first pari-passu charge on Jaipur and Khajuraho property and routing of cash flows of Jaipur and Srinagar property through the designated accounts.
4. Term Loan from Tamilnadu Mercantile Bank Limited (TMB) aggregating to Rs. 2,343.53 lacs (31 March 2017: Rs. 2,435.01 lacs), (sanctioned amount Rs. 2,500.00 lacs) carries interest @ 11.60 % per annum. The loan is repayable in 44 structured quarterly installments starting from February 2016 after a moratorium of 1 year from the date of first disbursement. The loan is secured by first pari-passu charge on land and building of Mumbai and Ahmedabad hotels and first pari-passu charge on movable fixed assets of Mumbai, Goa, Ahmedabad, Bangalore, Delhi and Udaipur hotels owned by the Company.
5. Term Loan from Yes Bank Limited aggregating to Rs. 5,319.12 lacs (31 March 2017: Rs. 5,523.89 lacs) carries interest @ 9.60% per annum. The loan is repayable in 52 structured quarterly installments starting from February 2017. The loan is secured by extension of first pari-passu charge on land and building of Mumbai and Ahmedabad hotels and extension of first pari-passu charge on movable fixed assets of Mumbai, Goa, Ahmedabad, Bangalore, Delhi and Udaipur hotels owned by the Company.
6. Term Loan from Axis Bank Limited aggregating to Rs. 3,809.37 lacs (31 March 2017: Rs. 3,805.30 lacs) carries interest @ 10.50% per annum. The loan is repayable in 42 structured quarterly installments starting from October 2017 after a moratorium of 1 year from the date of first disbursement. The loan is secured by extension of first pari-passu charge by way of hypothecation of movable fixed assets of Mumbai, Goa, Ahmedabad, Bangalore, Delhi and Udaipur hotels owned by Company (both present and future) and extension of first pari-passu charge by way of mortgage over immovable fixed assets of Mumbai and Ahmedabad hotels.
7. Term Loan from The Jammu and Kashmir Bank Limited aggregating to Rs. 14,971.14 lacs (31 March 2017: Rs 9,965.61 lacs) carries interest @ 10.00% per annum. The loan is repayable in 32 structured quarterly installments starting from June 2019 after a moratorium of 2 years from the date of first disbursement. The loan is secured by way of equitable mortgage on exclusively first charge over land and building of Srinagar hotel of the Company.

8. Term Loan from Yes Bank Limited aggregating to Rs. 5,801.42 lacs (31 March 2017: Rs. Nil) carries interest @ 10.00% per annum. The loan is repayable in 40 structured quarterly instalments from the date of first disbursement. The loan is secured by exclusive charge on land and building of Udaipur Hotel and current assets of the Company except those of Jaipur hotel.

9. Term Loan from State Bank of India aggregating to Rs. Nil (31 March 2017: Rs 13.98 lacs) carried interest ranging from @ 14.00% to 14.70% per annum. The loan got repaid during the year ended 31 March 2018. The loan was secured by equitable mortgage of land situated at Udma Village, Hosdurg Taluk in the District of Kasaragod and property landed at Kalnad Village, Hosdurg Taluk in District of Kasaragod by way of mortgage of lease deed and pari-passu first charge over all existing and future plant and machinery, fixtures and fittings and other movable fixed assets of the Bekal Hotel.

10. Term loan from Kerala State Industrial Development Corporation ('KSIDC') aggregating to Rs. 228.17 lacs (31 March 2017: Rs. 416.72 lacs) carries interest @ 9% per annum. The balance loan is repayable in 5 quarterly installments of Rs 46.87 lacs each starting from June 2018. The loan is secured by equitable mortgage of land situated at Udma Village, Hosdurg Taluk in the District of Kasaragod and landed property at Kalnad Village, Kasaragod Taluk by way of mortgage of lease deed and pari-passu first charge over all existing and future plant and machinery, fixtures and fittings and other movable fixed assets of the Bekal hotel.

11. External Commercial Borrowing from ICICI Bank Ltd., Bahrain aggregating to Rs. 6,959.68 lacs (equivalent to USD 107.00 lacs converted at an exchange rate of INR 65.0441 per USD) (31 March 2017: Rs. 8,399.33 lacs (equivalent to USD 129.54 lacs converted at an exchange rate of INR 64.8386 per USD)) carries interest at 5% margin on USD 6-months LIBOR. The balance loan is repayable in 15 quarterly installments. The loan is secured by equitable mortgage on the movable and immovable fixed and current assets and the cash flows, both present and future, of Jaipur and also secured by exclusive charge on movable and immovable fixed assets of Khajuraho hotel, both present and future.

12. **Loan covenants**
Bank loans contain certain debt covenants relating to limit on total borrowings amount, security coverage ratio and others. The Company has breached certain loan covenants as at the end of the reporting date. However, the Company has obtained waiver letters from banks for compliance.

(All amounts Rs in Lacs)

Note 20 : OTHER NON CURRENT FINANCIAL LIABILTIES	As at 31 March 2018	As at 31 March 2017
Financial liabilities at amortised cost		
Deposits received against assets given under finance lease	110.82	108.47
Security deposits	275.10	272.29
Lease rent payable	64.74	69.06
	450.66	**449.82**

Note 21 : LONG TERM PROVISIONS	As at 31 March 2018	As at 31 March 2017
Provision for employee benefits		
Gratuity (Refer note 46)	916.61	766.65
	916.61	**766.65**

(All amounts Rs in Lacs)

Note 22 : DEFERRED TAX LIABILITIES (Net)	As at 31 March 2018	As at 31 March 2017
Deferred Tax Liability		
Accelerated depreciation for tax	18,511.97	22,339.45
Re-measurement gains/(losses) on defined benefit plans	(31.52)	(3.75)
	18,480.45	**22,335.70**
Deferred Tax Asset		
Fair value of financial instruments	(68.13)	(20.97)
Losses available for offsetting against future taxable income	435.39	4,345.66
Deferred government grant	26.01	26.01
Impact of expenditure charged to statement of profit and loss in current year/earlier years but allowable for tax purposes on payment basis	714.68	645.77
Provision for doubtful debts & advances	521.25	533.94
MAT credit entitlement	4,259.30	4,073.52
	5,888.50	**9,603.93**
Net deferred tax liability reflected in the balance sheet	**12,591.95**	**12,731.77**

Note 23 : OTHER NON CURRENT LIABILITIES	As at 31 March 2018	As at 31 March 2017
Deferred lease rent	3,204.48	3,291.42
Lease rent payable	228.23	228.23
Deferred government grant (Refer note 39)	42.26	75.16
	3,474.97	**3,594.81**

Note 24 : BORROWINGS	As at 31 March 2018	As at 31 March 2017
From Related Parties (Unsecured)		
Loan from a director (Refer note 1 below)	-	435.00
From banks		
Secured		
Cash credit facilities (Refer note 2 and 3 below)	3,197.27	8,809.85
Loan against fixed deposits (Refer note 4 below)	280.00	324.17
Short term loan (Refer note 5 below)	2,380.91	2,372.10
Unsecured		
Short term loan (Refer note 6 below)	4,943.35	4,927.73
	10,801.53	**16,868.85**

Notes:

1. Unsecured loan taken from Dr. Jyotsna Suri was repayable as per mutual agreement and carried interest @ 8% per annum. Aforesaid loan got repaid during the year.

2. Cash Credit facilities from Yes Bank Limited amounting to Rs. 3,197.27 lacs (31 March 2017: Rs.3,040.08 lacs) carries interest @ 9.90% per annum. The loan is secured by first pari-passu charge on current assets (including receivables) of all the hotels of the Company (both present and future), except those of Jaipur hotel of the Company.

3. Short term facilities from Deutsche Bank AG aggregating to Rs. Nil (31 March 2017: Rs. 5,769.77 lacs) carried interest @ 11.85% per annum. The Company had repaid the loan during the year. The loan was secured by immovable property of Udaipur hotel of the Company. These short term facilities were guaranteed by Richmond Enterprises S.A..

4. Loan against fixed deposits taken from Jammu & Kashmir Bank Limited is secured by fixed deposits. The loan carries interest @ 1.49% higher than the interest received by the Company on the fixed deposits made with the bank.

5. Packing Credit Foreign Currency ('PCFC') Loan from Yes Bank Limited amounting to Rs. 2,380.91 lacs (equivalent to USD 36.60 lacs at an exchange rate of 65.0441 per USD) ((31 March 2017: Rs. 2,372.10 lacs (equivalent to USD 36.58 lacs at an exchange rate of 64.8386 per USD))carries interest @ LIBOR+400 basis points. The loan is secured by first pari-passu charge on current assets (including receivables) of all the hotels of the Company (both present and future), except those of Jaipur hotel of the Company.

6. Short term facilities from Barclays Bank Plc aggregating to Rs. 4,943.35 lacs (equivalent to USD 76 lacs at an exchange rate of 65.0441 per USD); (31 March 2017: Rs. 4,927.73 lacs (equivalent to USD 76 lacs at an exchange rate of 64.8386 per USD) carries interest @ 5.42 % per annum. These facilities are guaranteed by Premium Holdings Limited.

(All amounts Rs in Lacs)

Note 25 : TRADE PAYABLES	**As at 31 March 2018**	**As at 31 March 2017**
- total outstanding dues of micro and small enterprises (Refer note 49)	-	-
- total outstanding dues of creditors other than micro and small enterprises	7,348.48	4,833.40
	7,348.48	**4,833.40**

Note 26 : OTHER CURRENT FINANCIAL LIABILITIES	**As at 31 March 2018**	**As at 31 March 2017**
Financial liabilities at amortised cost		
Current maturities of long term borrowings (Refer note 19)	4,286.03	4,554.85
Interest accrued but not due on borrowings	721.69	912.24
Book overdraft from banks	97.81	931.70
Security deposits	189.65	108.93
Payables on purchase of fixed assets	806.88	839.95
Unpaid dividend*	27.38	22.92
Employee related liabilities	1,096.70	692.55
Retention payable	333.76	352.87
	7,559.90	**8,416.01**

* Not due for deposit to the investor education and protection fund

(All amounts Rs in Lacs)

Note 27 : SHORT TERM PROVISIONS	As at 31 March 2018	As at 31 March 2017
Provision for employee benefits		
Gratuity (Refer note 46)	365.84	310.51
Compensated absences	414.12	369.29
Others Provisions		
Provision for membership programme	59.87	36.20
	839.83	**716.00**

Note 28 : OTHER CURRENT LIABILITIES	As at 31 March 2018	As at 31 March 2017
Deferred revenue of membership programme	384.52	303.86
Deferred lease rent	84.73	85.66
Advances from customers	1,527.06	1,489.10
Statutory dues payable	1,232.49	1,202.74
Deferred government grant (Refer note 39)	44.01	47.80
	3,272.81	**3,129.16**

Note 29 : REVENUE FROM OPERATIONS	For the year ended 31 March 2018	For the year ended 31 March 2017
Sale of services and products		
- Room and apartment	28,203.86	24,582.91
- Food and beverage	20,999.97	18,511.00
- Liquor and wine	4,616.52	4,040.84
- Banquet and equipment rentals	1,979.25	1,718.89
- Other services	4,296.43	4,890.94
- Membership programme revenue	764.86	722.13
- Traded goods	94.71	90.70
Other operating revenues		
- Rent and maintenance income	1,801.44	1,701.17
- Consultancy/management fee	611.96	604.52
- Aircraft charter hire charges	490.72	614.88
	63,859.72	**57,477.98**

Note 30 : OTHER INCOME	For the year ended 31 March 2018	For the year ended 31 March 2017
Excess provision/ credit balances written back	446.68	424.05
Exchange differences (net)	6.13	-
Amortisation of deferred lease rental	37.16	37.51
Government grant income (Refer note 39)	36.69	47.80
Miscellaneous income	165.57	285.84
	692.23	**795.20**

(All amounts Rs in Lacs)

Note 31 : CONSUMPTION OF FOOD AND BEVERAGES	For the year ended 31 March 2018	For the year ended 31 March 2017
Consumption of food and beverages (excluding liquor & wine)		
Inventory at the beginning of the year	253.43	278.79
Add: Purchases	6,486.90	5,642.59
Less: Inventory at the end of the year	(250.36)	(253.43)
Cost of food and beverage consumed (excluding liquor & wine)	**6,489.97**	**5,667.95**
Consumption of liquor and wine		
Inventory at the beginning of the year	561.61	688.35
Add: Purchases	1,105.81	956.49
Less: Inventory at the end of the year	(521.40)	(561.61)
Cost of liquor and wine consumed	**1,146.02**	**1,083.23**
Consumption of food and beverages (including liquor & wine)	**7,635.99**	**6,751.18**

NOTE 32 : CHANGE IN INVENTORIES OF TRADED GOODS	For the year ended 31 March 2018	For the year ended 31 March 2017
Traded goods		
Inventory at the beginning of the year	124.30	100.65
Less: Inventory at the end of the year	118.98	124.30
	5.32	**(23.65)**

Note 33 : EMPLOYEE BENEFITS EXPENSE	For the year ended 31 March 2018	For the year ended 31 March 2017
Salaries, wages and allowances (Refer note 38)	10,052.47	9,097.45
Contribution to provident and other funds (Refer note 38)	787.82	672.93
Gratuity expense (Refer note 46)	132.62	120.23
Leave compensation expenses	108.61	64.35
Staff welfare expenses (Refer note 38)	198.94	159.79
Staff recruitment and training	56.10	82.34
	11,336.56	**10,197.09**

(All amounts Rs in Lacs)

Note 34 : OTHER EXPENSES	For the year ended 31 March 2018	For the year ended 31 March 2017
Consumption of stores, cutlery, crockery, linen, provisions and others*	2,172.29	2,012.80
Lease rent*	2,288.31	1,839.20
Power and fuel*	6,921.58	6,302.51
Aircraft fuel	66.41	69.81
Banquet and decoration expenses	1,579.02	1,199.18
Membership programme expenses	8.05	31.58
Repairs		
- Buildings*	885.95	709.05
- Plant and machinery*	1,808.98	1,725.86
- Aircraft	242.98	200.48
- Others*	481.18	416.97
Rates and taxes*	1,051.16	1,112.95
Insurance*	230.47	221.98
Communication costs*	500.38	444.89
Printing and stationery*	355.67	344.48
Travelling and conveyance*	1,721.43	1,429.56
Advertisement and business promotion	1,011.18	857.64
Commission -other than sole selling agent	1,049.60	747.98
Security and cleaning expenses (Sub contracting expenses)	1,920.72	1,563.01
Membership and subscriptions*	142.96	145.30
Professional fees*	660.59	593.97
Legal charges*	190.74	129.34
Advances written off	-	10.16
Freight and cartage*	99.36	87.40
Exchange differences (net) *	-	9.33
Loss on sale/ discard of property, plant and equipment (net)	4.65	18.15
Donations	71.39	46.59
Bad Debts written off	19.72	-
Provision for doubtful advances	10.00	166.71
Provision for doubtful debts	110.12	206.18
Directors fees and commission	20.66	14.37
Bank charges*	417.88	399.06
Payment to auditors	67.00	71.79
News paper expenses	29.98	28.85
Other balances written off	316.09	148.32
Miscellaneous expenses*	180.83	172.33
Total	**26,637.33**	**23,477.78**

*Refer note 38

Payment to auditor		
As Auditor:		
- Audit fee	58.00	71.04
In Other Capacity:		
- Other services	9.00	0.75
Total	**67.00**	**71.79**

(All amounts Rs in Lacs)

Note 35 : FINANCE INCOME	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest income on		
Loans to related parties		
- Subsidiary companies	1,301.60	3,442.89
- The Lalit Suri Educational and Charitable Trust	414.41	285.22
Others		
- Bank deposits	93.26	92.23
- others	332.26	259.29
Finance lease income	109.25	109.26
Unwinding of discount on security deposits	34.89	24.78
Exchange difference on foreign currency borrowings	-	48.76
Total	**2,285.67**	**4,262.43**

Note 36 : FINANCE COSTS	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest on:		
-loans from banks	10,909.37	9,954.78
- loans from financial institutions	30.09	46.34
- credit facilities from banks	977.85	1,163.90
- loan from directors	16.92	84.92
- others	4.13	-
Bank charges	33.27	76.23
Unwinding of finance cost from financial instruments at amortised cost	33.34	28.89
Interest on defined benefit plans	62.98	63.41
Finance charges payable under finance lease	0.70	-
Exchange difference on foreign currency borrowings	38.57	-
	12,107.22	**11,418.47**

Note 37 : DEPRECIATION AND AMORTISATION EXPENSE	For the year ended 31 March 2018	For the year ended 31 March 2017
Depreciation of property, plant and equipment	5,084.28	5,031.28
Amortisation of intangible assets	94.67	82.50
	5,178.95	**5,113.78**
Less: Transferred to pre-operative expenditure (Refer note 38)	(0.01)	(25.99)
	5,178.94	**5,087.79**

(All amounts Rs in Lacs)

Note- 38: PREOPERATIVE EXPENDITURE PENDING ALLOCATION

	For the year ended 31 March 2018	For the year ended 31 March 2017
Balance as per last account	8,169.28	11,522.47
Additions during the year:		
Personnel expenses		
Salaries, wages and bonus	209.03	241.73
Contribution to provident and other funds	10.88	14.66
Workmen and staff welfare expenses	-	7.73
Depreciation/ amortization	0.01	25.99
Operating and other expenses		
Consultancy charges	-	6.75
Lease rent	5.22	7.59
Power and fuel	9.00	108.41
Repair and maintenance		
- Buildings	-	0.73
Rates and taxes	4.00	217.03
Insurance	6.24	8.06
Communication costs	-	1.77
Printing and stationery	-	4.27
Traveling and conveyance	19.23	13.46
Advertisement and business promotion	-	7.01
Security and cleaning expenses	10.27	59.66
Membership and subscriptions	-	0.78
Legal charges	2.06	-
Professional fees	40.22	19.05
Freight and cartage	-	6.96
Exchange difference (net)	8.16	(39.36)
Miscellaneous expenses	0.18	107.87
Boarding & Lodging	0.16	-
Security Expenses	0.67	-
Financial expenses		
Interest on term loan	1,178.95	1,418.62
Bank Charges	0.06	0.48
	9,673.62	**13,761.72**
Less: expensed off during the year		
Less : Interest earned	(5.69)	(5.34)
Less : Expenditure transferred to fixed assets	-	(5,587.10)
Closing balance	**9,667.93**	**8,169.28**

(All amounts Rs in Lacs)

Note 39 : GOVERNMENT GRANT	For the year ended 31 March 2018	For the year ended 31 March 2017
At the beginning of the year	122.96	170.76
Released to the statement of profit and loss	(36.69)	(47.80)
At the end of the year	**86.27**	**122.96**
Current	**44.01**	**47.80**
Non Current	**42.26**	**75.16**
	86.27	**122.96**

Government grants have been received for the purchase of certain items of property, plant & equipment. The Company is required to undertake export of services. There are no unfulfilled conditions or contingencies attached to these grants.

NOTE 40 : CURRENT TAX ASSETS	For the year ended 31 March 2018	For the year ended 31 March 2017
a. The major components of income tax expense for the period end are: Profit and loss section		
Current income tax:		
Current income tax charge (MAT payable)	859.04	1,259.54
Less: MAT credit entitlement	(185.78)	(1,259.54)
Less: Deferred tax relating to origination and reversal of temporary differences	77.49	1,851.28
Income tax expense reported in the statement of profit or loss	**750.75**	**1,851.28**
Other Comprehensive Income Section		
Deferred tax related to items recognised in OCI during the year:		
Net gain/(loss) on remeasurement of defined benefit plans	(91.08)	(10.83)
Income tax charged to OCI	**31.52**	**3.75**
b. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2018 and 31 March 2017		
Accounting profit before tax	**3,874.71**	**5,520.51**
India statutory income tax rate	34.61%	34.61%
At India statutory income tax	1,340.96	1,910.54
Indexation benefit	(85.22)	-
Non deductible expenses for tax purpose:		
Non-deductible expenses	19.74	74.64
Other adjustments	-	12.99
Reversal of tax on uncertain tax positions	(524.73)	(146.89)
	750.75	1,851.28
Income tax expense reported in the statement of profit and loss	**750.75**	**1,851.28**

(All amounts Rs in Lacs)

c. Reconciliation of deferred tax liabilities (net)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Opening balance	12,731.76	12,143.77
Tax expenses recognised in statement of profit and loss (net of MAT credit)	(108.29)	591.74
Tax (income)/ expenses recognised in OCI	(31.52)	(3.75)
Closing balance	**12,591.95**	**12,731.76**

d. MAT credit entitlement

Opening balance	4,073.52	2,813.98
Add: MAT credit entitlement for the current year	185.78	1,259.54
Closing balance	**4,259.30**	**4,073.52**

The Company has recognised MAT credit since there is convincing evidence that the Company will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward.

e. Unused tax losses

Capital losses

The Company has not recognised deferred tax assets of Rs. 1,683.79 lacs on loss under the head 'Capital gain' as the Company is not likely to generate taxable income under the same head in foreseeable future. The significant portion of these losses will expire in Financial year ending 31 March 2022.

Business losses and unabsorbed depreciation

The Company has tax losses amounting to Rs. 3,683.26 lacs as on 31 March 2018 that is available for off-setting against the future taxable profits of the Company. These losses will expire in Financial year ending 2020-21.

NOTE: 41 EARNING PER SHARE (EPS)

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

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

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

(All amounts Rs in Lacs)

Basic and Diluted Earnings per share	For the year ended 31 March 2018	For the year ended 31 March 2017
Profit attributable to equity share holders of Company for basic and diluted earnings	3,123.96	3,669.23
Weighted average number of Equity shares and dilutive equity shares for basic and diluted EPS respectively	75,991,199	75,991,199
Basic and diluted earnings per share- Rupees	4.11	4.83

Note 42. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the 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.

Judgments

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

Operating lease commitments – Company as lessee

The Company has taken certain land on long term lease basis. The lease agreements generally have an escalation clause. These leases are generally non-cancellable. The Company has determined based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life/remaining economic life of the property and the fair value of the asset, that it does not have all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

Further, the Company based on an evaluation of the terms and conditions of the respective agreements decided that wherever the escalation are aligned the average expected general inflation of the lease term period, operating lease payments are not required to be provided on a straight-line basis over the lease term as an expense in the statement of profit and loss and in other cases (including structured payment terms), operating lease payments are expensed on a straight-line basis over the lease term in the statement of profit and loss.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment benefits 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 for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note 46.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using other valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Revenue recognition – Lalit loyalty programme

The Company estimates the fair value of points awarded under the Lalit loyalty programme by applying statistical techniques. Inputs to the model include making assumptions about expected redemption rates, the mix of products that will be available for redemption in the future and customer preferences. As at 31 March 2018, the estimated liability towards unredeemed points amounted to Rs. 59.87 lacs (31 March 2017 : Rs. 36.20 lacs)

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive. When estimating the cash flows, the Company is required to consider –

All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.

Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Note 43. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 30% and 65%. The Group includes within net debt, interest bearing loans and borrowings, trade payables, less cash and cash equivalents.

(All amounts Rs in Lacs)

	As at 31 March 2018	As at 31 March 2017
Borrowings (Note 19, 24 and 26)	117,841.67	117,289.59
Trade payables (Note 25)	7,348.48	4,833.40
Book overdrafts from banks (Note 26)	97.81	931.70
Less: Cash and cash equivalents (Note 11)	(1,923.51)	(6,597.89)
Net debt	**123,364.45**	**116,456.80**
Equity	110,122.09	107,972.30
Capital and Net Debts	**233,486.54**	**224,429.10**
Gearing Ratio	53%	52%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. The Company has breached certain loan covenants as at the end of the previous annual reporting date i.e. 31 March 2018. However, the Company has obtained covenants letters from banks for compliance pursuant to which these loans have been classified as non current.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2018 and 31 March 2017.

Note 44. FAIR VALUE MEASUREMENT

(All amounts Rs in Lacs)

a. Financial instruments by category

	As at 31 March 2018		As at 31 March 2017	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial Assets				
Investments in equity instruments	3.60	-	3.60	-
Trade receivables	-	5,559.87	-	4,371.58
Loans	-	13,308.46	-	35,910.69
Security deposits	-	709.69	-	609.58
Margin money deposits	-	1,350.28	-	1,397.68
Interest accrued	-	63.73	-	60.81
Finance lease receivable	-	954.50	-	954.76
Cash and cash equivalents	-	1,923.51	-	6,597.89
Subsidy receivable	-	142.12	-	93.89
Recoverable from related parties	-	877.15	-	11,033.54
Others	-	630.17	-	446.37
Total Financial Assets	**3.60**	**25,519.48**	**3.60**	**61,476.79**
Financial Liabilities				
Borrowings	-	117,841.67	-	117,289.59
Deposits (including retention payable)	-	909.33	-	842.56
Trade payables	-	7,348.48	-	4,833.40
Other current financial liabilities	-	2,750.46	-	3,399.36
Other non current financial liabilities	-	64.74	-	69.06
Total financial liabilities	**-**	**128,914.68**	**-**	**126,433.97**

Note: The financial assets above do not include investments in subsidiaries and associates which are measured at cost in accordance with Ind AS 101, Ind AS 27 and Ind AS 28.

b. Fair value measurement hierarchy for assets and liabilities
Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions

The Company categorises assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

i) Level 1

Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

ii) Level 2

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

iii) Level 3

Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Group's assumptions about pricing by market participants.

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

Financial assets and liabilities measured at fair value

(All amounts Rs in Lacs)

	31 March 2018			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets				
Financial investments measured at fair value through profit or loss				
Unquoted equity instruments	-	-	3.60	3.60

	31 March 2017			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets				
Financial investments measured at fair value through profit or loss				
Unquoted equity instruments	-	-	3.60	3.60

Financial assets and liabilities measured at amortised cost for which fair values are disclosed

	31 March 2018			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets				
Loans			13,308.46	13,308.46
Security deposits	-	-	709.69	709.69
Finance lease receivable	-	-	954.50	954.50
Recoverable from related parties	-	-	877.15	877.15
	-	**-**	**15,849.80**	**15,849.80**
Financial liabilities				
Borrowings	-	-	117,841.67	117,841.67
Security deposits	-	-	909.33	909.33
	-	**-**	**118,751.00**	**118,751.00**

(All amounts Rs in Lacs)

	31 March 2017			
	Level 1	Level 2	Level 3	Total
Financial assets				
Loans	-	-	35,910.69	35,910.69
Security deposits	-	-	609.58	609.58
Finance lease receivable	-	-	954.76	954.76
Recoverable from related parties	-	-	11,033.54	11,033.54
	-	**-**	**48,508.57**	**48,508.57**
Financial liabilities				
Borrowings	-	-	117,289.59	117,289.59
Security deposits	-	-	842.56	842.56
	-	**-**	**118,132.15**	**118,132.15**

c. Fair value of financial assets and liabilities measured at amortised cost

1. The management assessed that fair values of cash and cash equivalents, trade receivables, other receivables, trade payables, bank overdrafts, Interest accrued on bank deposits with banks, other current and non-current financial assets and other current and non-current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.
2. The fair values of loans, security deposits, borrowings and other financial assets and liabilities are considered to be the same as their fair values, as there is an immaterial change in the lending rates.

NOTE 45: COMMITMENTS

(All amounts Rs in Lacs)

(a) Capital Commitments

Descriptions	**31 March 2018**	**31 March 2017**
Estimated amount of contracts remaining to be Executed and not provided for	4,239.91	6,304.16

(b) Leases

Operating lease commitments - Company as lessee

The Company has entered into operating leases on certain land and building properties with lease terms between 25 to 99 years. The Company has the option, under some of its leases, to lease the assets for additional terms of 25 years.

The Company has paid minimum lease during the year	2,210.00	1,757.71

Further minimum rentals payables under non-cancellable operating leases are as follows:

	31 March 2018	**31 March 2017**
Within one year	1,335.25	1,236.76
After one year but not more than five years	5,252.29	4,780.55
More than five years	33,334.46	33,351.12
	39,922.00	**39,368.43**

(All amounts Rs in Lacs)

Operating lease commitments - Company as lessor

The Company has entered into operating leases consisting of certain offices. These lease terms is for 3 years. There is no escalation clause in the lease agreements. There are no restrictions imposed by lease arrangements.

Future minimum rentals receivables under non-cancellable operating leases are as follows:

	31 March 2018	31 March 2017
Within one year	238.37	588.37
After one year but not more than five years	8.44	226.20
More than five years	148.05	153.20
	394.86	**967.77**

Finance lease commitments - Company as lessor

The Company has given certain portion of land and building on finance lease. The lease terms are for 93-99 years.

Future gross rentals receivables under non-cancellable finance leases are as follows:

	31 March 2018	31 March 2017
Within one year	109.44	109.44
After one year but not more than five years	437.76	437.76
More than five years	6,236.83	6,346.27
	6,784.03	**6,893.47**

Future minimum rentals receivables under non-cancellable finance leases are as follows:

	31 March 2018	31 March 2017
Within one year	0.21	0.19
After one year but not more than five years	1.03	0.95
More than five years	953.27	953.55
	954.51	**954.69**

NOTE 46 : GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

	31 March 2018	31 March 2017
Gratuity Plan	1,282.45	1,077.16
Total	**1,282.45**	**1,077.16**

The Company has an unfunded defined benefit gratuity plan. Every employee who has completed five years or more or service gets a gratuity on separation equal to 15 days salary (last drawn salary) for each completed year of continuous service or part thereof in excess of six months.

Changes in the defined benefit obligation:

	31 March 2018	31 March 2017
Opening defined benefit obligations	1,077.16	940.69
Service cost	132.62	120.23
Net interest expense	62.98	63.41
Gratuity cost charged to statement of profit and loss	**195.60**	**183.64**

(All amounts Rs in Lacs)

	31 March 2018	31 March 2017
Actuarial changes arising from changes in demographic assumptions	0.31	(0.88)
Actuarial changes arising from changes in financial assumptions	2.32	37.20
Experience adjustments	88.45	(25.49)
Remeasurement gain/(loss) in other comprehensive income	**91.08**	**10.83**
Benefits paid	(81.39)	(62.45)
Closing Defined benefit obligations	**1,282.45**	**1,072.71**

*excluding liability amounts for employees transferred from group companies amounting to Rs. Nil (31 March 2017: Rs 4.45 lacs)

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

Description	31 March 2018	31 March 2017
Current service cost	132.62	120.23
Net interest expense	62.98	63.41
Amount recognised in the statement of profit or loss	**195.60**	**183.64**

Amount recognised in Other comprehensive income is as under:

Description	31 March 2018	31 March 2017
Actuarial gain/(loss) arising from changes in demographic assumption	0.31	(0.88)
Actuarial gain/(loss) arising from changes in financial assumption	2.32	37.20
Experience adjustments	88.45	(25.49)
Amount recognised in Other comprehensive income	**91.08**	**10.83**

The principal assumptions used in determining gratuity for the Company's plans are shown below:

	31 March 2018	31 March 2017
Discount rate	7.30%	6.90%
Future salary increase	8.00%	7.50%

Sensitivity analysis for gratuity liability:

	31 March 2018	31 March 2017
Impact of the change in Discount rate		
(a) Impact due to increase of 0.5%	1,252.49	1,035.20
(b) Impact due to decrease of 0.5%	1,308.84	1,082.14
Impact of the change in Salary increase		
(a) Impact due to increase of 0.5%	1,308.51	1,081.89
(b) Impact due to decrease of 0.5%	1,252.55	1,035.22

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

Description	31 March 2018	31 March 2017
Within the next 12 months	-	34.54
Total expected payments	**-**	**34.54**

The average duration of the defined benefit plan obligation at the end of the reporting period is 4.36 years.

The following payments are expected contributions to the defined benefit plan in future years

(All amounts Rs in Lacs)

Duration (Years)	For the year ended 31 March 2018	For the year ended 31 March 2017
1	365.30	310.51
2	184.68	150.48
3	172.38	137.83
4	146.30	126.82
5	122.73	103.22
6 and above 6	894.91	712.54

NOTE 47 : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include loans, trade and other receivables, and cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

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: interest rate risk, currency risk and other price risks. Financial instruments affected by market risk include loans and borrowings, deposits and payables/ receivables in foreign currencies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

(All amounts Rs in Lacs)

	31 March 2018	31 March 2017
Variable rate borrowings	117,613.51	116,437.88
Fixed rate borrowings	228.16	851.71

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variable held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Effect of Profit before tax	
	31 March 2018	31 March 2017
Increase by 50 basis points	(588.07)	(582.19)
Decrease by 50 basis points	588.07	582.19

Foreign currency risks

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure in foreign currency is in loans, debtors and advances denominated in foreign currency. The Company is not restricting its exposure of risk in change in exchange rates. The Company expects the Indian Rupee to strengthen and accordingly the Company is carrying the risk of change in exchange rates.

(All amounts Rs in Lacs)

Particulars	Currency	Buy/Sell	31 March 2018	31 March 2017
Trade creditors				
	USD	Buy	0.11	0.13
Trade receivables				
	GBP	Sell	0.68	0.90
FDR				
	USD	Sell	2.74	2.74
EEFC Bank Balance				
	USD	Buy	0.79	1.07
Unsecured loans				
	USD	Buy	76.00	76.00
Secured loans				
	USD	Buy	143.60	166.13

Foreign currency sensitivity

The following table demonstrate the sensitivity to a reasonably possible change in USD-INR exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

(All amounts Rs in Lacs)

	Effect on profit before tax*	
	31 March 2018	31 March 2017
USD Sensitivity		
Increase by 5%	(641.21)	(773.00)
Decrease by 5%	641.21	773.00
GBP Sensitivity		
Increase by 5%	3.09	3.64
Decrease by 5%	(3.09)	(3.64)

*In accordance with exemption allowed under Ind AS 101, the Company capitalises exchange differences arising on long term foreign currency monetary items. Accordingly, the profit before tax will not be impacted to that extent.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including loans to related parties, deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

(a) Trade receivables

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.

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 grouped into homogenous Companys and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 10. The Company does not hold collateral as security.

(b) 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. Investment of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The Company's maximum exposure to credit risk for the components of the balance sheet at respective reporting date is the carrying amount.

Gross carrying amount of trade receivables **(All amounts Rs in Lacs)**

Ageing	**31 March 2018**	**31 March 2017**
Not due	913.02	694.60
0-60 days past due	3,383.94	2,805.85
61-120 days past due	679.03	441.57
121-180 days past due	254.23	181.48
180-365 days past due	233.86	165.38
More than 365 days	1,050.08	950.44
	6,514.16	**5,239.32**

Provision for doubtful debts

Ageing	**31 March 2018**	**31 March 2017**
Not due	-	-
0-60 days past due	-	-
61-120 days past due	-	-
121-180 days past due	0.19	-
180-365 days past due	50.03	13.49
More than 365 days	904.07	854.25
	954.29	**867.74**

Reconciliation of provision for doubtful debts - Trade receivables

	31 March 2018	**31 March 2017**
Provision at beginning	867.74	664.37
Addition during the year	110.12	206.18
Reversal during the year	(23.57)	(2.81)
Utilised during the year	-	-
Provision at closing	**954.29**	**867.74**

Reconciliation of provision for doubtful debts - Loans and deposits

	31 March 2018	**31 March 2017**
Provision at beginning	699.79	533.08
Addition during the year	10.00	166.71
Reversal during the year	(158.00)	-
Provision at closing	**551.79**	**699.79**

Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders. The Company had access to the following undrawn borrowing facilities at the end of the reporting periods -

(All amounts Rs in Lacs)

	31 March 2018	31 March 2017
Floating rate		
(a) Expiring within one year (Bank overdraft and other facilities)		
Secured		
-Cash credit facilities	1,402.73	1,590.15
-Short term loans	119.02	127.90
Unsecured		
-Buyer's credit	-	259.35
(b) Expiring beyond one year (Bank loans)		
Secured		
-Rupees term loan from banks	23.00	6,250.00

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

Contractual maturities of borrowings	31 March 2018	31 March 2017
Upto one year	27,119.16	33,864.04
Between 1 and 2 years	18,114.64	15,807.50
Between 2 and 5 years	58,087.93	53,605.36
More than 5 years	82,113.54	89,144.82

	31 March 2018	31 March 2017
Contractual maturities of trade payables		
Upto one year	7,348.48	4,833.40

	31 March 2018	31 March 2017
Contractual maturities of security deposit received		
Upto one year	448.57	119.74
Between 1 and 2 years	1.64	276.07
Between 2 and 5 years	16.48	30.20
More than 5 years	4,892.82	4,957.14

	31 March 2018	31 March 2017
Contractual maturities of other financials payable		
Upto one year	2,228.01	2,839.98

NOTE 48 : LALIT LOYALTY AND MEMBERSHIP PROGRAMME

(a) Points for Lalit Connect

(In lacs)

	31 March 2018	31 March 2017
Accrued points	3.33	2.32
Redeemed points	0.44	1.50
Redemption percentage	13.30%	64.36%
Unexpired points	2.88	0.83

(b) Points for Lalit Plus

	31 March 2018	31 March 2017
Accrued points	1.75	3.47
Redeemed points	0.63	1.81
Redemption percentage	35.90%	52.24%
Unexpired points	1.12	1.66

(c) Points for Lalit Engage

	31 March 2018	31 March 2017
Accrued points	0.87	0.55
Redeemed points	0.14	0.40
Redemption percentage	16.58%	73.38%
Unexpired points	0.73	0.15

(d) Movement in provision

(All amounts Rs in Lacs)

	31 March 2018	31 March 2017
At the beginning of the year	36.20	41.53
Arising during the year	54.09	87.36
Utilised during the year	30.42	92.69
At the end of the year	59.87	36.20

(e) Movement in membership programme

	31 March 2018	31 March 2017
At the beginning of the year	303.86	350.64
Arising during the year	764.86	722.13
Utilised during the year	684.20	768.91
At the end of the year	384.52	303.86

(All amounts Rs in Lacs)

NOTE 49 :DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS PER MSMED ACT, 2006 TO THE EXTENT OF CONFIRMATION RECEIVED:

	31 March 2018	31 March 2017
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year	—	—
The amount of interest paid by the buyer in terms of Section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	—	—
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	—	—
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	—	—
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act, 2006	—	—

NOTE 50 : DIVIDEND MADE AND PROPOSED

Cash dividends on equity shares declared and paid:	31 March 2018	31 March 2017
Final dividend paid in the year ended on 31 March 2018:		
Rs. 1 per share (31 March 2017: Rs. 1 per share)	759.91	569.93
DDT on final dividend	154.70	116.03
	914.61	**685.96**
Proposed dividends on equity shares:		
Proposed dividend for the year ended on 31 March 2018:		
Rs. 1 per share (31 March 2017: Rs. 1 per share)	759.91	759.91
DDT on proposed dividend	154.70	154.70
	914.61	**914.61**

NOTE 51: RELATED PARTY TRANSACTIONS

Note 51: Related Party Disclosures

a) Name of the related parties and their relationship:

Subsidiaries:	Jyoti Limited Apollo Zipper India Limited Prime Cellular Limited Prima Buildwell Private Limited Kujjal Builders Private Limited
Entity Controlled by the Company	The Lalit Suri Educational and Charitable Trust
Key Management Personnel:	Dr. Jyotsna Suri, Chairperson & Managing Director Ms. Divya Suri Singh, Executive Director Ms. Deeksha Suri, Executive Director Mr. Keshav Suri, Executive Director Mr. Ramesh Suri, Non Executive Director Mr. Madhav Sikka, Chief Financial Officer (till 24 March 2018) Mr. Himanshu Pandey, Head Legal and Company Secretary (w.e.f. 16 October 2017) Mr. Sandeep Chandna, Company Secretary (till 20 September 2017) Mr. M.Y. Khan, Non Executive Director Mr. Dhruv Prakash, Non Executive Director (w.e.f. 21 July 2017) Mr. Ranjan Mathai, Non Executive Director (w.e.f. 29 August 2017) Mr. Vivek Mehra, Non Executive Director (w.e.f. 21 July 2017) Ms. Shovana Narayan, Non Executive Director (w.e.f. 16 October 2017) Mr. Lalit Bhasin, Non Executive Director (till 6 September 2017) Mr. Hanuwant Singh, Non Executive Director (till 30 June 2017) Mr. D.V. Batra, Non Executive Director (till 14 August 2017) Mr. Vinod Khanna, Non Executive Director (till 27 April 2017) Mr. Abhay N Firodia, Non Executive Director (till 21 May 2016) Mr. Chakor Lal Doshi, Non Executive Director (till 20 July 2016)
Joint Venture of Subsidiaries	Cavern Hotels & Resorts FZCo.

Enterprises owned or significantly influenced by key management personnel or their relatives

Deeksha Holding Limited (DHL)
Deeksha Human Resource Initiatives Limited (DHRIL)
Subros Limited
Jyotsna Holding Private Limited
Mercantile Capital & Financial Services Private Limited
Bhasin & Company (till 8 September 2017)
Cargo Motors Delhi Private Limited
Cargo Motors Private Limited
Cargo Motors (Rajasthan) Private Limited
Eila Builders & Developers Limited
FIBCOM India Limited
Global Autotech Limited
Grand Hotel & Investments Limited

Kronokare Cosmetics Private Limited
L.P Hospitality Private Limited
Premium Exports Limited
Premium Farm Fresh Produce Limited
Premium Holdings Limited
Prima Telecom Limited
Richmond Enterprises S.A.
Responsible Builders Private Limited
Rohan Motors Limited
Hemkunt Service Station Private Limited
Tempo Automobiles Private Limited
Godawari Motors Private Limited
Ramesh Suri (HUF)
St. Olave's Limited

Relatives of Key Managerial Personnel Mr. Jayant Nanda

b) Loans made to the subsidiaries/ joint venture of subsidiaries are on mutually agreed terms.

c) The sales and purchase from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balance at the year-end are unsecured and interest free and settlement occurs through banking channels.

d) The short term loans facilities (as discussed in note 24) from bank availed by the Company have been secured by way of guarantee given by Premium Holding Limited and Richmond Enterprises S.A.

e) The guarantees for the related parties are given in the ordinary course of business and related parties have provided counter guarantees for such guarantees.

(f) The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial period.

(All amounts Rs in Lacs)

Subsidiaries	**31 March 2018**	**31 March 2017**
Jyoti Limited		
-Loan provided	8.00	21.45
-Interest received	49.89	(44.42)
-Lease rent paid	50.00	50.00
Apollo Zipper India Limited		
-Loan provided	2,486.62	8,317.50
-Loan (received)	(592.13)	(371.98)
-Interest received	294.55	498.63
-Consultancy services provided	347.04	301.33
-Expenditure incurred by BHL on behalf of	19.13	1.28
-Security deposit (received)	-	(1.00)
-Security deposit refund	-	1.00
-Deemed investment on fair valuation of interest free loan	(2,050.64)	(30,134.49)
Kujjal Builders Private Limited		
-Sale of goods / services	1.69	-
-Loan provided	1,647.67	7,071.39
-Loan (received)	(172.50)	(316.27)
-Interest received	742.68	2,626.05
-Consultancy services provided	262.65	204.15

(All amounts Rs in Lacs)

	31 March 2018	31 March 2017
-Expenditure incurred by BHL on behalf of related party	15.51	290.53
-Deemed investment on fair valuation of interest free loan	(36,748.78)	-
Prime Cellular Limited		
-Loan provided	60.70	52.20
-Loan (received)	(500.00)	(51.50)
-Interest received	211.90	234.77
-Expenditure incurred by BHL on behalf of	(6.05)	0.05
-Security deposit (received)	-	-
-Security deposit refund	-	-
Prima Buildwell Private Limited		
-Loan provided	5.00	8.00
-Loan (received)	(241.39)	(480.00)
-Interest received	2.58	39.03
-Reimbursement of expenses	0.23	-
Entity Controlled by the Company		
The Lalit Suri Educational and Charitable Trust		
-Loan provided	1,471.40	538.47
-Interest received	414.41	285.22
-Other balances written off	-	148.32
-Deemed investment on fair valuation of interest free loan	(316.09)	-
-Deemed investment written off	316.09	-
Key Management Personnel:		
Name of KMP		
Dr. Jyotsna Suri		
- Salary and Wages	84.00	84.00
- Post employment benefits	3.14	3.14
- Lease rent paid	30.00	34.48
- Interest paid on deposits	16.92	84.92
- Guarantee/ Undertaking (received)	(1,471.40)	(538.47)
- Loan (received)	(460.00)	(1,285.00)
- Loan repaid	895.00	1,200.00
- Sale of goods / services	24.90	23.63
Ms. Divya Suri Singh		
- Salary and Wages	72.00	72.00
- Post employment benefits	3.13	4.27
- Lease rent paid	24.00	17.00
Ms. Deeksha Suri		
- Salary and Wages	72.00	72.00
- Post employment benefits	2.91	4.48
- Lease rent paid	24.00	17.00

(All amounts Rs in Lacs)

	31 March 2018	31 March 2017
Mr. Keshav Suri		
- Salary and Wages	72.00	72.00
- Post employment benefits	2.84	3.94
Mr. Madhav Sikka		
- Salary and Wages	49.63	-
- Post employment benefits	0.99	1.74
- Other long term employee benefits- Leave Encashment	-	-
Mr. Himanshu Pandey		
- Salary and Wages	18.93	-
- Post employment benefits	0.62	0.77
Mr. Sandeep Chandna		
- Salary and Wages	11.52	-
- Post employment benefits	-	-
Mr. Ramesh Suri		
- Sitting Fees	5.00	3.60
Mr. M.Y. Khan		
- Sitting Fees	4.80	2.10
Mr. Dhruv Prakash		
- Sitting Fees	3.30	-
Mr. Ranjan Mathai		
- Sitting Fees	1.50	-
Mr. Vivek Mehra		
- Sitting Fees	2.60	-
Ms. Shovana Narayan		
- Sitting Fees	0.50	-
Mr. Lalit Bhasin		
- Sitting Fees	1.40	2.50
Mr. Hanuwant Singh		
- Sitting Fees	0.90	4.20
Mr. D.V. Batra		
- Sitting Fees	0.50	1.10
Mr. Vinod Khanna		
- Sitting Fees	-	0.40
Mr. Chakor Lal Doshi		
- Sitting Fees	-	0.20

(All amounts Rs in Lacs)

	31 March 2018	31 March 2017
g. Balance Outstanding as at year end from Subsidiaries (including deemed investment)- Receivable		
Name of Company		
Jyoti Limited	836.41	356.79
Apollo Zipper India Limited	35,101.17	2,444.37
Prime Cellular Limited	3,056.64	3,311.28
Prima Buildwell Private Limited	548.56	782.40
Kujjal Builders Private Limited	39,884.78	37,561.76
Entity Controlled by the Company		
The Lalit Suri Educational & Charitable Trust	4,586.39	3,016.67
	-	-
Key Management Personnel- Receivables		
Dr. Jyotsna Suri	24.90	-
Balance Outstanding from Enterprises owned or significantly influenced by key management personnel or their relatives - Receivables		
Bhasin & Company	-	16.48
Cargo Motors Delhi Private Limited	103.97	103.97
Cargo Motors Private Limited	40.08	36.02
Cargo Motors Rajasthan Private Limited	9.28	3.15
Deeksha Holding Limited	33.03	37.51
Deeksha Human Resource Initiatives Limited	0.93	0.93
FIBCOM India Limited	12.21	11.89
Grand Hotel & Investments Limited	53.65	222.62
Jyotsna Holding Private Limited	-	0.07
Kronokare Cosmetics Pvt Ltd	12.97	8.26
L. P. Hospitality Private Limited	1.61	19.72
Mercantile Capital & Financial Services Private Limited	0.08	0.11
Prima Telecom Limited	0.80	0.41
Responsible Builders Private Limited	0.63	0.70
Rohan Motors Limited	2.83	2.76
Subros Limited	27.53	43.22
Tempo Automobiles Private Limited	0.13	-
Godawari Motors Private Limited	2.67	-
St. Olave's Limited	139.08	-
Ramesh Suri (HUF)	0.31	-
Balance Outstanding as at year end.		
Balance payable to Key Management Personnel		
Dr. Jyotsna Suri	10.65	476.64
Ms. Divya Suri Singh	3.60	23.54
Ms. Deeksha Suri	3.60	29.99
Mr. Keshav Suri	-	6.44

(All amounts Rs in Lacs)

	31 March 2018	31 March 2017
Balance payable to Enterprises owned or significantly influenced by key management personnel or their relatives		
Bhasin & Company	-	16.48
Deeksha Holding Limited	102.28	37.51
Deeksha Human Resource Initiatives Limited	4.84	0.93
Eila Builders & Developers Limited	-	-
Global Autotech Limited	0.13	-
Jyotsna Holding Private Limited	0.06	0.07
Kronokare Cosmetics Pvt Ltd	1.18	9.99
L. P Hospitality Private Limited	0.08	-
Mangar Hotels & Resorts Limited	-	-
Mercantile Capital & Financial Services Private Limited	-	-
Premium Exports Limited	-	2.63
Prima Telecom Limited	0.17	-
Rohan Motors Limited	0.22	2.76
Hemkunt Service Station Private Limited	42.29	-
Tempo Automobiles Pvt. Ltd	0.12	-
Corporate Guarantees / Undertaking (received) / payable		
Apollo Zipper India Limited	13,071.85	13,071.85
Dr. Jyotsna Suri	(5,714.98)	(4,243.58)
Premium Holdings Limited	(5,203.53)	(11,387.09)
Richmond Enterprises S.A.	-	-
Kujjal Builders Private Limited	11,650.00	11,650.00

Transactions with Enterprises owned or significantly influenced by key management personnel or their relatives:

Name of Company		
Deeksha Holding Limited		
-Sale of goods / services	110.53	57.74
-Purchase of goods	5.80	2.99
-Lease rent paid	156.27	154.13
-Maintenance charges received	8.65	8.48
-Expenditure incurred on behalf of BHL by	1.20	15.53
Deeksha Human Resource Initiatives Limited		
-Expenditure incurred on behalf of BHL by	-	0.09
Jyotsna Holding Private Limited		
-Sale of goods / services	10.27	-
-Lease rent paid	-	8.86
-Security deposit received	-	3.36
Mercantile Capital & Financial Services Private Limited		
-Maintenance charges received	1.15	1.05
Grand Hotels & Investments Limited		
-Consultancy Services provided	-	157.20
-Expenditure incurred by BHL on behalf of	-	134.26

(All amounts Rs in Lacs)

	31 March 2018	31 March 2017
Prima Telecom Limited		
-Sale of goods / services	1.83	1.01
-Purchase of goods	2.09	-
Responsible Builders Private Limited		
-Maintenance charges received	4.63	4.80
-Sale of goods / services	4.39	-
Premium Exports Limited		
-Lease rent paid	1.35	2.70
Rohan Motors Limited		
-Sale of goods / services	8.28	5.35
-Purchase of fixed assets	4.20	-
-Services received	1.79	1.12
-Maintenance charges received	2.00	1.85
Subros Limited		
-Sale of goods / services	94.91	90.84
-Maintenance charges received	20.19	21.86
FIBCOM India Limited		
-Maintenance charges received	-	1.35
-Sale of goods / services	0.85	-
L.P Hospitality Private Limited		
-Consultancy Services provided	5.71	-
-Services received	0.08	-
Global Autotech Limited		
-Loan (received)	-	-
-Loan paid	-	-
-Interest received	-	-
-Sale of fixed assets	-	-
Kronokare Cosmetics Pvt Ltd		
-Purchase of goods	241.80	835.27
-Sale of goods / services	-	64.22
Cargo Motors Private Limited		
-Sale of goods / services	5.27	1.76
Bhasin and Company		
-Consultancy Services received	-	4.20
-Sale of goods / services	-	3.38
Hemkunt Service Station Private Limited		
-Sale of goods / services	0.29	-
-Purchase of goods	123.06	-

(All amounts Rs in Lacs)

	31 March 2018	31 March 2017
Tempo Automobile Private Limited		
-Sale of goods / services	2.03	-
-Services received	0.74	-
Godawari Motors Private Limited		
-Sale of goods / services	2.52	-
-Purchase of goods	38.97	-
-Maintenance charges received	2.51	-
Ramesh Suri (HUF)		
-Maintenance charges received	1.06	-
St. Olave's Limited		
-Consultancy Services provided	59.24	-
-Expenditure incurred by BHL on behalf of	76.69	-
Cargo Motors Rajasthan Pvt Ltd		
-Sale of goods / services	6.70	-

NOTE 52: DETAILS OF CSR EXPENDITURE

a) Gross amount required to be spent by the Company during the year	53.38	4.09
(b) Amount spent during the year ending on 31 March 2018:		
i) Construction/acquisition of any asset		
ii) On purposes other than (i) above	38.42	
b) Amount spent during the year ending on 31 March 2017:		
i) Construction/acquisition of any asset		
ii) On purposes other than (i) above		33.40

NOTE 53. SEGMENTAL INFORMATION **(All amounts Rs. in lacs)**

Business segments:

For management purposes, the Company is organised into business units based on its services rendered and products sold. The leadership team (Chairperson and Chief Financial Officer) monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss. No operating segments have been aggregated to form the above reportable operating segments. The Company has three reportable segments, as follows: -

Hotel operations : It represents sale of rooms and apartments, food and beverages, banquet rentals and other services relating to hotel operations including telecommunication, laundry, business centre, health centre and other related services

Aircraft Charter Operations: It represents services rendered to customers who hire aircraft for travel.

Rent and Maintenance operations: It represents operations relating to renting of shops located within hotel premises and separate business towers operated by the Company.

Particulars	Hotel operations		Aircraft charter operations		Other activities		Total	
	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2018	For the year ended 31 March 2017
Revenue								
External sales	61,567.56	55,161.93	490.72	614.88	1,801.44	1,701.17	63,859.72	57,477.98
Other income	647.35	757.69	-	-	44.88	37.51	692.23	795.20
Finance Income	-	-	-	-	109.25	109.26	109.25	109.26
Unallocated corporate income	-	-	-	-			2,176.42	4,153.17
Total	**62,214.91**	**55,919.62**	**490.72**	**614.88**	**1,955.57**	**1,847.95**	**66,837.62**	**62,535.61**
Segment result	17,003.16	15,715.02	(585.51)	(388.31)	1,223.61	1,083.85	17,641.26	16,410.56
Unallocated corporate expenses	-	-	-	-	-	-	(13,766.55)	(10,890.05)
Tax expense	-	-	-	-	-	-	750.75	1,851.28
Profit for the year	**17,003.16**	**15,715.02**	**(585.51)**	**(388.31)**	**1,223.61**	**1,083.85**	**3,123.96**	**3,669.23**

Particulars	Hotel operations		Aircraft charter operations		Other activities		Total	
	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2018	For the year ended 31 March 2017
Segment assets	144,625.18	155,559.65	4,518.97	4,583.45	3,463.75	3,485.71	152,607.90	163,628.82
Unallocated corporate assets							107,525.04	91,715.84
Total	**144,625.18**	**155,559.65**	**4,518.97**	**4,583.45**	**3,463.75**	**3,485.71**	**260,132.94**	**255,344.66**
Segment liabilities	27,617.21	24,987.56	53.35	38.01	3,389.39	3,428.01	31,059.95	28,453.58
Unallocated corporate liabilities							118,950.90	118,918.78
Total	**27,617.21**	**24,987.56**	**53.35**	**38.01**	**3,389.39**	**3,428.01**	**150,010.85**	**147,372.36**
Capital expenditure towards acquisition of fixed assets	**6,578.59**	**5,005.45**	**106.79**	**48.45**	**-**	**-**	**6,685.38**	**5,053.90**
Depreciation / amortization	**4,337.80**	**4,255.68**	**322.09**	**319.10**	**44.40**	**53.38**	**4,704.29**	**4,628.16**
Non cash expenses other than depreciation and amortization	**427.34**	**549.52**	**-**	-	**-**	**-**	**427.34**	**549.52**

Note: Capital expenditure includes exchange differences that have been capitalised.

Geographical information

The operating interests of the Company are confined to India since all the operational activities exists in India only. Accordingly, the figures appearing in these financial statements relate to the Company's single geographical location i.e. India.

(All amounts Rs in Lacs)

NOTE 54. CONTINGENT LIABILITIES NOT PROVIDED FOR:

a) Income-tax matters

Assessment year	Amounts disputed 31 March 2018	Amounts disputed 31 March 2017
1997-98 to 2009-10	863.68	863.68
2010-11	1,799.96	1,799.96
2011 - 12 to 2014-15	178.88	178.88
2015-16	120.66	-
Total	**2,963.18**	**2,842.52**

The above income tax matters include certain disallowances of expenses claimed by the Company and certain other additions made by the assessing officers in respective years. These matters are pending with various judicial/appellate authorities including CIT (A), ITAT and High court. For some of the matters, judicial/appellate authorities have decided the cases in favor of the Company. However, these are being contested again by the Department of Income tax.

Further, during the year, Company has received notice under section 148 of the Income-tax Act 1961, for assessment year 2010-11, for reassessment proceedings in respect of depreciation claimed amounting to Rs 5,295.54 lacs having tax impact of Rs 1,799.96 lacs. The Company has filed Writ Petition before the Hon'ble High Court of Delhi against the same notice, which is pending for further hearing.

The Company believes that it has merit in these cases and it is only possible, but not probable, that these cases may be decided against the Company. Hence, these have been disclosed as contingent liability and no provision for any liability has been deemed necessary in the financial statements.

In addition to the aforementioned, in respect of certain other income-tax matters wherein the amount involved is Rs. 6,045.58 lacs (31 March 2017: Rs. 6,045.58 lacs), the Hon'ble High Court of Delhi has passed judgement in favor of the Company. The tax authorities have not yet filed any further appeals in respect of these matters. Considering the aforementioned, the management does not expect that any liability shall devolve on the Company in respect of these matters.

b) Guarantees

The Company has issued financial guarantees to banks on behalf of and in respect of loan facilities availed by its subsidiaries for construction of fixed assets. In accordance with the policy of the Company, the Company has designated such guarantees as "Insurance Contracts". The Company has classified financial guarantees as contingent liabilities. Further, the Company has also assessed the fair values of these guarantees and believes that there are no assets and liabilities to be recognised in the balance sheet under these contracts.

	As at 31 March 2018	As at 31 March 2017
i. Corporate guarantee given on behalf of a subsidiary to Customs for obtaining EPCG licenses	796.85	796.85
ii. Corporate guarantee given on behalf of subsidiaries to bank for obtaining loan for construction of fixed assets	23,925.00	23,925.00

(All amounts Rs in Lacs)

Other Matters

Particulars	As at 31 March 2018	As at 31 March 2017
Interest on delayed payment of lease management fees (note (ii))	52.28	72.28
Demand for cumulative interest (note (iii))	1,184.54	1,181.81
Demand by Custom Authorities (note(iv))	968.05	968.05
Demand of service tax (note (v))	356.81	350.39
Demand of Urban Development Tax (note (vi))	190.59	190.59
Claims from contractor (note (vii))	1,700.00	1,700.00
Demand of property tax (note (viii)	994.51	-
Demand of stamp duty (note ix)	909.20	-
Other claims not acknowledged as debt	188.42	195.95

i) Certain employees have filed cases in the courts/ legal forums against termination/ suspension/ assault and have sought relief. The liability, if any, with respect to these claims is not currently ascertainable and in the opinion of the management, would not have material effect on these financial statements.

ii) Interest on delayed payments of lease management fees for one of the properties taken on lease, under a lease cum management contract, is being contested by the management and based on a legal advice, the management is confident that the aforementioned liability shall not devolve on the Company.

iii) New Delhi Municipal Corporation (NDMC) has raised a demand of cumulative interest towards alleged delays in payments of initial license fees. The Company has responded to NDMC questioning the validity of such demand. NDMC has not provided the Company any basis of these demands. Based on a legal advice, the management is confident that the aforementioned liability shall not devolve on the Company.

iv) Demand by Custom Authorities against import of aircraft is being challenged by the Company at Customs Excise Service Tax Appellate Tribunal (CESTAT).

v) Demands of Service Tax is being challenged by the company at various forums.

vi) Municipal Council of Udaipur has raised a demand of Urban Development tax for the financial years 2007-08 to 2016-2017. The demand has been challenged in the Hon'ble High Court at Jodhpur and as per the interim order passed by the court, the Company has paid Rs. 25.00 lacs for the said period. Based upon expert analysis, believes that no further provision is necessary at this stage.

vii) Claim received from a contractor not accepted by the Company amounting to Rs. 1,700.00 lacs (31 March 2017: Rs. 1,700.00 lacs) against which the Company has given an advance of Rs. 662.00 lacs.

viii) During the year ended 31 March 2018, the Company received a notice from Brahut Bangalore Mahangara Palike ("BBMP") for its property situated at Kumara Krupa Road, Bangalore for additional property tax of Rs 994.51 lacs along with 2% interest charges. The Company has requested BBMP to provide basis of the additional property tax demand, contesting its validity, which has not yet been responded by BBMP.

ix) During the year ended 31 March 2018, the Collector of Stamps at Udaipur issued a show cause notice towards stamp duty of approximately Rs. 909.20 lacs duty upon transfer of Laxmi Vilas Palace Hotel, the erstwhile unit of Indian Tourism Development Corporation (ITDC). The Company has filed a writ with the Hon'ble High Court of Jodhpur. The Hon'ble Court has directed the Collector Stamps not to raise any further order in this regard until the resolution of the transfer matter.

x) During the current year, Company has received notice from the Collector of Stamp, Delhi wherein department has sought explanation as to why transfer of right to use of commercial establishment in the World Trade Centre is not liable to stamp duty. The Company is in the process of responding to the notice and based on legal analysis, is of the view that there is no likelihood of any liability devolving on the Company on this ground and accordingly no adjustment is required in these restated financial information.

c) Other matters

i) The Payment of Bonus (amendment) Act, 2015 enhanced the eligibility limit for payment of bonus of employees from Rs. 0.10 lacs per month to Rs. 0.21 lacs per month from the Financial Year 2014-15. The Company has estimated liability of Rs. 195.28 lacs for the financial year 2014-15. The above amendment has been stayed by various High Courts and the management, based on this, has not provided for enhanced bonus for Financial Year 2014-15 in the books of accounts.

ii) Company has received notices for playing music without license in the various hotels of the Company, infringement of copyright. Management is confident that it has complied with the license as per the arrangement and therefore do not foresee any liability.

iii) The Company has received various Show Cause notices from Department of Excise and Customs and Service Tax authorities on various matters amounting to Rs. 262.13 lacs. Management had responded to the respective departments and no demand notices has been received against the said notices. Management is confident that aforementioned liability shall not devolve on the Company.

iv) During the year ended 31 March 2018, the Company has received order from Department of Commercial Taxes, Jaipur to deposit Rs. 16.58 lacs on account of excess employment subsidy received by the Company in the year 2014-15 under "Rajasthan Investment Promotion Scheme, 2010". The matter is currently pending with Rajasthan Tax Board, Ajmer. Management believes, based on expert analysis, that no provision is required at this stage.

v) During the year ended 31 March 2018, the Company has received show cause notice under section 13 of Luxuries Tax Act, 1996, being asked to submit books of accounts and other document pertaining to period from 2014-15 onwards. Company has responded to the aforesaid notice received. Management believes, based on expert analysis, that no provision is required at this stage

vi) During the year ended 31 March 2015, Company has received a notice from the Secretary of the Udma Grama Panchayat on account of property tax revision under the Kerala Panchayat Raj (Property Tax, Service Cess and Surcharge) Rules, demanding differential property tax. The same is being contested by management in the Hon'ble High Court of Kerala.

55. The Company had obtained land on license of 99 years from New Delhi Municipal Corporation (NDMC) with effect from 11 March, 1981. The Company has constructed a hotel and commercial towers on the aforementioned land. The Company is paying an annual license fee of Rs.145.00 lacs to the NDMC which is subject to revision after every 33 years provided that increase in license fees, shall be linked to the increase in the market value of the Underlying Land, subject to a ceiling of 100% of the preceding immediately license fee. NDMC did not increase the license fee upon the expiry of 33 years. In November 2016, NDMC issued a demand of Rs. 19,877.73 lacs vide provisional bills towards the increase in license fee from the date of expiry of the first term of 33 years. The Company filed a writ with the Hon'ble High Court at Delhi challenging the demand and basis thereof. The Hon'ble High Court, in February 2017, quashed and set aside the aforementioned provisional bills directing NDMC to recompute the demand, if any, and issue final bills with the basis of calculation specifically spelt out. Management based upon expert analysis, believes no additional liability shall be levied upon the company.

56. The Company has given an interest free loan of Rs. 4,586.39 lacs (31 March 2017: Rs. 3,016.67 lacs) to The Lalit Suri Educational and Charitable Trust (Trust) for construction of the Hospitality Management Institute for a period of 12 years. The Institute is of strategic importance to the Company as the Company will get a pool of resources trained in hospitality industry. Also, the students passing out of the Institute are expected to work for the Company for a period of one year. The Company has obtained an undertaking from one of the Trustees of the Trust agreeing to repay the loan in case the Trust is not able to repay the outstanding loan to the Company. Basis the above, the management believes that the amount is recoverable in due course and accordingly, no adjustment is required there against.

57. (a) The Company has an investment of Rs. 3,107.89 lacs (31 March 2017: Rs. 3,107.89 lacs) in the share capital of its wholly owned subsidiary, Jyoti Limited and also has a deemed investment of Rs. 466.73 lacs (31 March 2017: Rs. 466.73 lacs) in the form of interest free loan to Jyoti Limited. The audited financial statements of Jyoti Limited show an accumulated loss of Rs. 785.60 lacs as on 31 March 2018 (31 March 2017: Rs. 768.27 lacs;), which is more than the paid-up share capital of Rs. 63.00 lacs (31 March 2017: Rs. 63.00 lacs), resulting in complete erosion of net worth. The Company also has an outstanding loan recoverable of Rs. 369.67 lacs (31 March 2017: Rs. 356.79 lacs) from the subsidiary. Considering the long term nature of the investment of Rs. 3,107.89 lacs (31 March 2017: Rs. 3,107.89 lacs), and the value of assets held by Jyoti Limited (Hotel at Srinagar), the Board of Directors of the Company are of the view that there is no diminution, other than temporary, in the value of investment and loan is recoverable from the subsidiary. Accordingly, no provision has been made there against in these financial statements.

(b) The Company holds 90% of the equity capital of Apollo Zipper India Ltd ('AZIL') at Rs. 5,213.08 lacs (31 March 2017: Rs. 5,213.08 lacs).The Company had also provided a loan to AZIL which has been converted into an interest free loan for a period of 25 years w.e.f 1 June 2016. As a result, the Company has recognised a deemed investment of Rs. 32,185.13 lacs in the form of interest free loan to AZIL and the carrying balance of loan to AZIL amounts to Rs. 2,916.04 lacs (31 March 2017: Rs. 2,444.37 lacs). The Company has further provided a loan of Rs. 546.01 lacs (31 March 2017: Rs. 593.72 lacs) to Prima Buildwell Private Limited, a 99.9% subsidiary, who in turn has given a loan of Rs. Nil (31 March 2017: Rs. 177.40 lacs) to AZIL. AZIL has been vested with the assets of The Lalit Great Eastern Hotel in Kolkata. As at 31 March 2018, AZIL has accumulated losses of Rs. 3,333.89 lacs (31 March 2017: Rs. 5,774.55 lacs) which is more than the paid-up share capital of Rs. 80.87 lacs (31 March 2017: Rs. 80.87 lacs).

AZIL had commenced its operations from February 2014 and is currently engaged in the process of complete renovation / re-construction of Heritage block of the property in Kolkata. Considering the long term prospects and value of assets held by the Subsidiary, the Board of Directors of the Company are of the view that there is no diminution, other than temporary, in the value of investment. Also, based on future projections, the management believes that the loan amount is fully recoverable. Further, the management may consider to convert the loan amount into equity share capital after taking necessary approvals from the relevant authorities. Accordingly, no provision has been made there against in these financial statements.

(c) The Company has an investment of Rs. 3,984.00 lacs (31 March 2017: Rs. 3,984.00 lacs) and has also provided a loan of Rs. 2,182.04 lacs (31 March 2017: Rs. 2,121.34 lacs) to Prime Cellular Limited (PCL) a 99.60% subsidiary as at 31 March 2018. The Company had also provided loan of Rs. 39,271.52 lacs to Kujjal Builders Private Limited (KBPL), which is a Joint Venture of PCL with 50% shareholding, out of which Rs.

36,341.15 lacs has been converted into an interest free loan for a period of 25 years w.e.f 01 June 2017.Further, Company has given a loan of Rs. 445.91 lacs during the period of June'17 to March'18 out of which Rs. 407.63 lacs has been converted into an interest free loan. As a result, the Company has recognised a deemed investment of Rs. 36,748.78 lacs in the form of interest free loan to KBPL and the carrying balance of loan to KBPL amounts to Rs. 3,237.33 lacs (31 March 2017: Rs. 27,906.83 lacs). PCL has entered in to a Joint Venture for the hotel property at Chandigarh. The audited financial statements of PCL and KBPL show accumulated losses of Rs. 426.87 lacs (31 March 2017: Rs. 387.22 lacs) and Rs. 15,144.06 lacs (31 March 2017: Rs. 16,912.50 lacs) respectively as at 31 March 2018.

Considering the long term prospects and value of assets held by the Subsidiary, the Board of Directors of the Company are of the view that there is no diminution, other than temporary, in the value of investment. Also, based on future projections, the management believes that the loan amount is fully recoverable. Further, the management may consider to convert the loan given to KBPL into equity share capital after taking necessary approvals from the relevant authorities. Accordingly, no provision has been made there against in these financial statements.

(d) The Company has an investment on 31 March 2018 of Rs. 301.00 lacs (31 March 2017: Rs. 301 Lacs) and had given a loan of Rs. 546.01 lacs (31 March 2017: Rs. 593.72 lacs) to Prima Buildwell Private Limited (PBPL), a 99.99% subsidiary of the Company for execution of Dubai project. PBPL has entered into a Joint Venture for setting up a Hotel property at Al-Furjan, Dubai with Lost City L.L.C and another related entity. In view of the overall economic situation in Dubai, Al-Furjan L.L.C has not developed the land. Considering the area had not been developed as per the Land purchase agreement, the Company and the related joint venture partner has communicated its intention to exit from the joint venture. Al- Furjan L.L.C has initiated legal proceedings against the joint venture company. Considering the legal case, the Company has created a provision of Rs. 301 lacs (31 March 2017 : Rs. 301 lacs) as a provision for diminution against investment and provision of Rs. 529.02 lacs (31March 2017 : Rs. 529.02 lacs) against the loan advanced to PBPL.

58. Management had decided to sell a piece of land during the year ended 31 March 2016, and accordingly had initiated the process of identifying a potential buyer. Based on market survey, the management expected to sell it at a value more than its carrying value. Hence, the aforementioned piece of land, has been accordingly disclosed as an asset held for sale at its carrying amount of Rs. 1,618.77 lacs as at 31 March 2017. During the year ended 31 March 2018, the management has decided to construct and develop a hotel property on the said piece of land and has accordingly reclassified it under property, plant and equipment at the carrying amount of Rs 1,618.77 lacs.

59. As per the terms of the land allocation agreement of Ahmedabad property, the Company was required to complete the construction within two years from the date of allotment i.e. by 23 March 2010. During the year, the Company had applied to the State Government of Gujarat for an extension of the construction period upto 19 June 2018. The management does not anticipate any concern in obtaining extension of the completion deadline for the project.

60. One of the Company's Independent Director had been disqualified in the list prepared by Ministry of Corporate Affairs ('MCA'). Subsequently said Director has obtained clarification from MCA confirming that he has been removed from the disqualification list. MCA has considered the facts and circumstances and filing of e-forms with MCA. Accordingly, he is not considered as disqualified Director under Section 164(2) of Companies Act, 2013.

61. Subsequent to the year end, Company has received show cause notice (the "Notice") from NDMC regarding unauthorised construction at New Delhi Hotel and its commercial towers. Management has sought additional time to respond to the Notice and has filled preliminary responses to the observation in the notice, which is yet to be responded by the NDMC.

62. The Company has entered into Memorandum of Understanding with certain promoter's entities for obtaining the license of the land parcels for construction of property.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration Number: 001076N/N500013

Sd/-
per **Ashish Gupta**
Partner
Membership No. 504662

For and on behalf of the Board of Directors of
Bharat Hotels Limited

Sd/-
Dr. Jyotsna Suri
Chairperson and
Managing Director
DIN-00004603

Sd/-
Divya Suri Singh
Executive Director
DIN-00004559

Sd/-
Urmila Khurana
Chief Financial Officer

Sd/-
Himanshu Pandey
Head - Legal and
Company Secretary

Place : New Delhi
Date : 22nd June, 2018

Walker Chandiok & Co LLP

Walker Chandiok & Co LLP
(Formerly Walker, Chandiok & CO)
L-41 Connaught Circus
New Delhi 110001
India

T +91 11 4278 7070
F +91 11 4278 7071

Independent Auditor's Report

To the Members of Bharat Hotels Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated Ind AS financial statements of Bharat Hotels Limited (hereinafter referred to as "the Holding Company'), its subsidiaries (including an entity registered as trust under Indian Trusts Act, 1882 (Trust)) and Joint Venture (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance Sheet as at 31 March 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated 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 ("the Act") that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated cash flows and consolidated changes in equity of the Group in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and trustees of the Trust are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group for preventing and detecting frauds and other irregularities; the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

4. While conducting the audit, we have taken into account the provisions of the Act, 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 in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these consolidated 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 consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements,

whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls 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 financial statements.

7. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 9 of the Other Matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and the trust, 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 (consolidated financial position) of the Group and trust as at 31 March 2018, their consolidated profit (consolidated financial performance including other comprehensive income),their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Other Matters

9. We did not audit the financial statements and financial information in respect of two subsidiaries and one trust, whose financial statements reflect total assets of Rs. 52,410.12 Lacs and net assets of Rs. 21,296.46 Lacs as at 31 March 2018, total revenues of Rs. 5,578.26 Lacs and net cash inflows amounting to Rs. 70.85 Lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and trust and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and trust is based solely on the reports of the other auditors.

   Our opinion above on the consolidated Ind AS financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors and the financial statements and other financial information certified by the Management.

10. The Consolidated financial statements of the Group for the year ended 31 March 2017 were audited by another auditor who expressed an unmodified opinion vide its report dated 21 July 2017. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

11. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on separate financial statements and other financial information of the subsidiaries and trust, 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 purpose 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 financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 133 of the Act;

e) On the basis of the written representations received from the directors to be read with Note 61 of the consolidated Financial Statements and taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group's Companies incorporated in India is disqualified as on 31 March 2018 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, its subsidiary companies, Joint Ventures and the trust covered under the Act and the operating effectiveness of such controls, refer to our separate report in 'Annexure I';

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and trust:

   (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and trust as detailed in Note 59 to the consolidated financial statements.

   (ii) The Group Companies and Trust did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended 31 March 2018.

   (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies covered under the Act; and

   (iv) The disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016 which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sd/-
per **Ashish Gupta**
Partner
Membership No. 504662

Place: New Delhi
Date: 22nd June 2018

Annexure I to the Independent Auditor's Report of even date to the members of Bharat Hotels Limited on the consolidated financial statements for the year ended 31 March 2018

Annexure I

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

1. In conjunction with our audit of the consolidated financial statements of Bharat Hotels Limited('the Holding Company'), its subsidiaries (including an entity registered as trust under Indian Trusts Act, 1882 (Trust)) and Joint Venture (the Holding Company and its subsidiaries together referred to as "the Group"), as at and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Holding Company and its subsidiary company, which are companies covered under the Act, as at that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on the IFCoFR of the Holding Company and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India('ICAI') and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') 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 IFCoFR were 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 IFCoFR and their operating effectiveness.Our audit of IFCoFR includes obtaining an understanding of IFCoFR, 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 IFCoFR of the Holding Company and its subsidiary companies, as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

6. A Company's IFCoFR 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 IFCoFR include 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 IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR 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 and based on the consideration of the reports of the other auditors on IFCoFR of the subsidiary companies, the Holding Company and its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2018, 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

9. We did not audit the IFCoFR in so far as it relates to two subsidiaries and one trust, whose financial statements reflect total assets of Rs. 52,410.12 Lacs and net assets of Rs. 21,296.46 Lacs as at 31 March 2018, total revenues of Rs. 5,578.26 Lacs and net cash inflows amounting to Rs. 70.85 Lacs for the year ended on that date, as considered in the consolidated financial statements.The IFCoFR in so far as it relates to such subsidiary companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the IFCoFR for the Holding Company, and its subsidiary companies,as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies, is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sd/-
per**Ashish Gupta**
Partner
Membership No.:504662

Place: New Delhi
Date: 22nd June 2018

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2018

(All amounts Rs in Lacs)

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017*
ASSETS			
Non-Current Assets			
a) Property, plant and equipment	2	195,061.94	197,683.07
b) Capital work-in-progress		32,747.60	24,980.56
c) Goodwill	3	8,425.48	8,425.48
d) Other intangible assets	3	218.04	101.86
e) Financial assets			
(i) Investments	4	3.60	3.60
(ii) Loans	5	631.10	544.64
(iii) Other non current financial assets	6	1,962.43	2,343.81
f) Non-current tax assets (net)	8	4,639.22	3,810.94
g) Other non-current assets	7	6,610.29	6,148.54
Total non current assets		**250,299.70**	**244,042.50**
Current Assets			
a) Inventories	9	1,861.39	1,951.74
b) Financial assets			
(i) Trade receivables	10	6,438.45	4,925.97
(ii) Cash and cash equivalents	11	2,186.59	6,882.92
(iii) Other bank balances	12	1,192.89	1,056.59
(iv) Loans	13	108.70	112.94
(v) Other current financial assets	14	830.71	582.46
c) Other current assets	15	2,322.20	2,897.84
Assets classified as held for sale	16	20.00	1,638.77
Total current assets		**14,960.93**	**20,049.23**
Total assets		**265,260.63**	**264,091.73**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	17	7,599.17	7,599.17
b) Other Equity	18	91,566.97	85,038.84
Equity attributable to the shareholders		**99,166.14**	**92,638.01**
Non controlling interest	56	(2,960.42)	(3,844.48)
Total equity		**96,205.72**	**88,793.53**
Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	19	123,463.04	117,810.70
(ii) Other non current financial liabilities	20	451.56	449.82
b) Provisions	21	967.58	805.00
c) Deferred tax liabilities (net)	22	3,724.95	12,209.68
d) Other non-current liabilities	23	3,895.84	4,138.02
Total non -current liabilities		**132,502.97**	**135,413.22**

(All amounts Rs in Lacs)

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017*
Current liabilities			
a) Financial liabilities			
(i) Borrowings	24	13,051.89	18,601.95
(ii) Trade payables	25	8,650.55	6,106.94
(iii) Other current financial liabilities	26	10,030.63	10,022.48
b) Provisions	27	911.76	750.25
c) Other current liabilities	28	3,907.11	4,403.36
Total current liabilities		**36,551.94**	**39,884.98**
Total equity and liabilities		**265,260.63**	**264,091.73**
Summary of significant accounting policies	1		

**Refer note 58*

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration Number: 001076N/N500013

Sd/-
per **Ashish Gupta**
Partner
Membership No. 504662

For and on behalf of the Board of Directors of Bharat Hotels Limited

Sd/-
Dr. Jyotsna Suri
Chairperson and Managing Director
DIN-00004603

Sd/-
Divya Suri Singh
Executive Director
DIN-00004559

Place : New Delhi
Date : 22nd June, 2018

Sd/-
Urmila Khurana
Chief Financial Officer

Sd/-
Himanshu Pandey
Head - Legal and Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31 MARCH 2018

(All amounts Rs in Lacs)

Particulars	Notes	For the year ended 31 March 2018	For the year ended 31 March 2017*
Revenue			
Revenue from operations	29	73,798.44	65,379.04
Other income	30	1,653.89	1,063.24
Total income		**75,452.33**	**66,442.28**
Expenses			
Cost of food and beverages consumed	31	9,169.49	7,968.54
Purchase of traded goods		61.75	77.20
Change in inventories of traded goods	32	2.37	(23.03)
Excise duty on sale of food		8.69	53.10
Employee benefits expense	33	13,271.26	11,975.85
Other expenses	34	30,518.47	26,840.75
Total expenses		**53,032.03**	**46,892.41**
Earnings before interest, tax, depreciation and amortisation (EBITDA)		**22,420.30**	**19,549.87**
Finance income	35	641.73	612.40
Finance costs	36	13,779.52	14,513.81
Depreciation and amortisation expense	37	8,476.56	8,510.61
Profit/(Loss) before exceptional items, share of net profits of investments accounted for using equity method and tax		**805.95**	**(2,862.15)**
Profit/(Loss) before tax and exceptional items		**805.95**	**(2,862.15)**
Tax expense:	40		
Current tax		870.83	1,270.52
Deferred tax (credit)/charge		(8,267.12)	1,849.68
Minimum alternate tax (MAT) credit		(185.78)	(1,259.54)
Total Tax Expense		**(7,582.07)**	**1,860.66**
Profit/(loss) for the year		**8,388.02**	**(4,722.81)**
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent years			
i) Remeasurements of the net defined benefit plans - Actuarial Gain or Loss		(93.01)	(7.10)
Income tax effect		31.80	3.75
		(61.21)	**(3.35)**

(All amounts Rs in Lacs)

Particulars	Notes	For the year ended 31 March 2018	For the year ended 31 March 2017*
ii) Share of Other Comprehensive Income of joint venture accounted for using the equity method.		-	-
Tax on above Items		-	-
Net other comprehensive income that will not be reclassified to profit or loss in subsequent years		**(61.21)**	**(3.35)**
Total comprehensive income/(loss) for the period, net of tax		**8,326.81**	**(4,726.16)**
Profit/(loss) for the year			
Attributable to:			
- Owners of the parent		7,503.95	(1,600.35)
- Non-controlling interests	56	884.07	(3,122.46)
		8,388.02	**(4,722.81)**
Total comprehensive income/(loss) for the period, net of tax			
Attributable to:			
- Owners of the parent		(61.21)	(0.44)
- Non-controlling interests		-	0.10
		(61.21)	**(0.34)**
Earnings per equity share			
1) Basic, attributable to equity holders of the parent	41	9.87	(2.11)
2) Diluted, attributable to equity holders of the parent	41	9.87	(2.11)

**Refer note 58*

Summary of significant accounting policies 1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration Number: 001076N/N500013

Sd/-
per **Ashish Gupta**
Partner
Membership No. 504662

For and on behalf of the Board of Directors of Bharat Hotels Limited

Sd/-
Dr. Jyotsna Suri
Chairperson and Managing Director
DIN-00004603

Sd/-
Divya Suri Singh
Executive Director
DIN-00004559

Sd/-
Urmila Khurana
Chief Financial Officer

Sd/-
Himanshu Pandey
Head - Legal and Company Secretary

Place : New Delhi
Date : 22nd June, 2018

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts Rs in Lacs)

	Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017*
A	**Cash flow from operating activities**		
	Profit/(loss) before tax	805.95	(2,862.15)
	Non-cash adjustments to reconcile profit before tax to net cash flows:		
	Depreciation and amortisation expenses	8,476.56	8,510.61
	Bad debts written off	19.72	0.45
	Provision for doubtful debts	110.12	220.65
	Provision for doubtful advances	38.08	166.71
	Excess provision/ credit balances written back	(467.17)	(425.20)
	Loss on sale of property, plant and equipment (net)	8.88	18.84
	Advances written off	-	10.16
	Unwinding of discount on security deposits	(34.89)	(24.78)
	Amortisation of deferred lease rent	(37.16)	77.25
	Interest Income	(606.84)	(538.61)
	Interest expense	13,740.95	14,513.81
	Government Grant Income	(159.01)	(170.12)
	Unrealized foreign exchange gain	53.18	(230.38)
	Operating profit before working capital changes:	**21,948.37**	**19,267.23**
	Movements in working capital:		
	(Increase) in other financial and other assets	(135.92)	754.96
	(Increase) in trade receivable	(1,639.17)	(732.89)
	Decrease/(Increase) in inventories	90.35	46.17
	Increase in trade payable	3,010.60	1,780.40
	(Decrease)/Increase in other current and non-current liabilities	254.24	191.29
	Cash generated from operations	**23,528.47**	**21,307.16**
	Tax paid (net)	(1,699.11)	(1,246.78)
	Net cash flow from operating activities (a)	**21,829.36**	**20,060.38**
B	**Cash flow from investing activities**		
	Purchase of property, plant and equipment including movement in capital advances and capital creditors	(11,543.27)	(6,577.15)
	Proceeds from sale of property, plant and equipment	24.13	115.75
	Interest received and finance lease income	605.66	582.31
	Proceeds from/(investment in) bank deposits	272.63	(1,307.81)
	Net cash flow (used in) investing activities (b)	**(10,640.85)**	**(7,186.89)**
C	**Cash flow from financing acitivities**		
	Proceeds from long term borrowings	12,060.61	40,879.11
	Repayment of long term borrowings	(7,354.86)	(32,615.00)
	(Repayment)/proceeds from short term borrowings, (net)	(5,606.39)	215.23
	Interest paid	(13,163.17)	(15,795.25)
	Dividend paid	(759.91)	(569.93)
	Tax on dividend paid	(154.70)	(116.03)
	Net Cash flow (used in) financing activities (c)	**(14,978.42)**	**(8,001.86)**

Net (decrease)/increase in cash and cash equivalents	**(3,789.92)**	**4,871.62**
Cash and cash equivalents at the beginning of the year	**5,878.70**	**1,007.08**
Cash and cash equivalents at the end of the year	**2,088.78**	**5,878.70**
Components of cash and cash equivalents		
Balances with banks:-		
On current accounts	1,949.64	6,631.36
On EEFC Accounts	51.55	69.67
Deposits with original maturity of less than three months	23.57	11.25
Cheques/drafts on hand	52.09	100.87
Cash on Hand	109.74	69.77
Less: Book Overdraft	(97.81)	(1,004.22)
	2,088.78	**5,878.70**

** Refer note 58*

Notes:
1. The figures in bracket indicates outflows.
2. The cash flow has been prepared under the "Indirect method" as set out in Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows

See accompanying notes to the financial statements.

As per our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration Number: 001076N/N500013

Sd/-
per **Ashish Gupta**
Partner
Membership No. 504662

For and on behalf of the Board of Directors of Bharat Hotels Limited

Sd/-
Dr. Jyotsna Suri
Chairperson and Managing Director
DIN-00004603

Sd/-
Divya Suri Singh
Executive Director
DIN-00004559

Place : New Delhi
Date : 22nd June, 2018

Sd/-
Urmila Khurana
Chief Financial Officer

Sd/-
Himanshu Pandey
Head - Legal and Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

A. Equity share capital (All amounts Rs in Lacs)

	Notes	As at March 31, 2018	As at March 31, 2017
As at beginning of the period	17	**7,599.12**	**7,599.12**
Change during the period		-	-
As at end of the period	17	**7,599.12**	**7,599.12**

B. Other equity (All amounts Rs in Lacs)

	Attributable to equity holders of Bharat Hotels Limited						
	Reserves and Surplus (Note 18)						
	Securities Premium Reserve	Retained Earnings*	General Reserve	Capital Reserve	Total Other Equity	Non Controlling Interests	Total
For the year ended 31 March 2017							
As at 1 April 2016	29,034.73	38,720.39	8,289.35	11,285.05	**87,329.52**	**(723.04)**	**86,606.48**
Profit for the period	-	(1,600.35)	-	-	**(1,600.35)**	(3,122.46)	**(4,722.81)**
Other comprehensive income (net of tax)	-	(4.37)	-	-	**(4.37)**	1.00	**(3.37)**
Total comprehensive income	-	**(1,604.72)**	-	-	(1,604.72)	(3,121.46)	(4,726.18)
Dividend on equity shares (Refer note 50)		(569.93)			**(569.93)**		(569.93)
Tax on distribution of equity dividend		(116.03)			**(116.03)**		(116.03)
As at March 31, 2017	**29,034.73**	**36,429.71**	**8,289.35**	**11,285.05**	**85,038.84**	**(3,844.50)**	**81,194.34**
For the year ended 31 March 2018							
As at 1 April 2017	29,034.73	36,429.71	8,289.35	11,285.05	**85,038.84**	**(3,844.50)**	**81,194.34**
Profit for the period	-	7,503.95	-	-	**7,503.95**	884.08	**8,388.03**
Other comprehensive income (net of tax)	-	(61.21)	-	-	**(61.21)**	-	**(61.21)**
Total comprehensive income	-	**7,442.74**	-	-	**7,442.74**	**884.08**	**8,326.82**
Dividend on equity shares (Refer note 50)	-	(759.91)	-	-	**(759.91)**	-	**(759.91)**
Tax on distribution of equity dividend	-	(154.70)	-	-	**(154.70)**	-	**(154.70)**
As at March 31, 2018	**29,034.73**	**42,957.84**	**8,289.35**	**11,285.05**	**91,566.97**	**(2,960.42)**	**88,606.55**

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration Number: 001076N/N500013

For and on behalf of the Board of Directors of Bharat Hotels Limited

Sd/-
per **Ashish Gupta**
Partner
Membership No. 504662

Sd/-
Dr. Jyotsna Suri
Chairperson and Managing Director
DIN-00004603

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Sd/-
Urmila Khurana
Chief Financial Officer

Sd/-
Himanshu Pandey
Head - Legal and Company Secretary

Place : New Delhi
Date : 22nd June, 2018

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1. Corporate Information

The consolidated financial statements comprise financial statements of Bharat Hotels Limited(hereinafter referred as the "Holding Company" or "Parent" or "Company"), its subsidiaries and entity controlled by the Company (including an entity registered as trust under Indian Trusts Act, 1882 (Trust)) (collectively, the Group) and its joint ventures for the year ended 31 March 2018.The Group entities are engaged in the business of operating hotels other than the Trust which is engaged in promoting education, training and operating schools, colleges, universities, research and development centre, e-learning centres for hospitality industry development. The Holding Company has its principal place of business located at Barakhamba Lane, New Delhi -110001.

Description of Group and its interest in Joint Ventures

Name	Country of incorporation	Shareholding/ Control (%age)	
		31 March 2018	31 March 2017
Subsidiaries:			
Jyoti Limited	India	99.99%	99.99%
Apollo Zipper India Limited	India	90.00%	90.00%
Prime Cellular Limited	India	99.60%	99.60%
Prima Buildwell Private Limited	India	100%	100%
Kujjal Builders Private Limited	India	50.00%	50.00%
Entity controlled by the Company			
The Lalit Suri Educational & Charitable Trust	India	100%	100%
Joint Venture			
Cavern Hotel & Resorts FZ Co	United Arab Emirates	16.67%	16.67%

1.1. Basis of Preparation

The consolidated financial statements have been prepared by the management in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),
- Property, plant and equipment and intangible assets have been carried at deemed cost (which includes revalued amount of land and building at certain locations) on the date of transition using the optional exemption allowed under Ind AS 101

The consolidated financial statements are presented in INR and all values are rounded to the nearest lacs (INR 000,000), except when otherwise indicated.

a) Basis of consolidation:

The consolidated financial statements comprise the financial statements of the Group and its joint ventures as at 31 March 2018. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., period ended on 31March.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Policy of goodwill on consolidation explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

(d) A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:
- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

b) Business combinations

In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from April 1, 2015. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward after considering specific adjustments as required by paragraph C4 of Appendix C of Ind AS 101.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate IND AS.

Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Common Control Business Combinations

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose, comparatives are revised. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved and they appear in the consolidated financial statements of the Group in the same form in which they appeared in the financial statements of the acquired entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

1.2. Significant Accounting Policies

a) Investment in joint ventures:

A joint venture is a type of joint arrangement whereby 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 the Company has significant influence or joint control, are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its joint ventures are accounted for using the equity method. Under the equity method, the investment in 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, if any, relating to joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The consolidated statement of profit and loss reflects the Group's share of the results of operations of joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity.

If Group's share of losses of a joint venture equals or exceeds its interest in the joint venture (which includes any long-term interest that, in substance, forms part of the Group's net investment in the joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture. If the joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of a joint venture is shown on the face of the statement of profit and loss.

The financial statements of the joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognises the loss as 'Share of profit or loss of a joint venture' in the statement of profit or loss.

b) Current versus non-current classification

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading

- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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

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

c) Property, Plant and Equipment

Recognition and initial measurement

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

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight-line method using the rates arrived on the basis of the useful life which coincides with the useful life prescribed under Schedule II of the Companies Act, 2013. The identified components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

Leasehold buildings are amortised on a straight line basis over the unexpired period of lease or useful life, whichever is lower.

Non RCC structures for conference halls are depreciated over the period of eight years or their estimated useful life, whichever is lower.

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

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

d) Intangible Assets

Recognition and initial measurement

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

Subsequent measurement

The Group has capitalised computer software in the nature of software licenses as intangible assets and the cost of software is amortised over the license period or three years, being their expected useful economic life, whichever is lower.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

e) Goodwill on Consolidation

Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

f) Impairment of non-financial Assets

The Group 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 group 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. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGU's 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 Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the market in which the asset is used.

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

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

The impairment assessment for all assets 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 Group 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.

g) Foreign Currencies

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The consolidated financial statements are presented in Indian Rupee (INR), which is the Group's functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at its functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

The Group had elected to continue with the policy on exchange differences arising on long term foreign currency monetary items existing as on 31 March 2016 as allowed under Ind AS 101.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

h) **Fair Value Measurement**

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

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

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

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

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

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

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

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

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

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

o Disclosures for valuation methods, significant estimates and assumptions
o Quantitative disclosures of fair value measurement hierarchy

- o Investment in unquoted equity shares
- o Financial instruments

i) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The Group applies the revenue recognition criteria to each separately identifiable component of the sales transaction as set out below:

Revenue from hotel operations:
Revenue from hotel operations comprise sale of rooms and apartments, food and beverages, liquor and wine, banquet rentals and other services relating to hotel operations including telecommunication, laundry, business centre, health centre etc. Revenue is recognised as and when the services are rendered and is disclosed net of allowances.

Aircraft charter:
Revenue from hiring of the aircraft is recognised as and when services are rendered.

Rent:
Income from rent is recognised over the period of the contract on straight line basis. Initial direct cost is expensed off when incurred.

Maintenance charges:
Amounts collectible as maintenance charges are recognised over the period of the contract, on an accrual basis. Corresponding costs are recorded as incurred.

Membership programme:
Membership revenue is recognised pro rata over the period of the membership term. Joining fee is recorded as income on sale of membership card.

Tuition and application fees:
Tuition and application fees received by the Trust is recognised on accrual basis.

Loyalty points programme:
The Group operates a Lalit loyalty points programme, Lalit Connect, Lalit Plus, Lalit Engage, which allows customers to accumulate points when they stay in the hotels of the Group. The points can be redeemed for free stay, subject to a minimum number of points being obtained. The fair value of the points issued is deferred and recognised as revenue when the points are redeemed.

Sale of goods (Trading goods):
Revenue is recognised when all significant risks and rewards of ownership of the goods have passed to the buyer and is disclosed net of taxes collected by the Company on behalf of the government.

Interest Income:
For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter

period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

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

Commission Income:
Income is recognised when right to receive payment is established by the terms of the contract.

Consultancy / Management fee:
Consultancy / Management fee is recognised on accrual basis when right to receive payment is established by the terms of the contract.

Dividend income:
Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

j) Borrowing Costs

Borrowing cost includes interest expense as per Effective Interest Rate (EIR).

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

k) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

For purposes of subsequent measurement, financial assets are classified in four categories:
- Debt instruments at amortised cost
- Equity instruments at fair value through profit or loss (FVTPL)

Debt instruments at amortised cost

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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 in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade, security deposits and other receivables.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS-103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Group 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 Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Lease receivables under Ind AS 17
c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18
d) Financial guarantee contracts which are not measured as at FVTPL

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Group estimates the following provision matrix at the reporting date, except to the individual cases where recoverability is certain:

	Less than or equal to 365 days	**More than 365 days**
Default rate	0%	100%

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for financial instruments is described below:

- Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, 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 Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Subsequent measurement

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

Loans and borrowings

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

Financial guarantee contracts

Financial guarantees issued by the Company on behalf of group companies are designated as 'Insurance Contracts'. The Company assess at the end of each reporting period whether its recognised insurance liabilities (if any) are adequate, using current estimates of future cash flows under its insurance contracts.

Derecognition

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

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in P&L
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to P&L at the reclassification date

Offsetting of financial instruments

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

l) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. The Group has no obligation other than the contribution payable to the Provided Fund.

The Group operates a defined benefit gratuity plan in India. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Other Employee Benefits

Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method. Actuarial gains or losses are recognised in the Statement of Profit and Loss. The Group presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

m) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group 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.

n) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

o) Leases

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

Where the Group is the lessee

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

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss. Contingent rentals are recognised as expenses in the periods in which they are incurred. Lease management fees, legal charges and other initial direct costs are capitalised.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, except in case where lease rentals are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost.

Where the Group is the lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. 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.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

p) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

  Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

q) Non-current assets held for sale

The Group classifies non-current assets and disposal groups as held for sale/ distribution to owners if their carrying amounts will be recovered principally through a sale/ distribution rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales/ distribution of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset highly probable when:

o The appropriate level of management is committed to a plan to sell the asset (or disposal group),
o An active programme to locate a buyer and complete the plan has been initiated (if applicable),
o The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,

- o The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- o Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

r) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Stores and spares inventory comprises cutlery, crockery, linen, other store items food and beverage, liquor and wine items in hand: Cost is determined on first in first out basis. Circulating stock of crockery and cutlery issued for more than two months is charged to the profit and loss account as consumption.

Trading goods: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a first in first out basis.

Net realizable value is the estimated selling price in the ordinary course of the business, less estimated costs necessary to make the sale.

Inventory of food and beverage items in hand includes items used for staff cafeteria and is charged to consumption, net of recoveries, when issued.

s) Government grants and subsidies

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

t) Use of estimates

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note 41. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

u) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) [Chairperson and Chief Financial Officer].

Identification of segments:
In accordance with Ind AS 108– Operating Segment, the operating segments used to present segment information are identified on the basis of information reviewed by the Company’s CODM to allocate resources to the segments and assess their performance. An operating segment is a component of the Group that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Group’s other components. Results of the operating segments are reviewed regularly by the CODM (chairperson and chief financial officer, which has been identified as the CODM), to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

Allocation of common costs:
Common allocable costs are allocated to each segment accordingly to the relative contribution of each segment to the total common costs.

Unallocated items:
Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies:
The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole

v) 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.

w) Measurement of EBITDA

The Company has elected to present earnings before interest, tax, depreciation and amortization(EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Company excludes depreciation and amortization expense, interest income, finance costs, and tax expense from the profit/(loss) from continuing operations.

x) Cash dividend distribution to equity holders

The Group recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Notes forming part of consolidated financial statements for the period ended 31 March 2018

Note 2 : PROPERTY, PLANT & EQUIPMENT

(All amounts Rs. in Lacs)

Particulars	Freehold land	Leasehold land	Freehold Building	Leasehold Building	Plant and Machinery	Office equipments	Furniture and Fixtures	Computers	Aircrafts	Vehicles	Total
For the year ended 31 March 2017											
Gross Carrying Amount											
As at 01 April 2016	42,252.45	8,687.82	40,088.10	67,360.82	33,324.35	370.01	4,407.17	637.44	4,896.44	599.16	202,623.76
Additions/adjustments	-	-	47.85	7,100.08	3,909.91	58.60	501.62	327.94	48.45	43.18	12,037.63
Exchange differences	-	-	(23.07)	(131.05)	-	-	-	-	-	-	(154.12)
Disposals	-	-	(75.74)	(10.10)	(117.74)	(6.38)	(252.15)	(20.28)	-	(47.26)	(529.65)
Gross Carrying Amount 31 March 2017	42,252.45	8,687.82	40,037.14	74,319.75	37,116.52	422.23	4,656.64	945.10	4,944.89	595.08	213,977.62
Accumulated Depreciation											
As at 01 April 2016	-	96.59	687.49	1,175.71	4,715.94	72.54	891.07	265.76	316.96	47.82	8,269.88
Depreciation charge for the year	-	96.37	695.38	1,207.67	4,888.10	92.41	782.43	248.35	319.10	89.98	8,419.79
Disposals	-	-	-	(10.10)	(81.34)	(5.94)	(233.18)	(19.37)	-	(45.19)	(395.12)
Closing Accumulated Depreciation	-	192.96	1,382.87	2,373.28	9,522.70	159.01	1,440.32	494.74	636.06	92.61	16,294.55
Net Carrying Amount as at 31 March 2017	42,252.45	8,494.86	38,654.27	71,946.47	27,593.82	263.22	3,216.32	450.36	4,308.83	502.47	197,683.07
For the year ended 31 March 2018											
Gross Carrying Amount											
As at 01 April 2017	42,252.45	8,687.82	40,037.14	74,319.75	37,116.52	422.23	4,656.64	945.10	4,944.89	595.08	213,977.62
Additions/adjustments	-	-	1,494.59	1,322.04	811.03	118.73	36.88	15.81	106.79	310.14	4,216.01
Exchange differences	-	-	6.20	26.26	-	-	-	-	-	-	32.46
Transferred from assets held for sale	1,538.37	-	-	-	-	-	-	-	-	-	1,538.37
Disposals	-	-	-	(5.25)	(51.76)	(74.62)	(18.46)	(28.17)	-	(61.32)	(239.58)
Gross Carrying Amount 31 March 2018	43,790.82	8,687.82	41,537.93	75,662.80	37,875.79	466.34	4,675.06	932.74	5,051.68	843.90	219,524.88
Accumulated Depreciation											
As at 01 April 2017	-	192.96	1,382.87	2,373.28	9,522.70	159.01	1,440.32	494.74	636.06	92.61	16,294.55
Depreciation charge for the year	-	96.37	717.99	1,311.38	4,881.15	105.77	673.65	147.17	322.09	119.39	8,374.96
Disposals	-	-	-	(5.25)	(39.87)	(68.91)	(11.75)	(23.80)	-	(56.99)	(206.57)
Closing Accumulated Depreciation	-	289.33	2,100.86	3,679.41	14,363.98	195.87	2,102.22	618.11	958.15	155.01	24,462.94
Net Carrying Amount as on 31 March 2018	43,790.82	8,398.49	39,437.07	71,983.39	23,511.81	270.47	2,572.84	314.63	4,093.53	688.89	195,061.94

a. Capitalised borrowing costs

The borrowing cost capitalized during the year ended 31 March 2018 was Rs. 1,764.71 lacs (net of interest earned Rs. 5.69 lacs) (31 March 2017: Rs. 1,709.10 lacs (net of interest earned Rs. 5.34 lacs). The Company capitalized this borrowing cost to the capital work-in-progress. (Refer note 38).

b. Assets under construction

Capital work in progress as at 31 March 2018 comprises expenditure for the hotels in the course of construction. Total amount of CWIP is Rs. 32,747.60 lacs (31 March 2017: Rs. 24,980.56 lacs).

c. Reconciliation of the carrying amount of investment property at the beginning and end of the year*:

Particualrs	As at 31 March 2018	As at 31 March 2017
Gross block	2,646.86	2,646.86
Accumulated depreciation	578.50	534.10
Depreciation for the period	44.40	44.40
Net book value	2,068.35	2,112.75

* The Building is predominantly used by the Holding Company for its own purpose. However, portion of the property has been let out on a short term basis

d. Depreciation charge for the year includes Rs. 25.31 lacs (31 March 2017: Rs. 56.53 lacs) transferred to Preoperative expenditure pending allocation under note 38.

e. Certain property plant and equipment are pledged against borrowings, the details related to which have been described in note 19 and 24.

f. Refer note 37 for the amount of depreciation and amortisation expense during the year.

g. Capitalised borrowing costs

Particulars	For the year ended31 March 2018	For the year ended 31 March 2017
Borrowing cost capitalized	1771.45	1790.81
Interest earned	-5.69	-5.34
Net borrowing cost capitalised	1765.76	1785.47

(All amounts Rs. in Lacs)

Note 3 : INTANGIBLE ASSETS

Particulars	SOFTWARE	GOODWILL
For the year ended 31 March 2017		
Gross Carrying Amount		
As at 01 April 2016	448.39	8,425.48
Additions/adjustments	32.48	-
Disposals	(0.99)	-
Gross Carrying Amount 31 March 2017	**479.88**	**8,425.48**
Accumulated Depreciation		
As at 01 April 2016	262.15	-
Depreciation charge for the year	116.81	-
Disposals	(0.94)	-
Closing Accumulated Depreciation	**378.02**	**-**
Net Carrying Amount as at 31 March 2017	**101.86**	**8,425.48**
For the year ended 31 March 2018		
Gross Carrying Amount		
As at 01 April 2017	479.88	8,425.48
Additions/adjustments	191.27	-
Disposals	(0.80)	-
Gross Carrying Amount 31 March 2018	**696.91**	**8,425.48**
Accumulated Depreciation		
As at 01 April 2017	378.02	-
Depreciation charge for the year	101.61	-
Disposals	(0.76)	-
Closing Accumulated Depreciation	**478.87**	**-**
Net Carrying Amount as on 31 March 2018	**218.04**	**8,425.48**

Note 4 : INVESTMENTS	As at 31 March 2018	As at 31 March 2017
Investments at fair value through profit and loss Unquoted equity shares 36,000 (31 March 2017: 36,000) equity shares of Rs. 10 each fully paid up in Green Infra Wind Power Generation Limited	3.60	3.60
	3.60	**3.60**
Aggregate value of unquoted investments	**3.60**	**3.60**

(All amounts Rs. in Lacs)

Note 5 : LOANS	As at 31 March 2018	As at 31 March 2017
(Unsecured, considered good unless otherwise stated)		
Loans to joint venture company		
Joint venture		
—Considered doubtful	**678.03**	**678.03**
	678.03	678.03
Less: Provision for doubtful advances	**(678.03)**	**(678.03)**
Total	-	-
Security deposits at amortised cost	631.10	544.64
	631.10	**544.64**

Note 6 : OTHER NON CURRENT FINANCIAL ASSETS	As at 31 March 2018	As at 31 March 2017
(Unsecured, considered good unless otherwise stated)		
Balances with banks:		
- Deposits with original maturity of more than 12 months	179.72	169.72
- Margin money deposited (held as security)*	702.82	1,111.75
Interest accrued on deposits with banks	125.60	108.09
Finance lease receivable	954.29	954.25
	1,962.43	**2,343.81**
***Break up of margin money deposit held as security**		
Held as bank guarantee for debt services	47.65	45.37
Held against bank loan	655.17	1,066.38

Note 7 : OTHER NON CURRENT ASSETS	As at 31 March 2018	As at 31 March 2017
(Unsecured, considered good unless otherwise stated)		
Capital advances	2,215.07	2,104.86
Prepaid expenses	61.70	5.32
Prepaid rent (including prepayments of leasehold land)	4,105.64	4,038.36
Deferred IPO expenses	227.88	-
	6,610.29	**6,148.54**

(All amounts Rs. in Lacs)

Note 8 : NON CURRENT TAX ASSETS (NET)	As at 31 March 2018	As at 31 March 2017
Advance income tax (net of taxes)	4,639.22	3,810.94
	4,639.22	**3,810.94**

Note 9 : INVENTORIES*	As at 31 March 2018	As at 31 March 2017
(Valued at cost or net realisable value which ever is lower)		
Traded goods	127.81	128.36
Food and beverage (excluding liquor and wine)	296.08	305.26
Liquor and wine	659.57	679.38
Stores, cutlery, crockery, linen, provisions and others	777.93	838.74
	1,861.39	**1,951.74**

* Refer note 19 and 24 for inventories pledged.

Note 10 : TRADE RECEIVABLES*	As at 31 March 2018	As at 31 March 2017
Secured, considered good	69.27	61.73
Unsecured, considered good	6,369.18	4,864.24
Unsecured, considered doubtful	968.76	882.22
	7,407.21	**5,808.19**
Less : Impairment allowance (allowance for doubtful debts)	(968.76)	(882.22)
	6,438.45	**4,925.97**

-Trade receivables are non-interest bearing and are generally on terms of 60 to 90 days (Refer note 47).

-Trade receivable includes dues from directors or other officers of the Company or from private companies and firms in which Company's any director is a partner or director (Refer note 51).
* Refer Note 19 and 24 for trade receivables pledged.

(All amounts Rs. in Lacs)

Note 11 : CASH AND CASH EQUIVALENTS	As at 31 March 2018	As at 31 March 2017
Balances with banks:-		
In current accounts	1,949.64	6,631.36
In EEFC accounts	51.55	69.67
In deposits with original maturity of less than three months	23.57	11.25
Cheques on hand	52.09	100.87
Cash on hand	109.74	69.77
	2,186.59	**6,882.92**

Notes:

(i) Available undrawn committed borrowings facilities	1,544.81	8,432.08

(ii) The Company has pledged a part of its short-term deposits. Refer Note 24 for details.

Note 12 : OTHER BANK BALANCES	As at 31 March 2018	As at 31 March 2017
Balances with banks:-		
Margin money (held against bank guarantee)	1,159.85	627.17
Deposits with original maturity of more than three months but less than twelve months	5.66	406.50
Unpaid dividend account	27.38	22.92
	1,192.89	**1,056.59**

Note 13 : LOANS	As at 31 March 2018	As at 31 March 2017
(Unsecured, considered good unless otherwise stated)		
Security deposits at amortised cost	108.70	112.94
	108.70	**112.94**

Note 14 : OTHER CURRENT FINANCIAL ASSETS	As at 31 March 2018	As at 31 March 2017
(Unsecured, considered good unless otherwise stated)		
Unbilled revenue	386.84	347.03
Interest accrued on deposits with banks	23.86	40.18
Subsidy receivable	142.12	93.89
Other advances recoverable	277.68	101.10
Finance lease receivable	0.21	0.26
	830.71	**582.46**

(All amounts Rs. in Lacs)

Note 15 : OTHER CURRENT ASSETS	As at 31 March 2018	As at 31 March 2017
(Unsecured, considered good unless otherwise stated)		
Prepaid rent (Including prepayment of lease hold land)	185.22	214.02
Prepaid expenses	732.22	797.39
Balances with stautory authorities	916.91	1,401.14
Other advances		
- considered good	487.86	485.29
- considered doubtful	22.77	170.77
	2,344.97	3,068.61
Less: Provision for doubtful advances	(22.77)	(170.77)
	2,322.20	**2,897.84**

Note 16 : ASSETS CLASSIFIED AS HELD FOR SALE	As at 31 March 2018	As at 31 March 2017
Land (refer note 61)	-	1,618.77
Plant and machinery	20.00	20.00
	20.00	**1,638.77**

Note 17 : SHARE CAPITAL	As at 31 March 2018	As at 31 March 2017
Authorised		
100,000,000 (31 March 2017: 100,000,000) equity shares of Rs. 10 each fully paid up	10,000.00	10,000.00
Issued, Subscribed & Paid up		
75,991,199 (31 March 2017: 75,991,199) equity shares of Rs 10 each fully paid up	7,599.17	7,599.17
	7,599.17	**7,599.17**

a Reconciliation of the Authorised and issued equity shares at the beginning and at the the end of the period

	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	Amounts	No. of Shares	Amounts
Authorised share capital at the beginning of the period	100,000,000	10,000.00	100,000,000	10,000.00
Change during the period	-	-	-	-
Authorised share capital at the end of the period	**100,000,000**	**10,000.00**	**100,000,000**	**10,000.00**

(All amounts Rs. in Lacs)

	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	Amounts	No. of Shares	Amounts
Issued share capital at the beginning of the period	75,991,199	7,599.12	75,991,199	7,599.12
Change during the period	-	-	-	-
Issued share capital at the end of the period	**75,991,199**	**7,599.12**	**75,991,199**	**7,599.12**

b Terms/ Rights attached to equity shares.

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distributions will be in proportion to the number of equity shares held by the shareholders.

c Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	Percentage	No. of Shares	Percentage
Equity shares of Rs. 10 fully paid up				
Deeksha Holding Limited	30,710,301	40.41%	30,710,301	40.41%
Mr. Jayant Nanda	10,399,998	13.69%	10,399,998	13.69%
Dr. Jyotsna Suri	7,247,935	9.54%	7,247,935	9.54%
Responsible Builders Private Limited	7,106,400	9.35%	7,106,400	9.35%
Richmond Enterprises S.A.*	5,491,200	7.23%	5,491,200	7.23%
Groves Universal Group S.A.*	4,100,000	5.40%	4,100,000	5.40%
Mr. Keshav Suri	3,880,596	5.11%	3,880,596	5.11%

As per the records of the Company, including its register of shareholders/members and other declaration received from the shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownerships of shares.

During the year 31 March 2017, Company had terminated share purchase agreement with Dubai Ventures Limited and shares had been purchased by Groves Universal Group S.A. from Dubai Venture Limited.

* Subsequent to 31 March 2018, above Companies have been dissolved and shares have been transmitted in the name of sole beneficiary, Mr. Jayant Nanda, resulting in the total shareholding to 19,991,198 shares and 26.32% of the total shareholding.

d Share reserved for issue under option

The Group has reserved an option for the permanent employees of the Company and its subsidiaries, including directors under "Employee Stock Option Plan, 2017" and has issued 700,600 options to the permanent employees.

e Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

The Group has not issued any shares pursuant to contract without payment being received in cash, nor allotted as fully paid up by way of bonus shares or bought back any shares during the period of five years immediately preceding the reporting date.

(All amounts Rs. in Lacs)

Note 18 : OTHER EQUITY	As at 31 March 2018	As at 31 March 2017
Securities premium account		
As at the beginning of the year	29,034.73	29,034.73
As at end of the year	**29,034.73**	**29,034.73**
Retained earnings		
As at the beginning of the year	36,429.71	38,720.39
Add: Net profit/(loss) for the year	7,503.95	(1,600.35)
Add: Other comprehensive income for the year	(61.21)	(4.37)
Less: Dividend on equity shares	(759.91)	(569.93)
Less: Tax on distribution of equity dividend	(154.70)	(116.03)
As at end of the year	**42,957.84**	**36,429.71**
General reserve		
As at the beginning of the year	8,289.35	8,289.35
As at end of the year	**8,289.35**	**8,289.35**
Capital reserve		
As at the beginning of the year	11,285.05	11,285.05
As at end of the year	**11,285.05**	**11,285.05**
	91,566.97	**85,038.84**

Notes :

Securities premium: Comprises premium received on issue of shares

Retained earnings : Comprises of balance of Profit and Loss at each year end.

Capital reserve : Comprise increase in value of asset acquired out of amalgamation of Udaipur Hotels Limited and Khajuraho Hotels Limited, as compared to book value of assets and on forfeiture of share application money.

General reserve : Under erstwhile Companies Act, 1956, General reserves was created through an annual transfer of net income at specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid up capital of the Company for that year, then the total dividend distribution is less than the total distribution results for that year. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserves has been withdrawn

(All amounts Rs. in Lacs)

Note 19 : BORROWINGS	As at 31 March 2018	As at 31 March 2017
Non current borrowings (Refer note 19 below)		
Term loans		
Secured		
Rupee loans from banks (Refer note 1 to 9, 12 and 13 below)	117,841.83	109,797.96
Rupee loans from financial institutions (Refer note 10 below)	228.17	416.73
Foreign currency loan from a bank (Refer note 11 and 14 below)	8,148.21	9,791.32
Unsecured		
Loan from related parties (Refer note 15 to 18 below)	432.86	1,135.20
	126,651.07	**121,141.21**
Less: Current maturities (Refer note 26)	4,692.81	4,834.66
Obligations under finance lease	1,504.78	1,504.15
	123,463.04	**117,810.70**

Net debt reconciliation (refer note below)

Group's movement in its net debts during the year is as follows:

	Non current borrowings	Current borrowings	Interest accrued on borrowings	Total
Net debt as on 1 April 2017	122,645.36	18,601.95	1,111.86	142,359.17
Cash flows, net	4,705.75	(5,606.39)	-	(900.64)
Foreign exchange adjustments	48.03	56.33	-	104.36
Interest expense	-	-	14,131.05	14,131.05
Interest paid	-	-	(15,356.92)	(15,356.92)
Other non-cash movements	-	-	-	-
Fair value adjustments	756.71	-	(756.71)	-
Capitalisation of interest	-	-	1,770.40	1,770.40
Net debt as on 31 March 2018	**128,155.85**	**13,051.89**	**899.68**	**142,107.42**

* Effective 1 April 2017, the Company adopted the amendment to IND AS 7 'Statement of Cash Flows', which requires the entities to provide dislosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement

Further, as per paragraph 60 of the IND AS 7 'Statement of Cash Flows', when the Company applies these amendments, it is not required to provide comparative information for the comperative periods, hence movement in net debts has been provided for current year only.

Detail of the terms and security of the borrowings

1 Term Loan from Axis Bank aggregating to Rs. 13,389.92 lacs (31 March 2017: Rs.13,908.06 lacs) carries interest @ 10.50% per annum. The loan is repayable in 44 structured quarterly installments starting from November 2015 after a moratorium of 1 year from the date of first disbursement. The loan is secured by first pari-passu charge by way of hypothecation of movable fixed assets of Mumbai, Goa, Ahmedabad, Bangalore, Delhi and Udaipur hotels owned by Company (both present and future) and first pari-passu charge by way of mortgage over immovable fixed assets of Mumbai and Ahmedabad hotels.

2 Term Loan from Yes Bank aggregating to Rs. 51,020.28 lacs (31 March 2017: Rs. 53,715.72 lacs) carries interest @ 10% per annum. The loan is repayable in 44 structured quarterly installments starting from February 2016 after a moratorium of 1 year from the date of first disbursement. The loan is secured by first pari-passu charge on land and building of Mumbai and Ahmedabad hotels and first pari-passu charge on movable fixed assets of Mumbai, Goa, Ahmedabad, Bangalore, Delhi and Udaipur hotels owned by the Company.

3 Term Loan from ICICI Bank aggregating to Rs. 3,197.51 lacs (31 March 2017: Rs. 2,237.07 lacs) (sanctioned amount Rs. 3,600.00 lacs) carries interest @ 12.95% per annum. The loan is repayable in 40 quarterly installments after a moratorium of 8 quarters from the date of first disbursement. The loan is secured by first pari-passu charge on Jaipur and Khajuraho properties and routing of cash flows of Jaipur and Srinagar properties through the designated accounts.

4 Term Loan from Tamilnadu Mercantile Bank (TMB) aggregating to Rs. 2,343.53 lacs (31 March 2017: Rs. 2,435.01 lacs) (sanctioned amount Rs. 2,500.00 lacs) carries interest @ 12 % per annum. The loan is repayable in 44 structured quarterly installments starting from February 2016 after a moratorium of 1 year from the date of first disbursement. The loan is secured by first pari-passu charge on land and building of Mumbai and Ahmedabad hotels and first pari-passu charge on movable fixed assets of Mumbai, Goa, Ahmedabad, Bangalore, Delhi and Udaipur hotels owned by the Company.

5 Term Loan from Yes Bank aggregating to Rs. 5,319.12 lacs (31 March 2017: Rs. 5,523.89 lacs) carries interest @ 9.60% per annum. The loan is repayable in 52 structured quarterly installments starting from February 2017. The loan is secured by extension of first pari-passu charge on land and building of Mumbai and Ahmedabad hotels and extension of first pari-passu charge on movable fixed assets of Mumbai, Goa, Ahmedabad, Bangalore, Delhi and Udaipur hotels owned by the Company.

6 Term Loan from Axis Bank aggregating to Rs. 3,809.37 lacs (31 March 2017: Rs. 3,805.30 lacs) carries interest @ 10.50% per annum. The loan is repayable in 42 structured quarterly installments starting from October 2017 after a moratorium of 1 year from the date of first disbursement. The loan is secured by extension of first pari-passu charge by way of hypothecation of movable fixed assets of Mumbai, Goa, Ahmedabad, Bangalore, Delhi and Udaipur hotels owned by Company (both present and future) and extension of first pari-passu charge by way of mortgage over immovable fixed assets of Mumbai and Ahmedabad hotels.

7 Term Loan from The Jammu & Kashmir Bank aggregating to Rs. 14,971.14 lacs (31 March 2017: Rs 9,965.61 lacs) carries interest @ 10.00% per annum. The loan is repayable in 32 structured quarterly installments starting from June 2019 after a moratorium of 2 years from the date of first disbursement. The loan is secured by way of equitable mortgage on exclusively first charge over land and building of Srinagar hotel of the Company.

8 Term Loan from Yes Bank aggregating to Rs. 5,801.42 lacs (31 March 2017: Rs. Nil) carries interest @ 10.00% per annum. The loan is secured by exclusive charge on land and building of Udaipur Hotel and current assets of the Company except those of Jaipur hotel.

9 Term Loan from State Bank of India aggregating to Rs. Nil (31 March 2017: Rs 13.98 lacs) carried interest ranging from @ 14.00% to 14.70% per annum. The loan got repaid during the year ended 31 March 2018. The loan was secured by equitable mortgage of land situated at Udma Village, Hosdurg Taluk in the District of Kasaragod and property landed at Kalnad Village, Hosdurg Taluk in District of Kasaragod by way of mortgage of lease deed and pari-passu first charge over all existing and future plant and machinery, fixtures and fittings and other movable fixed assets of the Bekal Hotel.

10 Term loan from Kerala State Industrial Development Corporation ('KSIDC') aggregating to Rs. 228.17 lacs (31 March 2017: Rs. 416.73 lacs) carries interest @ 9% per annum. The balance loan is repayable in 5 quarterly installments of Rs 46.87 lacs each starting from June 2018. The loan is secured by equitable mortgage of land situated at Udma Village, Hosdurg Taluk in the District of Kasaragod and landed property at Kalnad Village, Kasaragod Taluk by way of mortgage of lease deed and pari-passu first charge over all existing and future plant and machinery, fixtures and fittings and other movable fixed assets of the Bekal hotel.

11 External Commercial Borrowing from ICICI Bank Ltd., Bahrain aggregating to Rs. 6,959.68 lacs (equivalent to USD 107.00 lacs converted at an exchange rate of INR 65.0441 per USD) (31 March 2017: Rs. 8,399.33 lacs (equivalent to USD 129.54 lacs converted at an exchange rate of INR 64.8386 per USD)) carries interest at 5% margin on USD 6-months LIBOR. The balance loan is repayable in 33 quarterly installments. The loan is secured by equitable mortgage on the movable and immovable fixed and current assets and the cash flows, both present and future, of Jaipur and also secured by exclusive charge on movable and immovable fixed assets of Khajuraho hotel, both present and future.

Apollo Zipper India Limited, a subsidiary of the Company

12 Term Loan from Yes Bank Limited aggregating Rs. 8,481.56 lacs (31 March 2017: Rs. 8,754.29 lacs) carries interest @ 9.60% per annum payable monthly. The balance loan is repayable in 46 quarterly installments. The loan is secured by First Pari-passu charge on movable fixed assets (present and future) of the Hotel, first pari-passu charge on land and building of the hotel by way of mortgage, Second Pari-passu charge on current assets (including receivables) of the Hotel and Corporate Guarantee of Bharat Hotels Ltd. to remain valid upto the entire tenor of the facilities.

Kujjal Builders Private Limited, a subsidiary of the Company

13 Term Loan from Axis Bank Ltd aggregating to Rs. 9,507.98 lacs (31 March 2017: Rs. 9,439.03 lacs), sanctioned amount of Rs. 100 crores carries interest @ 11% per annum. The loan is repayable in 12 years in 35 structured quarterly installments beginning from 31.08.2019. The loan is secured by pari-passu charge by way of equitable mortgage on land and building and pari-passu charge on all the moveable fixed and current assets of the company (both present and future).

Apollo Zipper India Limited, a subsidiary of the Company

14 Foreign Currency Loan from ICICI Bank Ltd, Bahrain, aggregating to Rs. 1,188.53 lacs (equivalent to USD 18.27 Lacs converted at an exchange rate of 65.0441 per USD) (31 March 2017: Rs. 1,391.99 Lacs (equivalent to USD 21.47 lacs converted at an exchange rate of 64.8386 per USD) carries interest @ 5% margin on USD 6-months LIBOR. The balance loan is repayable in 17 quarterly instalments. The loan is secured by first pari-passu charge on Kolkata property shared with Yes Bank and Irrecoverable Corporate guarantee of Bharat Hotels Limited for ECB facility.

Kujjal Builders Private Limited

15 Unsecured loan taken from Eila Builders & Developers Limited aggregating to Rs. 122.86 lacs (31 March 2017: Rs. 135.20 lacs) carries interest @ 10% per annum and is repayable after 3 years.

Apollo Zipper India Limited

16 Unsecured loan taken from Deeksha Holding Limited carries interest @8% per year amounting to Rs. 100.00 lacs (31 March 2017: Rs. 940.00 lacs) is repayable in three years, the period may be reduced/

extended between lenders and borrower as mutually agreed. The lender reserve the right to recall the loan in full or in part after giving 60 clear days notice.

17 Unsecured loan taken from Responsible Builders Private Limited carries interest @8% per year amounting to Rs. 50.00 lacs (31 March 2017: Rs. Nil) is repayable in three years, the period may be reduced/extended between lenders and borrower as mutually agreed. The lender reserve the right to recall the loan in full or in part after giving 60 clear days notice.

Entity controlled by the Company

18 Unsecured loan taken from Deeksha Holding Limited Rs 160.00 lacs (31 March 2017: Rs 60.00 lacs) carries interest @ 8% per annum and is repayable as per mutual agreement.

19 **Loan covenants**

Bank loans contain certain debt covenants relating to limit on total borrowings amount, security coverage ratio and others. The Company has breached certain loan covenants as at the end of the reporting date. However, the Company has obtained waiver letters from banks for compliance, pursuant to which these loans have been classified as per their maturity profile.

(All amounts Rs. in Lacs)

Note 20 : OTHER NON CURRENT FINANCIAL LIABILTIES	As at 31 March 2018	As at 31 March 2017
Financial liabilities at amortised cost		
Deposits received against assets given under finance lease	110.82	108.47
Security deposits	276.00	272.29
Lease rent payable	64.74	69.06
	451.56	**449.82**

Note 21 : LONG TERM PROVISIONS	As at 31 March 2018	As at 31 March 2017
Provision for employee benefits		
Gratuity (Refer note 46)	967.58	805.00
	967.58	**805.00**

Note 22 : DEFERRED TAX LIABILITIES (NET)	As at 31 March 2018	As at 31 March 2017
Deferred tax liability		
Accelerated depreciation for tax	25,683.98	22,339.45
Others	171.11	-
	25,855.09	**22,339.45**

(All amounts Rs. in Lacs)

Deferred tax asset		
Losses available for offsetting against future taxable income	15,930.47	4,341.99
Deferred government grant	26.01	26.01
Re-measurement losses on defined benefit plans	41.68	3.75
Effect of expenditure debited to statement of profit and loss in the respective periods but allowed for tax purposes in subsequent periods	726.49	645.77
Provision for doubtful debts and advances	533.09	504.79
MAT credit entitlement	4,259.30	4,073.52
Fair value of financial instruments	613.10	533.94
	22,130.14	**10,129.77**
Net deferred tax liability reflected in the balance sheet	**3,724.95**	**12,209.68**

Note 23 : OTHER NON CURRENT LIABILITIES	As at 31 March 2018	As at 31 March 2017
Deferred lease rent	3,204.48	3,291.42
Lease rent payable	228.23	228.23
Deferred government grant (Refer note 39)	463.13	618.37
	3,895.84	**4,138.02**

Note 24 : BORROWINGS	As at 31 March 2018	As at 31 March 2017
From related parties (Unsecured)		
Loan from associates companies (Refer note 7a,8,9 ,10a and 13 below)	22.53	498.89
Loan from a director (Refer note 6, 7b and 10b below)	1,063.00	573.88
From banks		
Secured		
Cash credit facilities (Refer note 1,2,11 and 12)	4,362.10	9,905.18
Loan against fixed deposits (Refer note 3 below)	280.00	324.17
Short term loan (Refer note 4 below)	2,380.91	2,372.10
Unsecured		
Short term loan (Refer note 5 below)	4,943.35	4,927.73
	13,051.89	**18,601.95**

Notes:

1. Cash Credit facilities from Yes Bank Limited amounting to Rs. 3,197.27 lacs (31 March 2017: Rs. 3,040.08 lacs) carries interest @ 9.90% per annum. The loan is secured by first pari-passu charge on current assets (including receivables) of all the hotels of the Company (both present and future), except those of Jaipur hotel of the Company.
2. Short term facilities from Deutsche Bank aggregating to Rs. Nil (31 March 2017: Rs. 5,769.77 lacs) carried interest @ 11.85% per annum. The Company had repaid the loan during the year. The loan was secured by

immovable property of Udaipur hotel of the Company. These short term facilities were guaranteed by Richmond Enterprises S.A.

3. Loan against fixed deposits taken from Jammu & Kashmir Bank Limited is secured by fixed deposits. The loan carries interest @ 1.49% higher than the interest received by the Company on the fixed deposits made with the bank.

4. Packing Credit Foreign Currency ('PCFC') Loan from Yes Bank Limited amounting to Rs. 2,380.91 lacs (equivalent to USD 36.60 lacs at an exchange rate of 65.0441 per USD) ((31 March 2017: Rs. 2,372.10 lacs (equivalent to USD 36.58 lacs at an exchange rate of 64.8386 per USD)) carries interest @ LIBOR+400 basis points. The loan is secured by first pari-passu charge on current assets (including receivables) of all the hotels of the Company (both present and future), except those of Jaipur hotel of the Company.

5. Short term facilities from Barclays Bank aggregating to Rs. 4,943.35 lacs (equivalent to USD 76 lacs at an exchange rate of 65.0441 per USD); (31 March 2017: Rs. 4,927.73 lacs (equivalent to USD 76 lacs at an exchange rate of 64.8386 per USD) carries interest @ 5.42 % per annum. These facilities are guaranteed by Premium Holdings Limited.

6. Unsecured loan taken from Dr. Jyotsna Suri amounting to Rs. Nil (31 March 2017: Rs. 435.00 lacs) was repayable as per mutual agreement and carried interest @ 8% per annum. Aforesaid loan got repaid during the year.

The Lalit Suri Educational & Charitable Trust, an entity controlled by the Company

7 a. Unsecured interest free loan taken from Cargo Hospitality Private Limited amounting to Rs. Nil (31 March 2017: Rs. 300.00 lacs) was repayable as per mutual agreement and entire loan got repaid during the year ended 31 March 2018.

b. Loan taken from Dr. Jyotsna Suri amounting to Rs. 955.00 lacs (31 March 2017: Rs. 100.00 lacs) carries interest @ 8% per annum and is repayable as per mutual agreement.

Kujjal Builders Private Limited, a subsidiary of the Company

8. Unsecured loan taken from Eila Builders & Developers Limited amounting to Rs. 22.53 lacs (31 March 2017: Rs. 12.23 lacs) is repayable as per mutual agreement.

9. Unsecured Loan taken from Deeksha Holding Limited aggregating to Rs. Nil (31 March 2017: Rs. 52.36 lacs) carried interest @ 8.00 % per annum. Entire said loan has been entirely repaid during the FY 2017-18.

Apollo Zipper India Limited, a subsidiary of the Company

10 a. Unsecured Loan taken from Deeksha Holding Limited aggregating to Rs. Nil (31 March 2017: Rs. 134.30 lacs) carried interest @ 8.00 % per annum. Entire said loan has been entirely repaid during the FY 2017-18.

10 b. Loan taken from Dr. Jyotsna Suri amounting to Rs. 105.00 lacs (31 March 2017: Rs. 35.88 lacs) carries interest @ 8% per annum and is repayable as per mutual agreement.

11. Cash Credit facilities from Yes Bank Limited amounting to Rs. 583.61 lacs, (31 March 2017: Rs. 614.03 lacs) carries interest rate 9.95% per annum payable monthly. The loan is secured by first Pari-passu charge on current assets (including receivables) of the Hotel, Second Pari-passu charge on land and building of the Hotel by way of mortgage providing a minimum security cover of 3x.,Second Pari-passu charge on movable fixed assets (present and future) of the Hotel and Corporate Guarantee of Bharat Hotels Ltd. to remain valid upto the entire tenor of the facilities.

Kujjal Builders Private Limited, a subsidiary of the Company

12. Cash Credit facilities from Axis Bank Ltd Rs 581.22 lacs (31 March 2017 : Rs. 481.30 lacs) carries interest @ 11.95% . The loan is taken in current year .The loan is secured by pari-passu charge by way of equitable mortgage on land and building and pari-passu charge on all the movable fixed and current assets of the company (both present and future).

Jyoti Limited, a subsidiary of the Company

13. Unsecured interest free loan taken from Dr. Jyotsna Suri amounting to Rs. 3.00 Lacs (31 March 2017: Rs. 3.00 Lacs) is repayable as per mutual agreement.

(All amounts Rs. in Lacs)

Note 25 : TRADE PAYABLES-SHORT TERM	**As at 31 March 2018**	**As at 31 March 2017**
- Total outstanding dues of micro and small enterprises (refer note 49)	-	-
- Total outstanding dues of creditors other than micro and small enterprises	8,650.55	6,106.94
	8,650.55	**6,106.94**

Note 26 : OTHER CURRENT FINANCIAL LIABILITIES	**As at 31 March 2018**	**As at 31 March 2017**
Financial liabilities at amortised cost		
Current maturities of long term borrowings (Refer note 19)	4,692.81	4,834.66
Interest accrued but not due on borrowings	899.68	1,111.86
Book overdraft from banks	97.81	1,004.22
Sundry deposits	210.25	130.49
Payable to related parties	7.39	-
Payables on purchase of fixed assets	2,110.88	1,482.71
Unpaid dividend*	27.38	22.92
Other payables	44.11	9.35
Employee related liabilities	1,228.22	805.83
Retention payable	712.10	620.44
	10,030.63	**10,022.48**

* Not due for deposit to Investor Education and Protection Fund

Note 27 : SHORT TERM PROVISIONS	**As at 31 March 2018**	**As at 31 March 2017**
Provision for employee benefits		
Gratuity (Refer note 46)	378.44	333.61
Compensated absences	467.53	416.64
Others Provisions		
Provision for membership programme	65.80	-
	911.76	**750.25**

(All amounts Rs. in Lacs)

Note 28 : OTHER CURRENT LIABILITIES	As at 31 March 2018	As at 31 March 2017
Deferred revenue of membership programme	457.40	392.46
Deferred lease rent	84.73	85.66
Advances from customers	1,773.29	1,696.89
Statutory dues payable	1,425.34	2,058.23
Deferred government grant (refer note 39)	166.35	170.12
	3,907.11	**4,403.36**

Note 29 : REVENUE FROM OPERATIONS	For the year ended 31 March 2018	For the year ended 31 March 2017
Sale of services and products		
- Room and apartment	32,793.20	28,130.33
- Food and beverage	24,974.66	21,733.12
- Liquor and wine	5,530.59	4,661.63
- Banquet and Equipment rentals	2,193.35	1,853.81
- Other Services	4,853.69	5,515.35
- Membership programme revenue	887.47	825.79
- Traded goods	99.94	95.06
Other operating revenues		
- Rent and maintenance income	1,819.59	1,714.55
- Consultancy/management fee	82.63	164.94
- Aircraft charter hire charges	489.19	614.88
- Tution and application fees	74.13	69.58
	73,798.44	**65,379.04**

Note 30 : OTHER INCOME	For the year ended 31 March 2018	For the year ended 31 March 2017
Excess provision/ credit balances written back	467.17	425.20
Exchange differences (net)	5.48	-
Amortisation of deferred lease rental	37.16	37.51
Donation Income	745.00	-
Government grant income (Refer note 39)	159.01	170.12
Miscellaneous income	240.07	430.41
	1,653.89	**1,063.24**

(All amounts Rs. in Lacs)

Note 31 : CONSUMPTION OF FOOD AND BEVERAGES	For the year ended 31 March 2018	For the year ended 31 March 2017
Consumption of food and beverages (excluding liquor and wine)		
Inventory at the beginning of the year	305.26	331.54
Add: Purchases	7,764.49	6,720.59
Less: Inventory at the end of the year	(296.08)	(305.26)
Cost of food and beverage consumed (excluding liquor & wine)	7,773.67	6,746.87
Consumption of liquor and wine		
Inventory at the beginning of the year	679.38	789.28
Add: Purchases	1,376.01	1,111.77
Less: Inventory at the end of the year	(659.57)	(679.38)
Cost of liquor and wine consumed	1,395.82	1,221.67
Consumption of food and beverages (including liquor & wine)	**9,169.49**	**7,968.54**

NOTE 32 : CHANGE IN INVENTORIES OF TRADED GOODS	For the year ended 31 March 2018	For the year ended 31 March 2017
Traded goods		
Inventory at the beginning of the year	130.18	107.15
Less: Inventory at the end of the year	127.81	130.18
	2.37	**(23.03)**

Note 33 : EMPLOYEE BENEFITS EXPENSE	For the year ended 31 March 2018	For the year ended 31 March 2017
Salaries, wages and allowances (Refer note 38)	11,725.69	10,684.63
Contribution to provident and other funds (Refer note 38)	916.85	787.27
Gratuity expense (Refer note 46)	150.03	134.17
Leave compensation expenses	130.09	70.37
Staff welfare expenses (Refer note 38)	286.94	209.43
Staff recruitment and training	61.66	89.98
	13,271.26	**11,975.85**

(All amounts Rs. in Lacs)

Note 34 : OTHER EXPENSES	For the year ended 31 March 2018	For the year ended 31 March 2017
Consumption of stores, cutlery, crockery, linen, provisions and others*	2,616.75	2,347.21
Lease rent*	2,240.39	1,790.46
Power and fuel*	8,223.70	7,382.17
Aircraft fuel	66.41	69.81
Banquet and decoration expenses	1,748.47	1,326.13
Membership programme expenses	48.15	60.41
Repairs		
- Buildings*	957.05	777.09
- Plant and machinery*	1,979.93	1,864.54
- Aircraft	242.98	200.48
- Others*	606.06	495.77
Royalty and marketing fees	-	237.76
Rates and taxes*	1,280.84	1,317.48
Insurance*	272.30	257.94
Communication costs*	577.22	505.38
Printing and stationery*	438.72	436.17
Travelling and conveyance*	1,920.99	1,607.79
Advertisement and business promotion*	1,293.10	1,094.46
Commission -other than sole selling agent*	1,225.86	844.48
Security and cleaning expenses (Sub contracting expenses)	2,433.44	2,036.24
Membership and subscriptions*	187.30	166.69
Professional fees*(refer note below)	742.08	472.17
Legal charges*	203.12	161.60
Advances written off	-	10.16
Freight and cartage*	122.71	110.96
Exchange differences (net) *	-	10.57
Loss on sale/ discard of property, plant and equipment (net)	8.88	18.84
Donations	71.39	46.59
Bad Debts written off	19.72	0.45
Provision for doubtful advances	38.08	166.71
Provision for doubtful debts	110.12	220.65
Directors fees and commission	26.11	19.67
Bank charges*	490.09	483.50
Payment to auditors	86.76	90.56
News paper expenses	31.78	30.45
Miscellaneous expenses*	207.97	179.41
	30,518.47	**26,840.75**

*Refer note 38

(All amounts Rs. in Lacs)

Note 35 : FINANCE INCOME	For the year ended 31 March 2018	For the year ended 31 March 2017
Exchange difference on foreign currency borrowings	-	48.76
Interest income on		
- Bank deposits	164.99	166.62
- others	332.60	262.98
Finance lease income	109.25	109.26
Unwinding of discount on security deposits	34.89	24.78
	641.73	**612.40**

Note 36 : FINANCE COSTS	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest on:		
- loans from related parties	35.24	230.90
- loans from banks	12,300.55	12,710.10
- loans from financial institutions	30.09	46.34
- credit facilities from banks	1,041.22	1,163.90
- others	4.13	1.11
Bank charges	40.93	77.69
Unwinding of finance cost from financial instruments at amortised cost	33.34	28.89
Interest on defined benefit plans	66.66	66.91
Finance charges payable under finance lease	188.79	187.97
Exchange difference on foreign currency borrowings	38.57	-
	13,779.52	**14,513.81**

Note 37 : DEPRECIATION AND AMORTISATION EXPENSE	For the year ended 31 March 2018	For the year ended 31 March 2017
Depreciation of property, plant and equipment	8,374.96	8,419.79
Amortisation of intangible assets	101.61	116.81
	8,476.57	8,536.60
Less: Transferred to pre-operative expenditure (Refer note 38)	(0.01)	(25.99)
	8,476.56	**8,510.61**

(All amounts Rs. in Lacs)

Note- 38: PREOPERATIVE EXPENDITURE PENDING ALLOCATION	For the year ended 31 March 2018	For the year ended 31 March 2017
Balance as per last account	12,192.93	14,950.74
Additions during the year:		
Personnel expenses		
Salaries, wages and bonus	293.46	328.65
Contribution to provident and other funds	10.88	14.66
Workmen and staff welfare expenses	0.05	7.84
Depreciation/ amortization	25.31	56.53
Operating and other expenses		
Consultancy charges	9.34	6.75
Lease rent	25.42	27.79
Power and fuel	45.13	144.41
Rates and taxes	4.00	216.69
Insurance	8.00	10.20
Communication costs	-	1.77
Printing and stationery	-	4.73
Traveling and conveyance	19.61	13.51
Advertisement and business promotion	-	7.01
Bank charges	-	0.18
Security and cleaning expenses	40.24	78.67
Membership and subscriptions	-	0.78
Legal charges	89.26	23.02
Professional fees	42.18	23.21
Freight and cartage	0.72	7.67
Exchange difference (net)	8.16	(39.36)
Miscellaneous expenses	0.84	108.39
Boarding & Lodging	0.16	-
Security Expenses	0.67	-
Financial Costs		
Interest on term loan	1,770.40	1,714.44
Bank Charges	1.05	76.37
	14,587.81	17,785.36
Less : Interest earned	5.69	5.34
Less : Expenditure transferred to fixed assets	963.66	5,587.10
Closing balance	**13,618.46**	**12,192.92**

Note 39 : GOVERNMENT GRANT *	For the year ended 31 March 2018	For the year ended 31 March 2017
At the beginning of the year	788.49	958.61
Released to the statement of profit and loss	(159.01)	(170.12)
At the end of the year	**629.48**	**788.49**
Current	**166.35**	**170.12**
Non Current	**463.13**	**618.37**
	629.48	**788.49**

* Government grants have been received for the purchase of certain items of property, plant and equipment.

(All amounts Rs. in Lacs)

Note 40 :Current tax assets	For the year ended 31 March 2018	For the year ended 31 March 2017
a. The major components of income tax expense for the year end are:		
Profit and loss section		
Current income tax:		
Current income tax charge (MAT payable)	870.83	1,270.52
Less: MAT credit entitlement	(185.78)	(1,259.54)
Deferred tax:		
Relating to origination and reversal of temporary differences	(8,267.12)	1,849.68
Income tax expense reported in the statement of profit or loss	**(7,582.07)**	**1,860.66**
Other Comprehensive Income Section		
Deferred tax related to items recognised in OCI during the year:		
Net gain/(loss) on remeasurement of defined benefit plans	(93.01)	(7.10)
Income tax charged to OCI	**31.80**	**3.75**
b. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2018 and 31 March 2017		
Accounting profit before tax	805.95	(2,862.15)
India statutory income tax rate	34.61%	34.61%
At India statutory income tax	278.92	(990.53)
Adjustment in respect of current income tax of prior years	-	10.98
Affect of change in indexation base	(85.22)	(111.20)
Income tax expense reported in the statement of profit and loss before losses of Subsidiaries for which no DTA has been recognised	(7,329.44)	(35.70)
Reversal of tax on uncertain tax positions	(545.39)	-
Adjustment due to difference in tax rates	194.86	-
Non deductible expenses for tax purpose:		
Other permanent differences	(70.11)	74.60
Other adjustments	53.94	(161.67)
Total	**(7,502.43)**	**(1,213.52)**
Losses of subsidiaries for which no DTA has been recognised	(79.64)	3,074.18
Income tax expense reported in the statement of profit and loss	**(7,582.07)**	**1,860.66**
c. Reconciliation of deferred tax liabilities (net)		
Opening balance	12,209.65	11,623.26
Tax expenses recognised in statement of profit and loss (net of MAT credit)	(8,452.90)	590.14
Tax (income)/ expenses recognised in OCI	(31.80)	(3.75)
Closing balance	**3,724.95**	**12,209.65**
d. MAT credit entitlement		
Opening balance	4,073.52	2,813.98
Add: MAT credit entitlement for the current year	185.78	1,259.54
Closing balance	**4,259.30**	**4,073.52**

The Group had unused MAT credit at the year end. Such tax credit has not been recognised on the basis that recovery is probable in the foreseeable future within the specified period i.e, the period for which MAT credit is allowed to be carried forward.

Capital losses

The Group has not recognised deferred tax assets of Rs. 1,683.79 lacs on losss under the head 'Capital gain' as the Company is not likely to generate taxable income under the same head in foreseable future. The significant portion of these losses will expire in Financial year ending 31 March 2022.

Business losses and unabsorbed depreciation

The Group has tax losses/unabsorbed depreciation that are available for off setting against the future taxable profits of the Companies in which such loss arose. Break up of the same as per the expiry date is as follow:

(All amounts Rs. in Lacs)

Financial year	Business loss	Unabsorbed depreciation
2009-10	2.10	-
2010-11	35.40	-
2011-12	29.50	-
2012-13	3,719.20	-
2013-14	19,118.90	1,303.20
2014-15	6,183.90	3,482.70
2015-16	9,476.00	3,034.40
2016-17	7,096.10	2,661.40
2017-18	3,490.20	1,592.10

Business loss: As per the provisions of the Income-tax Act the Company can carry forward their losses for subsequent period of 8 year.

Unabsorbed depreciation: The Group can carry forward the unadosrbed business losses for unlimited period of years and can be set off against the furure income.

Note 41 : Earning per share (EPS)

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

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

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

(All amounts Rs. in Lacs)

Basic and Diluted earnings per share	**As at 31 March 2018**	**As at 31 March 2017**
Profit attributable to equity share holders of Group for basic and diluted earnings	7,503.95	(1,600.35)
Weighted average number of Equity shares for basic and diluted EPS	75,991,199	75,991,199
Basic Earnings per share- Rupees	**9.87**	**(2.11)**
Profit attributable to equity share holders of Group for basic and diluted earnings	7,503.95	(1,600.35)
Weighted average number of dilutive equity shares for basic and diluted EPS	75,991,199	75,991,199
Diluted earnings per share- Rupees	**9.87**	**(2.11)**

Note 42 : Significant accounting judgements, estimates and assumption

The preparation of the Group'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 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.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Operating lease commitments – The Group as lessee

The Group has taken certain land on long term lease basis. The lease agreements generally have an escalation clause. These leases are generally non-cancellable. The Group has determined based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life/remaining economic life of the property and the fair vaue of the asset, that it does not have all the signifcant risks and rewards of ownersip of these properties and accounts for the contracts as operating leases.

Further, the Group based on an evaluation of the terms and conditions of the respective agreements decided that wherever the escalation are aligned the average expected general inflation of the lease term period, operating lease payments are not required to be provided on a straightl-line basis over the lease term as an expense in the statement of profit and loss and in other cases (including structured payment terms), operating lease payments are expensed on a straight-line basis over the lease term in the statement of profit and loss.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment benefits 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 for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note 46.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using other valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Revenue recognition – Lalit loyalty programme

The Group estimates the fair value of points awarded under the Lalit loyalty programme by applying statistical techniques. Inputs to the model include making assumptions about expected redemption rates, the mix of products that will be available for redemption in the future and customer preferences. The estimated liability towards unredeemed points amounted to Rs. 65.80 lacs (31 March 2017 - Rs. 36.20 lacs).

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Note 43 : Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio between 30% and 65%. The Group includes within net debt, interest bearing loans and borrowings, trade payables, less cash and cash equivalents.

(All amounts Rs. in Lacs)

	As at 31 March 2018	As at 31 March 2017
Borrowings (Note 19, 24 and 26)	141,207.74	141,247.31
Trade payables (Note 25)	8,650.55	6,106.94
Book overdrafts from banks (Note 26)	97.81	1,004.22
Less: Cash and cash equivalents (Note 11)	(2,186.59)	(6,882.92)
Net debt	**147,769.51**	**141,475.55**
Equity	99,166.14	92,638.01
Capital and Net Debts	**246,935.65**	**234,113.56**
Gearing Ratio	59.84%	60.43%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. The Company has breached certain loan covenants as at the end of the financial year i.e. 31 March 2018. However, the Group has obtained covenants letters from banks for compliance pursuant to which these loans have been classified as non current.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2018 and 31 March 2017.

Note 44 : Fair value measurement

(All amounts Rs. in Lacs)

a. Financial instruments by category

	As at 31 March 2018		As at 31 March 2017	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets				
Investments in equity instruments	3.60	-	3.60	-
Trade receivables	-	6,438.45	-	4,925.97
Security deposits	-	739.80	-	657.58
Margin money deposits	-	1,862.67	-	1,738.92
Interest accrued	-	149.46	-	148.27
Finance lease receivable	-	954.50	-	954.51
Cash and cash equivalents	-	2,186.59	-	6,882.92
Subsidy receivable	-	142.12	-	93.89
Others	-	877.28	-	1,047.27
Total Financial Assets	**3.60**	**13,350.87**	**3.60**	**16,449.33**

(All amounts Rs. in Lacs)

	As at 31 March 2018		As at 31 March 2017	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Liabilities				
Borrowings	-	141,207.74	-	141,247.31
Deposits (including retention payable)	-	1,309.17	-	1,131.69
Trade payables	-	8,650.55	-	6,106.94
Other current financial liabilities	-	4,415.47	-	4,436.89
Other non current financial liabilities	-	64.74	-	69.06
Total financial liabilities	**-**	**155,647.67**	**-**	**152,991.89**

Note: The financial assets above do not include investments in joint venture which are measured at cost in accordance with Ind AS 101, Ind AS 27 and Ind AS 28.

b. Fair value measurement hierarchy for assets and liabilities

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions
The Group categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

i) Level 1

Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

ii) Level 2

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

iii) Level 3

Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Group's assumptions about pricing by market participants.

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

Financial assets and liabilities measured at fair value

31 March 2018	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments as FVTPL				
Unquoted equity instruments	-	-	3.60	3.60

31 March 2017	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments as FVTPL				
Unquoted equity instruments	-	-	3.60	3.60

(All amounts Rs. in Lacs)

Financial assets and liabilities measured at amortised cost for which fair values are disclosed

	31 March 2018			
	Level 1	Level 2	Level 3	Total
Financial assets				
Security deposits	-	-	739.80	739.80
Finance lease receivable	-	-	954.50	954.50
	-	**-**	**1,694.30**	**1,694.30**
Financial liabilities				
Borrowings	-	-	141,207.74	141,207.74
Security deposits	-	-	1,309.17	1,309.17
	-	**-**	**142,516.91**	**142,516.91**

	31 March 2017			
	Level 1	Level 2	Level 3	Total
Financial assets				
Security deposits	-	-	657.58	657.58
Finance lease receivable	-	-	954.51	954.51
	-	**-**	**1,612.10**	**1,612.10**
Financial liabilities				
Borrowings	-	-	141,247.31	141,247.31
Security deposits	-	-	1,131.69	1,131.69
	-	**-**	**142,379.00**	**142,379.00**

c. Fair value of financial assets and liabilities measured at amortised cost

1. The management assessed that fair values of cash and cash equivalents, trade receivables, other receivables, trade payables, bank overdrafts, Interest accrued on bank deposits with banks, other current financial assets and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.
2. The fair values of loans, security deposits, borrowings and other financial assets and liabilities are considered to be the same as their fair values, as there is an immaterial change in the lending rates.

Note 45: Commitments & Contingent liabilities

(a) Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:
Commitments relating to estimated amount of completion of Property, Plant & Equipment are as follows:

Descriptions	31 March 2018	31 March 2017
Estimated amount of contracts remaining to be executed and not provided for	7,869.94	10,371.04

(All amounts Rs. in Lacs)

(b) Leases

Operating lease commitments - Group as lessee

The Group has entered into operating leases on certain Land and Building properties with lease terms between 25 to 99 years. The Group has the option, under some of its leases, to lease the assets for additional terms of 25 years.

	31 March 2018	31 March 2017
The Group has paid Minimum lease during the year	2,240.39	1,790.46

Further minimum rentals payables under non-cancellable operating leases are as follows:

	31 March 2018	31 March 2017
Within one year	1,285.37	1,190.94
After one year but not more than five years	5,052.77	4,581.03
More than five years	29,393.34	29,676.79
	35,731.48	**35,448.76**

Operating lease commitments - Group as lessor

The Group has entered into operating leases consisting of certain offices. These lease terms are between 3 to 99 years. There is no escalation clause in the lease agreements. There are no restrictions imposed by lease arrangements.

Future minimum rentals receivables under non-cancellable operating leases are as follows:

	31 March 2018	31 March 2017
Within one year	238.37	588.37
After one year but not more than five years	8.44	226.20
More than five years	148.05	153.20
	394.86	**967.77**

Finance lease commitments - Group as lessee

The Group has finance leases for various items of land & building properties. The Group's obligations under finance lease are secured by the lessor's title to the leased assets. Future minimum lease payments under finance leases together with the present value of the net minimum lease payments are, as follows -

	31 March 2018	31 March 2018
	Minimum lease payments	Present value of MLP
Within one year	187.50	45.62
After one year but not more than five years	750.00	162.44
More than five years	15,916.41	203.83

	31 March 2017	31 March 2017
	Minimum lease payments	Present value of MLP
Within one year	187.50	166.67
After one year but not more than five years	750.00	500.94
More than five years	16,103.91	836.59

(All amounts Rs. in Lacs)

Finance lease commitments - Group as lessor

The Group has given certain portion of land and building on finance lease. The lease terms are for 93-99 years. Refer note 54

Future gross rentals receivables under non-cancellable finance leases are as follows:

	31 March 2018	31 March 2017
Within one year	109.44	109.44
After one year but not more than five years	437.76	437.76
More than five years	6,236.83	6,346.27
	6,784.03	**6,893.47**

Future minimum rentals receivables under non-cancellable finance leases are as follows:

	31 March 2018	31 March 2017
Within one year	0.21	0.19
After one year but not more than five years	1.03	0.95
More than five years	953.27	953.55
	954.51	**954.69**

Note 46 : Gratuity and other post-employment benefit plans

	31 March 2018	31 March 2017
Gratuity Plan	1,346.02	1,138.61
Total	**1,346.02**	**1,138.61**

The Group has an unfunded defined benefit gratuity plan. Every employee who has completed five years or more or service gets a gratuity on separation equal to 15 days salary (last drawn salary) for each completed year of continuous service or part thereof in excess of six months.

Changes in the defined benefit obligation as at 31 March 2018:

	31 March 2018	31 March 2017
Opening Defined benefit obligations	1,138.61	990.75
Service Cost	150.03	134.17
Net interest expense	66.66	66.91
Gratuity cost charged to consolidated statement of profit and loss	**216.69**	**201.08**
Actuarial changes arising from changes in demographic assumptions	0.31	(2.94)
Actuarial changes arising from changes in financial assumptions	2.48	40.12
Experience adjustments	90.21	(30.05)
Remeasurement gain/(loss) in other comprehensive income	**93.00**	**7.13**
Contribution by employer	-	-
Benefits paid	(102.28)	(64.80)
Closing Defined benefit obligations	**1,346.02**	**1,134.16**

*excluding liability amounts for employees transferred from group companies amounting to Rs. Nil (31 March 2017: Rs 4.45 lacs)

(All amounts Rs. in Lacs)

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

Description	31 March 2018	31 March 2017
Current service cost	150.03	134.17
Net interest expense	66.66	66.91
Amount recognised in the statement of profit or loss	**216.69**	**201.08**

Amount recognised in Other comprehensive income is as under:

Description	31 March 2018	31 March 2017
Actuarial gain/(loss) arising from changes in demographic assumption	0.31	(2.94)
Actuarial gain/(loss) arising from changes in financial assumption	2.48	40.09
Experience adjustments	90.21	(30.05)
Amount recognised in Other comprehensive income	**93.00**	**7.10**

The principal assumptions used in determining gratuity for the Group's plans are shown below:

	31 March 2018	31 March 2017
Discount rate	7.30%	6.90%
Future salary increase	8.00%	7.50%

Sensitivity analysis for gratuity liability:

	31 March 2018	31 March 2017
Impact of the change in Discount rate		
(a) Impact due to increase of 0.5%	1,310.35	1,092.19
(b) Impact due to decrease of 0.5%	1,370.09	1,142.33
Impact of the change in Salary increase		
(a) Impact due to increase of 0.5%	1,369.74	1,142.06
(b) Impact due to decrease of 0.5%	1,310.40	1,092.22

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

Description	31 March 2018	31 March 2017
Within the next 12 months	373.83	320.25
Total expected payments	**373.83**	**320.25**

The average duration of the defined benefit plan obligation at the end of the reporting period is 4.42 years.

Note 47 : Financial risk management objectives and policies

The Group's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and to support its operations. The Group's financial assets include loans, trade and other receivables, and cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

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: interest rate risk, currency risk and other price risks. Financial instruments affected by market risk include loans and borrowings, deposits and payables/ receivables in foreign currencies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

(All amounts Rs. in Lacs

	31 March 2018	31 March 2017
Variable rate borrowings	137,956.40	138,891.39
Fixed rate borrowings	3,251.34	2,355.92

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variable held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Effect of Profit before tax	
	31 March 2018	**31 March 2017**
Increase by 50 basis points	(689.78)	(694.46)
Decrease by 50 basis points	689.78	694.46

Foreign currency risks

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure in foreign currency is in loans, debtors and advances denominated in foreign currency. The Group is not restricting its exposure of risk in change in exchange rates. The Group expects the Indian Rupee to strengthen and accordingly the Group is carrying the risk of change in exchange rates.

		31 March 2018	31 March 2017
Trade creditors	USD	0.21	0.14
Trade receivables	GBP	0.68	0.90
FDR	USD	3.25	3.16
EEFC Bank Balance	USD	0.79	1.07
Unsecured loans	USD	76.00	76.00
Secured loans	USD	162.14	187.60

Foreign currency sensitivity

The following table demonstrate the sensitivity to a reasonably possible change in USD-INR exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Group's exposure to foreign currency changes for all other currencies is not material.

(All amounts Rs. in Lacs)

	Effect on profit before tax*	
	31 March 2018	31 March 2017
USD Sensitivity		
Increase by 5%	(700.44)	(841.28)
Decrease by 5%	700.44	841.28
GBP Sensitivity		
Increase by 5%	3.06	3.64
Decrease by 5%	(3.06)	(3.64)

*In accordance with exemption allowed under Ind AS 101, the Group capitalises exchange differences arising on long term foreign currency monetary items. Accordingly, the profit before tax will not be impacted to that extent.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including loans to related parties, deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

(a) Trade receivables

Customer credit risk is managed by each business location subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.

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 grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 9. The Group does not hold collateral as security.

(b) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investment of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The Group's maximum exposure to credit risk for the components of the balance sheet at respective reporting date is the carrying amount.

(All amounts Rs. in Lacs)

Gross carrying amount of trade receivables

Ageing	31 March 2018	31 March 2017
Not due	913.02	694.60
0-60 days past due	3,890.40	2,986.83
61-120 days past due	852.58	659.77
121-180 days past due	339.29	271.35
180-365 days past due	296.27	193.54
More than 365 days	1,115.65	1,002.10
	7,407.21	**5,808.19**

Provision for doubtful debts

Ageing		
121-180 days past due	0.19	-
180-365 days past due	50.03	13.49
More than 365 days	918.54	868.73
	968.76	**882.22**

Reconciliation of provision for doubtful debts - Trade receivables

Provision at beginning	882.22	664.37
Addition during the year	110.12	220.65
Reversal during the year	(23.58)	(2.80)
Provision at closing	**968.76**	**882.22**

Reconciliation of provision for doubtful debts - Loans and deposits

Provision at beginning	848.80	682.09
Addition during the year	38.08	166.71
Reversal during the year	(186.10)	-
Utilised during the year	-	-
Provision at closing	**700.78**	**848.80**

Liquidity risk

The Group monitors its risk of a shortage of funds by estimating the future cash flows. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders. The Group had access to the following undrawn borrowing facilities at the end of the reporting periods -

Floating rate	31 March 2018	31 March 2017
(a) Expiring within one year (Bank overdraft and other facilities)		
Secured		
-Cash credit facilities	1,537.90	1,794.82
-Short term loans	119.02	127.90

(All amounts Rs. in Lacs)

	31 March 2018	31 March 2017
(b) Expiring beyond one year (Bank loans)		
Secured		
-Rupees term loan from banks	23.00	6,250.00

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

	31 March 2018	31 March 2017
Contractual maturities of borrowings		
Upto one year	31,006.89	52,488.58
Between 1 and 2 years	21,265.87	21,904.87
Between 2 and 5 years	69,445.12	74,966.01
More than 5 years	103,866.89	160,633.58
Contractual maturities of finance lease obligations		
Upto one year	187.50	187.50
Between 1 and 2 years	187.50	187.50
Between 2 and 5 years	562.50	562.50
More than 5 years	15,916.41	16,103.91
Contractual maturities of trade payables		
Upto one year	8,650.55	6,106.94
Contractual maturities of security deposit received		
Upto one year	216.83	140.31
Between 1 and 2 years	2.14	276.07
Between 2 and 5 years	17.87	31.19
More than 5 years	4,893.48	4,957.14
Contractual maturities of other financials payable		
Upto one year	3,510.44	5,562.77

Note 48 : Lalit Loyalty and Membership Programme (In lacs)

(a) Points for Lalit Connect	31 March 2018	31 March 2017
Accrued points	3.75	2.32
Redeemed points	0.49	1.50
Redemption percentage	12.97%	64.36%
Unexpired points	3.27	0.83
(b) Points for Lalit Plus		
Accrued points	1.89	3.47
Redeemed points	0.69	1.81
Redemption percentage	36.29%	52.24%
Unexpired points	1.21	1.66

(In Lacs)

(c) Points for Lalit Engage

	31 March 2018	31 March 2017
Accrued points	0.91	0.55
Redeemed points	0.14	0.40
Redemption percentage	15.94%	73.38%
Unexpired points	0.76	0.15

(All amounts Rs. in Lacs)

(d) Movement in provision	31 March 2018	31 March 2017
At the beginning of the year	36.20	41.53
Arising during the year	62.55	87.36
Utilised during the year	32.95	92.69
At the end of the year	65.80	36.20

(e) Movement in membership programme

At the beginning of the year	356.26	410.34
Arising during the year	887.47	825.79
Utilised during the year	786.32	879.88
At the end of the year	457.40	356.26

Note 49 :Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006 to the extent of Confirmation received:

	31 March 2018	31 March 2017
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year	—	—
The amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	—	—
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	—	—
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	—	—
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	—	—

Note 50 : Dividend made and proposed

(All amounts Rs. in Lacs)

Cash dividends on equity shares declared and paid:	31 March 2018	31 March 2017
Final dividend for the year ended on 31 March 2018:		
Rs. 1 per share (31 March 2017: Rs. 1 per share)	759.91	569.93
DDT on final dividend	154.70	116.03
	914.61	**685.96**
Proposed dividends on Equity shares:		
Final cash dividend for the year ended on 31 March 2018:		
Rs. 1 per share (31 March 2017: Rs. 1per share)	759.91	759.91
DDT on proposed dividend	154.70	154.70
	914.61	**914.61**

Note 51:Related party transactions

a) Name of the related parties and their relationship:

Key Management Personnel:

Dr. Jyotsna Suri, Chairperson & Managing Director
Ms. Divya Suri Singh, Executive Director
Ms. Deeksha Suri, Executive Director
Mr. Keshav Suri, Executive Director
Mr. Ramesh Suri, Non Executive Director
Mr. Madhav Sikka, Chief Financial Officer (till 24 March 2018)
Mr. Himanshu Pandey, Head Legal and Company Secretary (w.e.f. 16 October 2017)
Mr. Sandeep Chandna, Company Secretary (till 20 September 2017)
Mr. M.Y. Khan, Non Executive Director
Mr. Narindra Dhruv Batra
Mr. Dhruv Prakash, Non Executive Director (w.e.f. 21 July 2017)
Mr. Ranjan Mathai, Non Executive Director (w.e.f. 29 August 2017)
Mr. Vivek Mehra, Non Executive Director (w.e.f. 21 July 2017)
Ms. Shovana Narayan, Non Executive Director (w.e.f. 16 October 2017)
Mr. Lalit Bhasin, Non Executive Director (till 6 September 2017)
Mr. Hanuwant Singh, Non Executive Director (till 30 June 2017)
Mr. D.V. Batra, Non Executive Director (till 14 August 2017)
Mr. Vinod Khanna, Non Executive Director (till 27 April 2017)
Mr. Abhay N Firodia, Non Executive Director (till 21 May 2016)
Mr. Chakor Lal Doshi, Non Executive Director (till 20 July 2016)

Joint Venture

Cavern Hotels & Resorts FZCo.

Enterprises owned or significantly influenced by key management personnel or their relatives

Deeksha Holding Limited (DHL)
Deeksha Human Resource Initiatives Limited (DHRIL)
Subros Limited
Jyotsna Holding Private Limited
Mercantile Capital & Financial Services Private Limited
Bhasin & Company (till 6 September 2017)
Cargo Hospitality Private Limited

	Cargo Motors (Delhi) Private Limited Cargo Motors Private Limited Cargo Motors (Rajasthan) Private Limited Eila Builders & Developers Limited FIBCOM India Limited Global Autotech Limited Grand Hotel & Investments Limited Kronokare Cosmetics Private Limited L.P. Hospitality Private Limited Premium Exports Limited Premium Holdings Limited Prima Telecom Limited Richmond Enterprises S.A. Responsible Builders Private Limited Rohan Motors Limited Hemkunt Service Station Private Limited Tempo Automobiles Private Limited Godawari Motors Private Limited Ramesh Suri (HUF) St. Olave's Limited
Relatives of Key Managerial Personnel	Mr. Jayant Nanda

b) Loans made to the joint venture are on mutually agreed terms.

c) The sales and purchase from related parties are made on terms equivalent to those that prevail in arm's length transactions.

d) The short term loans facilities (as discussed in note 24) from bank availed by the Company have been secured by way of guarantee given by Premium Holding Limited.

(e) The following tables provides the total amount of transactions that have been entered into with related parties for the relevant financial period.

Key Management Personnel: **(All amounts Rs. in Lacs)**

	31 March 2018	31 March 2017
Dr. Jyotsna Suri		
- Salary and Wages	84.00	84.00
- Post employment benefits	3.14	3.14
- Lease rent paid	30.00	34.48
- Interest paid on deposits	50.59	92.09
- Guarantee/ Undertaking (received)	(1,471.40)	(538.47)
- Loan (received)	(1,420.00)	(1,252.00)
- Loan repaid	928.00	1,200.00
- Sale of goods/ services	24.90	23.63
- Sitting Fees	1.00	0.95
Ms. Divya Suri Singh		
- Salary and Wages	72.00	72.00
- Post employment benefits	3.13	4.27
- Lease rent paid	24.00	17.00
- Donation received	110.00	

(All amounts Rs. in Lacs)

	31 March 2018	31 March 2017
Ms. Deeksha Suri		
- Salary and Wages	72.00	72.00
- Post employment benefits	2.91	4.48
- Lease rent paid	24.00	17.00
Mr. Keshav Suri		
- Salary and Wages	72.00	72.00
- Post employment benefits	2.84	3.94
- Sitting Fees	1.30	1.15
Mr. Madhav Sikka		
- Salary and Wages	49.63	-
- Post employment benefits	0.99	1.74
Mr. Himanshu Pandey		
- Salary and Wages	18.93	-
- Post employment benefits	0.62	0.64
- Other long term employee benefits- Leave Encashment	-	0.13
Mr. Sandeep Chandna		
- Salary and Wages	11.52	-
Mr. Ramesh Suri		
- Sitting Fees	6.00	4.30
Mr. M.Y. Khan		
- Sitting Fees	4.80	2.10
Mr. Dhruv Prakash		
- Sitting Fees	3.30	-
Mr. Ranjan Mathai		
- Sitting Fees	1.50	-
Mr. Vivek Mehra		
- Sitting Fees	2.60	-
Ms. Shovana Narayan		
- Sitting Fees	0.50	-
Mr. Lalit Bhasin		
- Sitting Fees	2.10	3.75
Mr. Hanuwant Singh		
- Sitting Fees	0.90	5.20
Mr. D.V. Batra		
- Sitting Fees	0.75	1.10

(All amounts Rs. in Lacs)

	31 March 2018	31 March 2017
Mr. Vinod Khanna		
- Sitting Fees	-	0.40
Mr. Chakor Lal Doshi (Non-Exceutive Dircetor)		
- Sitting Fees	-	0.20
Mr. Narindra Batra (Non-Exceutive Dircetor)		
-Sitting Fees	-	0.25
Relatives of Key Management Personnel:		
Mr. Jayant Nanda		
-Donation received	385.00	-
Transaction with Enterprises owned or significantly influenced by key management personnel or their relatives:		
Deeksha Holding Limited		
-Sale of goods / services	111.34	57.74
-Purchase of goods	8.05	2.99
-Lease rent paid	164.52	154.13
-Maintenance charges received	8.65	8.48
-Expenditure incurred for BHL, reimbursement paid by BHL	1.40	15.53
-Loan (received)	(200.00)	(136.00)
-Loan paid	992.36	681.00
-Interest paid on deposits	16.65	147.09
-Donation received	100.00	-
Deeksha Human Resource Initiatives Limited		
-Expenditure incurred for BHL, reimbursement paid by BHL	-	0.09
Jyotsna Holding Private Limited		
-Sale of goods / services	10.27	-
-Lease rent paid	-	8.86
-Security deposit received	-	3.36
Mercantile Capital & Financial Services Private Limited		
-Maintenance charges received	1.15	1.05
Grand Hotels & Investments Limited		
-Consultancy Services provided	-	157.20
-Expenditure incurred by BHL and reimbursement received by BHL	-	134.26
Prima Telecom Limited		
-Sale of goods / services	1.83	1.01
-Purchase of goods	2.09	-
-Interest paid on deposits	-	0.23
Responsible Builders Private Limited		
-Maintenance charges received	4.63	4.80
-Loan (received)	50.00	-
-Sale of goods / services	4.39	-
-Interest paid on deposits	1.97	-

(All amounts Rs. in Lacs)

	31 March 2018	31 March 2017
Premium Exports Limited		
-Lease rent paid	1.35	2.70
Rohan Motors Limited		
-Sale of goods / services	8.38	5.35
-Purchase of fixed assets	4.20	-
-Services received	1.79	1.12
-Maintenance charges received	2.00	1.85
Subros Limited		
-Sale of goods / services	96.32	90.84
-Maintenance charges received	20.19	21.86
FIBCOM India Limited		
-Sale of goods / services	0.85	1.35
L.P Hospitality Private Limited		
-Consultancy Services provided	5.71	-
Premium Farm Fresh Produce Limited		
-Donation Received	150.00	-
-Loan repaid	-	199.68
Cargo Hospitality Private Limited		
-Loan (received)	(85.00)	300.00
-Loan paid	385.00	-
Kronokare Cosmetics Pvt Ltd		
-Purchase of goods	282.23	857.89
- Sale of Goods	-	64.22
Cargo Motors Private Limited		
-Sale of goods / services	5.27	3.84
Bhasin and Company		
-Consultacny Services received	-	4.20
-Sale of goods / services	-	3.38
Eila Builders & Developers Limited		
Loan paid	12.34	2.67
-Interest paid on deposits	18.27	13.60
Hemkunt Service Station Private Limited		
-Sale of goods / services	0.29	-
-Purchase of goods	123.06	-
Tempo Automobile Private Limited		
-Sale of goods / services	2.03	-
- Services received	0.74	-

(All amounts Rs. in Lacs)

	31 March 2018	31 March 2017
Godawari Motors Private Limited		
-Sale of goods / services	2.52	-
-Purchase of goods	38.97	-
-Maintenance charges received	2.51	-
Ramesh Suri (HUF)		
-Maintenance charges received	1.06	-
St. Olave's Limited		
-Consultancy Services provided	59.24	-
-Expenditure incurred by BHL and reimbursement received by BHL	76.69	-
Cargo Motors (Rajasthan) Pvt Ltd		
-Sale of goods / services	6.70	-

(f) Balance outstanding as at period end

Key management personnel - Receivables		
Dr. Jyotsna Suri	24.90	-

Balance receivable from Enterprises owned or significantly influenced by key management personnel or their relatives:

	31 March 2018	31 March 2017
Bhasin & Company	-	16.48
Cargo Motors Delhi Private Limited	103.97	103.97
Cargo Motors Private Limited	41.38	36.02
Cargo Motors Rajasthan Private Limited	9.28	4.45
Deeksha Holding Limited	33.00	37.51
Deeksha Human Resource Initiatives Limited	0.93	0.93
FIBCOM India Limited	12.21	12.08
Grand Hotel & Investments Limited	53.65	222.62
Kronokare Cosmetics Pvt Ltd	12.97	8.26
L. P. Hospitality Private Limited	1.61	19.72
Mercantile Capital & Financial Services Private Limited	0.08	0.11
Prima Telecom Limited	1.00	0.41
Responsible Builders Private Limited	0.63	0.70
Rohan Motors Limited	2.93	2.77
Subros Limited	27.53	45.43
Tempo Automobiles Private Limited	0.13	-
Godawari Motors Private Limited	2.67	-
St. Olave's Limited	139.08	-
Ramesh Suri (HUF)	0.31	-

Balance payable to Key Management Personnel:

Dr. Jyotsna Suri	1,111.44	621.28
Ms. Divya Suri Singh	3.60	23.54
Ms. Deeksha Suri	3.60	29.99
Mr. Keshav Suri	-	6.44

(All amounts Rs. in Lacs)

Balance payable to Enterprises owned or significantly influenced by key management personnel or their relatives:

	31 March 2018	31 March 2017
Bhasin & Company	-	5.70
Deeksha Holding Limited	275.98	1,138.70
Deeksha Human Resource Initiatives Limited	4.84	157.01
Eila Builders & Developers Limited	145.39	147.44
Jyotsna Holding Private Limited	0.06	0.06
Kronokare Cosmetics Private Limited	1.18	12.40
L. P Hospitality Private Limited	0.08	-
Premium Exports Limited	-	2.63
Global Autotech Limited	0.13	-
Tempo Automobiles Private Limited	0.12	-
Rohan Motors Limited	0.22	-
Hemkunt Service Station Private Limited	42.29	-
Corporate Guarantees / Undertaking received:		
Dr. Jyotsna Suri	(5,714.98)	(4,243.58)
Premium Holdings Limited	(5,203.53)	(5,187.09)
Richmond Enterprises S.A.	-	(6,200.00)

Note 52: Details of CSR expenditure:

a) Gross amount required to be spent by the Company during the year	53.38	4.09
(b) Amount spent during the year ending on 31 March 2018:		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	38.42	-
b) Amount spent during the year ending on 31 March 2017:		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	-	33.40

53 Segmental Information

All amounts in Rupees in Lacs

Business segments:

For management purposes, the Group is organised into business units based on its services rendered and products sold. The leadership team (Chairperson and Chief Financial Officer) monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss. No operating segments have been aggregated to form the above reportable operating segments. The Group has four reportable segments, as follows:

Hotel operations : It represents sale of rooms and apartments, food and beverages, banquet rentals and other services relating to hotel operations including telecommunication, laundry, business centre, health centre and other related services

Aircraft Charter Operations: It represents services rendered to customers who hire aircraft for travel.

Other Activities: It represents operations relating to renting of shops located within hotel premises and separate business towers operated by the Group and Income and expenses arising out of training and education activities carries out by the Group.

Particulars	Hotel operations		Aircraft charter operations		Other activities		Total	
	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017
Revenue								
External sales	71,415.53	62,980.02	489.19	614.88	1,893.72	1,784.14	73,798.44	65,379.04
Other income	863.90	1,038.09	-	-	789.99	63.34	1,653.89	1,101.43
Finance Income	-	-	-	-	109.25	109.26	109.25	109.26
Unallocated corporate income	-	-	-	-	-		532.48	464.35
Total	72,279.43	64,018.11	489.19	614.88	2,792.96	1,956.74	76,094.06	67,054.08
Segment result	26,038.88	14,263.52	(587.04)	(388.31)	2,044.99	1,101.68	27,496.83	14,976.89
Interest expense	-	-	-	-	-	0.34	-	0.34
Unallocated corporate expenses							(26,690.88)	(17,838.70)
Tax expense							(7,582.07)	1,860.66
Profit / (Loss) for the year							8,388.02	(4,722.81)

Particulars	Hotel operations		Aircraft charter operations		Other activities		Total	
	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017
Segment assets	228,099.04	227,733.27	4,518.97	4,583.45	12,307.94	8,810.17	244,925.95	241,126.89
Unallocated corporate assets							20,334.68	22,964.84
Total	-	-	-	-	-	-	265,260.63	264,091.73
Segment liabilities	16,216.79	28,984.24	53.35	38.01	4,396.15	4,251.55	20,666.29	33,273.80
Unallocated corporate liabilities							148,388.62	142,024.40
Total	-	-	-	-	-	-	169,054.91	175,298.20
Capital expenditure towards acquisition of fixed assets	841.59	6,130.68	106.79	48.45	3,598.15	1,091.38	4,546.53	7,270.51
Depreciation / amortization	7,958.48	7,673.03	322.09	319.10	64.36	58.87	8,344.93	8,051.00
Non cash (income)/expenses other than depreciation and amortization	233.43	416.37	-	-	-	0.34	233.43	416.71

Note: Capital expenditure includes exchange differences that have been capitalised.

Geographical information

The operating interests of the Company are confined to India since all the operational activities exists in India only. Accordingly, the figures appearing in these financial statements relate to the Company's single geographical location i.e. India.

All amounts Rs. in Lacs

Note 54 : Interest in joint-ventures

The Group has a 16.67% interest in Cavern Hotels & Resorts FZCo., joint venture involved in business of operation of Hotels. The Group's interest in the joint venture is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on their Ind AS financial statements, and reconciliation with the carrying amount of the investment in restated consolidated financial statements are set out below:

Summarised balance sheet

	Cavern Hotels & Resorts FZCo.	
	31 March 2018	31 March 2017
Total Current assets	2,168.52	2,159.88
Total non-current assets	4,872.64	4,852.65
Total Current liabilities	(2,117.90)	(2,109.21)
Total Non-current liabilities	(6,259.24)	(6,233.56)
Equity Share Capital	(65.20)	(65.20)
Reserve & Surplus	**(1,401.18)**	**(1,395.44)**
Proportion of the Group's ownership	16.67%	16.67%
Group's share of loss*	(233.58)	(232.62)

*Loss for Cavern Hotels & Resorts FZ Co. has not been recognised for all the periods presented since the Group's share of losses exceeds its interest in the joint venture.

Reconcilation to carrying amounts

	Cavern Hotels & Resorts FZCo.	
	31 March 2018	31 March 2017
Gross investment in joint ventures	10.85	10.85
Less: Provision for diminution	(10.85)	(10.85)
Net Investment in joint ventures	-	-
Loan to joint ventures	678.03	678.03
Less: Provision for doubtful loan	(678.03)	(678.03)
Less: Share of loss for previous years	-	-
	-	-

Summarised statement of profit and loss

Particulars	Cavern Hotels & Resorts FZCo.	
	31 March 2018	31 March 2017
Revenue	-	-
Interest and other income	-	-
	-	-
Cost of material consumed	-	-
Employee benefits expense	-	-
Depreciation and amortisation	-	-
Other expenses	0.25	0.25
Finance cost	-	-
Loss before tax	**(0.25)**	**(0.25)**

	31 March 2018	31 March 2017
	All amounts Rs. in Lacs	
Income tax expense	-	-
Loss for the year	(0.25)	(0.25)
Group's share of loss for the year*	-	-
Other comprehensive income	-	-
Total comprehensive income	(0.25)	(0.25)
Group's share of total comprehensive income for the year*	-	-

*Loss for Cavern Hotels & Resorts FZCo. has not been recognised for all periods presented since the Group's share of losses exceeds its interest in the joint venture.

NOTE 55 : ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEULDE III TO THE COMPANIES ACT, 2013 OF ENTERPRISES :

31-Mar-18

(All amounts Rs. in Lacs)

Particulars	Net Assets, i.e. total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	Rupees	As % of Consolidated net assets	Rupees	As % of Consolidated profit or loss	Rupees	As % of Consolidated other comprehensive income	Rupees	As % of Consolidated net assets
Parent								
Bharat Hotels Limited	110,122.10	114.47%	3,123.98	41.63%	(59.56)	97.30%	3,064.42	41.17%
Subsidiaries								
Apollo Zipper India Limited	17,932.68	18.64%	2,441.40	32.53%	(0.74)	1.21%	2,440.66	32.79%
Jyoti Limited	(255.87)	-0.27%	(17.33)	-0.23%	-	0.00%	(17.33)	-0.23%
Prima Buildwell Private Limited	(534.63)	-0.56%	10.77	0.14%	-	0.00%	10.77	0.14%
Prime Cellular Limited	3,573.13	3.71%	(39.65)	-0.53%	-	0.00%	(39.65)	-0.53%
The Lalit Suri Educational & Charitable Trust	2,021.62	2.10%	334.27	4.45%	-	0.00%	334.27	4.49%
Kujjal Builders Private Limited	19,381.21	20.15%	1,769.36	23.58%	(0.91)	1.49%	1,768.45	23.76%
Non controlling interest	(2,960.42)	-3.08%	(884.07)	-11.78%	-	0.00%	(884.07)	-11.88%
Consolidation Adjustment/ Elimination	(53,074.10)	-55.17%	765.23	10.20%	-	0.00%	765.23	10.28%
TOTAL	**96,205.72**	**100%**	**7,503.95**	**100%**	**(61.21)**	**100%**	**7,442.74**	**100%**

31-Mar-17

Particulars	Net Assets, i.e. total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	Rupees	As % of Consolidated net assets	Rupees	As % of Consolidated profit or loss	Rupees	As % of Consolidated other comprehensive income	Rupees	As % of Consolidated net assets
Parent								
Bharat Hotels Limited	107,972.30	121.60%	3,673.01	-229.51%	(0.71)	161%	3,672.30	-229%
Subsidiaries								
Apollo Zipper India Limited	14,011.87	15.78%	(2,220.72)	138.76%	0.17	-38%	(2,220.55)	139%
Jyoti Limited	(238.53)	-0.27%	(20.53)	1.28%	-	0%	(20.53)	1%
Prima Buildwell Private Limited	(545.40)	-0.61%	(3.87)	0.24%	-	0%	(3.87)	0%
Prime Cellular Limited	3,612.78	4.07%	(45.75)	2.86%	-	0%	(45.75)	3%
The Lalit Suri Educational & Charitable Trust	1,390.27	1.57%	(294.06)	18.37%	-	0%	(294.06)	18%
Kujjal Builders Private Limited	(8,912.50)	-10.04%	(6,244.55)	390.20%	0.20	-46%	(6,244.35)	390%
Non controlling interest	(3,844.48)	-4.00%	3,122.46	-195.11%	(0.10)	23%	3,122.36	-195%
Consolidation Adjustment/ Elimination	(24,652.76)	-27.76%	433.66	-27.10%	-	0%	433.66	-27%
TOTAL	**88,793.53**	**100%**	**(1,600.35)**	**100%**	**(0.44)**	**100%**	**(1,600.79)**	**100%**

Note 56: Non-controlling Interests

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

Kujjal Builders Private Limited
Non-Controlling Interests (NCI)

(All amounts Rs. in Lacs)

Summarised Balance Sheet	**As at 31 March 2018**	**As at 31 March 2017**
Current Assets	1,237.34	1,142.57
Current Liabilities	2,488.52	12,804.25
Net Current Assets/ (Liabilities)	**(1,251.19)**	**(11,661.68)**
Non Current Assets	42,207.80	44,084.94
Non Current Liabilities	21,575.41	41,335.76
Net Non Current Assets/ (Liabilities)	**20,632.40**	**2,749.18**
Net Assets/ (Liabilities)	**19,381.21**	**(8,912.50)**
Adjustment pertaining to interest free loan*	13,262.63	(0.16)
Accumulated Non Controlling Interest	**(3,572.03)**	**(4,456.09)**

Summarised Statement of Profit and Loss	**For the year ended 31 March 2018**	**For the year ended 31 March 2017**
Revenue	4,563.50	3,752.06
Profit for the year	1,769.36	(6,244.55)
Other comprehensive income	(0.91)	2.04
Total comprehensive income	**1,768.45**	**(6,242.52)**
Profit allocated to NCI	**884.22**	**(3,121.26)**
Summarised cash flows		
Cash flow from operating activities	(9,542.40)	2,538.79
Cash flow from financing activities	9,616.90	(2,174.45)
Cash flow from investing activities	(56.06)	(381.82)
Net increase/(decrease) in cash and cash equivalents	18.44	(17.48)

Apollo Zipper India Limited

The Company hold 90% equity interest in this subsidiary. As per the agreement with the shareholder of the non contolling interest, such shareholder shall not be responsible for any liabilities of the subsidiary company other than liabilities specifically agreed to.

Also, the subsidiary company had a revaluation reserve of Rs. 597.00 lacs arising out of revaluation exercise of certain fixed assets carried out in earlier years under previous GAAP. Although under Ind AS, such revaluation reserve has been transferred to retained earnings, however, the Group has allocated share of revaluation reserve aggregating to Rs. 597.00 lacs (31 March 2017: Rs. 597.00 lacs) towards non-controlling interest on a conservative basis.

Note 57 : Impairment testing of goodwill

For the purpose of impairment testing, goodwill is allocated to the Group's operating divisions which represent the lowest level within the group at which goodwill is monitored for internal management purposes, which is not higher than the Group's operating segments. The aggregate carrying amounts of goodwill allocated to each unit are as follows :

(All amounts Rs. in Lacs)

	31 March 2018	31 March 2017
Hotel operations at Kolkata property	5,141.35	5,141.35
Hotel operations at Srinagar property	3,268.10	3,268.10
	8,409.45	**8,409.45**
Units without significant goodwill	16.02	16.02
	8,425.47	**8,425.47**

Hotel operations at Kolkata property

The recoverable amount of this CGU is based on fair value less costs to sell, estimated using discounted cash flows. The fair value measurement has been categorised as Level 3 fair value based on the inputs to the valuation technique used.

The key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

(in percent)	31 March 2018	31 March 2017
Discount Rate	10	12
Average Room revenue (ARR) growth rate	5	5
Occupancy Rate	2	2
EBITDA growth rate	3	3

The discount rate is a post-tax measure estimated based on the weighted-average cost of capital.

The cash flow projections include specific estimates for five years and a terminal growth rate thereafter.

EBITDA has been estimated taking into account past experience, adjusted as follows:

- Revenue growth has been projected taking into account the average growth levels experienced over the past five years at its either hotel properties and the estimated sales volume and price growth for the next five years. It has been assumed that the average room price would increase in line with forecast inflation over the next five years.

- Cost increase has been factored into the budgeted EBITDA, reflecting various operational costs in which the CGU operates which are assumed to grow in line with inflation over the years.

The estimated recoverable amount of the CGU exceeds its carrying amount by approximately Rs. 4073.70 lacs (31 March 2017 : Rs. 3,262.43 lacs). Management has identified that a reasonably possible change in three key assumptions could cause the carrying amount to exceed the recoverable amount. The following table shows the percent by which these three assumptions would need to change individually for the estimated recoverable amount to be equal to the carrying amount.

	Changes required for recoverable amount to equal carrying amount	
(in percent)	**31 March 2018**	**31 March 2017**
Discount Rate	5.93	1.77
Occupancy rate growth rate	(78.33)	(3.30)
Average Room revenue (ARR) growth rate	(12.80)	(5.22)

Hotel operations at Srinagar property

The recoverable amount of this CGU is based on fair value less costs to sell, estimated using valuation techniques by a registered valuer. The fair value measurement has been categorised as Level 2 fair value based on the inputs to the valuation technique used. For the purpose of valuation, cost approach has been used to determine the value of subject land/leasehold rights. Value in real estate is created by utility of the real estate and capacity to satisfy the needs and wants.

The value of land represents the value in exchange where the valuation of land and development reflects the value in exchange and the additional return for development of the land on account of holding cost, construction execution risk and operating risk for running and maintaining the property. The contributions to the valuation of land parcels are derived from general uniqueness of the land, age of the construction, location of the land, relatively limited supply, heritage value of the property and specific utility of a given site.

58. On 01June 2017, the Company obtained control of Kujjal Builders Private Limited ("KBPL"), by obtaining control of the Board of Directors of KBPL. KBPL is a joint venture between the Prime Cellular Limited and Eila Builders & Developers Limited, entity controlled by the promoters of the Company. The transaction of obtaining control of KBPL is concluded as common control transaction, and therefore, in accordance with the guidance enunciated in Para 9 (iii) of Appendix C of Ind AS 103 " Business Combinations", the financial statements of the comparative period, i.e 31 March 2017 have been restated as if this business combination had occurred from the beginning of the preceding period presented, which is 31 March 2017 for the purposes of these consolidated financial statements. Accordingly, the comparative financial statements as of and for the year ended 31 March 2017, include KBPL as a subsidiary of the Company.

59. Contingent Liabilities not provided for: **(All amounts Rs. in Lacs)**

Holding Company:

a) Income Tax Matters

Assessment year	**Amount disputed**	
	31 March 2018#	**31 March 2017#**
1988-89 to 2009-10	863.68	863.68
2010-11	1,799.96	1,799.96
2011-12 to 2014-15	178.88	178.88
2015-16	120.66	-
Total	**2,963.18**	**2,842.52**

The above income tax matters include certain disallowances of expenses claimed by the Company and certain other additions made by the Assessing Officers in respective years. These matters are pending with various judicial/appellate authorities including CIT(A), ITAT and High court. For some of the matters, judicial/appellate authorities have decided the cases in favor of the Company. However, these are being contested again by the Department of Income tax.

Further, during the year, the Company has received notice under section 148 of the Income-tax Act 1961, for assessment year 2010-11, for reassessment proceedings in respect of depreciation claimed amounting to Rs 5,295.54 lacs having tax impact of Rs 1,799.96 lacs. The Company has filed Writ Petition before the Hon'ble High Court of Delhi against the same notice, which is pending for further hearing.

The Company believes that it has merit in these cases and it is only possible, but not probable, that these cases may be decided against the Company. Hence, these have been disclosed as contingent liability and no provision for any liability has been deemed necessary in the financial statements.

#In addition to the aforementioned, in respect of certain other income-tax matters wherein the amount involved is Rs. 6,045.58 lacs (31 March 2017: Rs. 6,045.58 lacs), the Hon'ble High Court of Delhi has passed judgement in favor of the Company. The tax authorities have not yet filed any further appeals in respect of these matters. Considering the aforementioned, the management does not expect that any liability shall devolve on the Company in respect of these matters.

b) Demands against the company **(All amounts Rs. in Lacs)**

Particulars	As at 31 March 2018	As at 31 March 2017
Interest on delayed payment of lease management fees (note (ii))	52.28	72.28
Demand for cumulative interest (note (iii))	1,184.54	1,181.81
Demand by Custom Authorities (note(iv))	968.05	968.05
Demand of service tax (note (v))	356.81	350.39
Demand of Urban Development Tax (note (vi))	190.59	190.59
Claims from contractor (note (vii))	1,700.00	1,700.00
Demand of property tax (note (viii)	994.51	-
Demand of stamp duty (note ix)	909.20	-
Other claims not acknowledged as debt	188.42	195.95

i) Certain employees have filed cases in the courts/ legal forums against termination/ suspension/assault and have sought relief. The liability, if any, with respect to these claims is not currently ascertainable and in the opinion of the management, would not have material effect on these financial statements.

ii) Interest on delayed payment of lease management fees for one of the properties taken on lease, under a lease cum management contract, is being contested by the management and based on legal advice, the management is confident that the aforementioned liability shall not devolve on the company.

iii) New Delhi Municipal Corporation (NDMC) has raised a demand of cumulative interest towards alleged delays in payments of initial license fees. The Company has responded to NDMC questioning the validity of such demand. NDMC has not provided the Company any basis of these demands. Based on a legal advice, the management is confident that the aforementioned liability shall not devolve on the Company.

iv) Demand by Custom Authorities against import of aircraft is being challenged by the Company at Customs Excise Service Tax Appellate Tribunal (CESTAT).

v) Demands of Service Tax is being challenged by the company at various forums.

vi) Municipal Council of Udaipur has raised a demand of Urban Development tax for the financial years 2007-08 to 2016-2017. The demand has been challenged in the Hon'ble High Court at Jodhpur and as per the interim order passed by the Court, the Company has paid Rs. 25.00 lacs for the said period. Based upon expert analysis, management believes that no further provision is necessary at this stage.

vii) Claim received from a contractor not accepted by the Company amounting to Rs. 1,700.00 lacs (31 March 2017: Rs. 1,700.00 lacs) against which the Company has given an advance of Rs. 662.00 lacs.

viii) During the year ended 31 March 2018, the Company received a notice from Brahut Bangalore Mahangara Palike ("BBMP") for its property situated at Kumara Krupa Road, Bangalore for additional property tax of Rs 994.51 lacs along with 2% interest charges. The Company has requested BBMP to provide basis of the additional property tax demand, contesting its validity, which has not yet been responded by BBMP.

ix) During the year ended 31 March 2018, the Collector of Stamps at Udaipur issued a show cause notice towards stamp duty of approximately Rs. 909.20 lacs duty upon transfer of Laxmi Vilas Palace Hotel, the erstwhile unit of Indian Tourism Development Corporation (ITDC). The Company has filed a writ with the Hon'ble High Court of Jodhpur. The Hon'ble Court has directed the Collector Stamps not to raise any further order in this regard until the resolution of the transfer matter.

x) During the current year, Company has received notice from the Collector of Stamp, Delhi wherein department has sought explanation as to why transfer of right to use of commercial establishment in the World Trade Centre is not liable to stamp duty. The Company is in the process of responding to the notice and based on legal analysis, is of the view that there is no likelihood of any liability devolving on the Company on this ground and accordingly no adjustment is required in these financial information.

c) Other Matters

i) The Payment of Bonus (amendment) Act, 2015 enhanced the eligibility limit for payment of bonus of employees from Rs. 0.10 lacs per month to Rs. 0.21 lacs per month from the Financial Year 2014-15. The Company has estimated liability of Rs. 195.28 lacs for the financial year 2014-15. The above amendment has been stayed by various High Courts and the management, based on this, has not provided for enhanced bonus for Financial Year 2014-15 in the books of accounts.

ii) Company has received notices for playing music without license in the various hotels of the Company, infringement of copyright. Management is confident that it has complied with the license as per the arrangement and therefore do not foresee any liability.

iii) The Company has received various Show Cause notices from Department of Excise and Customs and Service Tax authorities on various matters amounting to Rs. 26.21 million. Management had responded to the respective departments and no demand notices has been received against the said notices. Management is confident that aforementioned liability shall not devolve on the Company.

iv) During the year ended 31 March 2018, the Company has received order from Department of Commercial Taxes, Jaipur to deposit Rs. 16.58 lacs on account of excess employment subsidy received by the Company in the year 2014-15 under "Rajasthan Investment Promotion Scheme 2010". The matter is currently pending with Rajasthan Tax Board, Ajmer. Management believes, based on expert analysis, that no provision is required at this stage.

v) During the year ended 31 March 2018, the Company has received show cause notice under section 13 of Luxuries Tax Act, 1996, being asked to submit books of accounts and other document pertaining to period from 2014-15 onwards. Company has responded to the aforesaid notice received. Management believes, based on expert analysis, that no provision is required at this stage

vi) During the year ended 31 March 2015, Company has received a notice from the Secretary of the Udma Grama Panchayat on account of property tax revision under the Kerala Panchayat Raj (Property Tax, Service Cess and Surcharge) Rules, demanding differential property tax. The same is being contested by management in the Hon'ble High Court of Kerala.

Subsidiary Company

Jyoti Limited

For the assessment years from 2005-06 to 2014-15, demand orders amounting to Rs. 1,918.76 lacs (31 March 2017: Rs. 1,918.76 lacs) were passed against the company by relevant assessing officers on account of difference between actual market rent of the property and the license fee received. Appeals and cross appeals were filed with various judicial/appellate authorities including CIT(A) and ITAT. During the course of judicial proceedings, matters were decided in favor of the company and demand was initially reduced to Rs. 201.08 lacs. The order was further contested by the company and the demand has been finally reduced to Rs. Nil.

However, effect of the favorable orders to the demand of Rs. 201.08 lacs have not been passed by the relevant officers. Also, the department has filed an appeal with High Court against such favorable order

.

The management believes that it has merit in these cases and it is only possible, but not probable, that the case may be decided against the company. Hence, the same have been disclosed as contingent liability and no provision for any liability has been deemed necessary in the financial statements.

Subsidiary Company

Apollo Zipper India Limited

i) Contingent Liabilities not provided for:

(All amounts Rs. in Lacs)

Particulars	**As at 31 March 2018**	**As at 31 March 2017**
Duty payable if export commitment not met	846.00	960.26
Service tax and VAT	34.41	34.41

ii) During earlier years, Apollo Zipper had given certain portion of the premises to various entities and individuals on rent. After acquisition by Bharat Hotels Limited, the renovation of the property was initiated, for which it was necessary to have the afore-mentioned rented out portions vacated. As at the end of current year, two tenants are yet to vacate the premises. The Kolkata High court has passed eviction order against one of the two tenants, who has filed appeal before the division bench. The company is also negotiating the settlement with them and at this stage, it is not feasible to quantify the amount of settlement required, if any, and therefore, no amount has been accrued in this regard in these financial statements.

Subsidiary Company

Kujjal Builders Private Limited ('KBPL')

i) Contingent Liabilities not provided for:

(All amounts Rs. in Lacs)

Particulars	**As at 31 March 2018**	**As at 31 March 2017**
Duty payable if export commitment not met	678.97	678.97

ii) During the year 2013-2014, the company had received a demand notice for Rs. 1,875.00 lacs on account of delay in commencement of operations from Estate Office, Chandigarh which was later reduced to Rs. 1,403.00 lacs by the Finance Secretary. As per the orders of the Finance Secretary, the company paid Rs.450.00 lacs under protest and the remaining has to be deposited within a year from the date of Partial Occupation Certificate. The company had filed writ petition with Hon'ble High Court of Punjab & Haryana against the same demand. The Hon'ble Court has passed an order stating that further amount shall remain stayed till the final decision. Management believes that no provision is required.

iii) A suit has been filed against the Hotel and its directors / officers, claiming damages of Rs. 50 lacs by the parents of a guest who had died in the hotel premises. The damages have been claimed for alleged negligence of the hotel and its officers. The Company has contested the claim at Punjab and Haryana High Court. The management believes that they have a strong case and no provision is required.

iv) During the year ended 31 March 2018, KBPL received demand notice for recovery of Property tax for Rs 59.10 lacs pertaining to period from 2005-06 to 2017-18 from Chandigarh Municipal Corporation. The amount includes principal and interest. The Company had protested the said demand on the pretext that the entire IT Park, where the Hotel is located at Chandigarh was exempted from Property tax through Notification for development of IT Park. The contention of authority is that the exemption was applicable to IT Companies only and no other commercial institutions. The matter is still under consideration with authority. The management believes that they have a strong case and no provision is required.

v) During the year, KBPL received demand notice of Rs 7.60 million from music copy license company, Ponographics Performance Limited, towards annual license of music for Hotel for the FY 2017-18. KBPL hadn't accepted the said notice since as per Company such fee is not applicable to it since it is paying fee to Ponographic Performance Limited for all eligible events at Hotel. No provision has been made in books for such liability.

v) **Guarantees:**
In respect of bank guarantees issued in favour of:

(All amounts Rs. in Lacs)

Particulars	**As at 31 March 2018**	**As at 31 March 2017**
Guarantees given to Customs Department for export obligations	862.20	862.20
Estate office, Chandigarh	-	330.03
Guarantees given to Service Tax Department	0.50	0.50

60. The Company has taken land on license of 99 years from New Delhi Municipal Corporation (NDMC) with effect from 11 March 1981. The Company has constructed a Hotel and Commercial Towers on the aforementioned land. The Company is paying an annual license fee of Rs.145.00 lacs to the NDMC which is subject to revision after every 33 years provided that increase in license fees shall be linked to the increase in the market value of the Underlying Land, subject to a maximum ceiling of 100% of the preceding immediately license fee. NDMC did not raise the license fee upon the expiry of 33 years. In November 2016, NDMC raised a demand of Rs. 1,9877.73lacs vide provisional bills towards the increase in license fee from the date of expiry of the first term of 33 years. The Company filed a writ with the Hon'ble High Court at Delhi challenging the demand and basis thereof. The Hon'ble High Court, in February 2017, set aside the aforementioned provisional bills directing NDMC to re-compute the demand, if any, and raise final bills with the basis of calculation specifically spelt out. Management based upon expert analysis, believes no additional liability shall be levied upon the company.

61. Management had decided to sell a piece of land during the year ended 31 March 2016 and accordingly had initiated the process of identifying a potential buyer. Based on market survey, the management expected to sell it at a value more than its carrying value. Hence, the aforementioned piece of land, has been accordingly disclosed as an asset held for sale at its carrying amount of Rs. 1,618.77 lacs as at 31 March 2017. During the year ended 31 March 2018, the management has decided to construct and develop a hotel property on the said piece of land and has accordingly reclassified it under property, plant and equipment at the carrying amount of Rs 1,618.77 lacs.

62. One of the Company's Independent Director had been disqualified in the list prepared by Ministry of Corporate Affairs ('MCA'). Subsequently said Director has obtained communication from MCA confirming that he has been removed from the disqualification list. Accordingly, the concerned Director is not considered as disqualified Director under Section 164(2) of Companies Act, 2013.

63. During the year ended 31 March 2018, the Company has revised the joint venture agreement and obtained control over the board of Kujjal Builders Private Limited ("KBPL"). Further the Company also converted its interest bearing loan to be interest free as a consequence of its control over KBPL.

64. Subsequent to the year end, Company has received show cause notice (the "Notice") from NDMC regarding unauthorized construction at New Delhi Hotel and its commercial towers. Management has sought additional time to respond to the Notice and has filled preliminary responses to the observation in the notice, which is yet to be responded by the NDMC.

65. During the year ended 31 March 2018, the Management has recognized deferred tax assets on the accumulated losses in two subsidiaries due to improved financial performance in these subsidiaries, resulting in the reasonable certainty for recognizing such deferred tax assets.

66. As per the terms of the land allocation agreement of Ahmedabad property, the Company was required to complete the construction within two years from the date of allotment i.e.by 23 March 2010. During the year, the Company had applied to the State Government of Gujarat for an extension of the construction period upto 19 June 2018. The management does not anticipate any problem in obtaining extension of the completion deadline for the project.

67. The Company has entered into Memorandum of Understanding with certain promoter's entities for obtaining the license of the land parcels for construction of hotel properties.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration Number: 001076N/N500013

Sd/-
per **Ashish Gupta**
Partner
Membership No. 504662

For and on behalf of the Board of Directors of
Bharat Hotels Limited

Sd/-
Dr. Jyotsna Suri
Chairperson and
Managing Director
DIN-00004603

Sd/-
Divya Suri Singh
Executive Director
DIN-00004559

Sd/-
Urmila Khurana
Chief Financial Officer

Sd/-
Himanshu Pandey
Head - Legal and
Company Secretary

Place : New Delhi
Date : 22nd June, 2018

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ASSOCIATE COMPANIES/JOINT VENTURES

FORM AOC-1

(Pursuant to first provisio to sub section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules 2014)

PART "A" : SUBSIDIARIES

Sl. No.	Particulars	Name of Subsidiary				
		Apollo Zipper India Limited	Jyoti Limited	Prime Buidwell Pvt. Limited	Prime Cellular Limited	Kujjal Builders Pvt. Ltd.*
1	Reporting period	1-4-2017 to 31-3-2018	1-4-2017 to 31-3-2018	1-4-2017 to 31-3-2018	1-4-2017 to 31-3-2018	1-4-2017 to 31-3-2018
2	Reporting Currency	INR	INR	INR	INR	INR
3	Share Capital	8,087,000	6,300,400	30,100,000	400,000,000	800,000,000
4	Reserves & Surplus	(333,389,622)	(78,560,293)	(83,563,019)	(42,687,376)	(1,514,405,666)
5	Total Assets	4,099,463,191	12,078,349	1,879,043	663,856,573	4,344,514,145
6	Total Liabilities	4,099,463,191	12,078,349	1,879,043	663,856,573	4,344,514,145
7	Investments	-	-	-	400,000,000	
8	Turnover	583,194,828	5,000,000	1,577,122	18,751,143	456,349,579
9	Profit / (Loss) before Taxation	(74,357,311)	(555,185)	1,077,333	(3,965,316)	(348,788,258)
10	Provision for Taxation	(318,496,085)	1,178,260	-		(525,723,782)
11	Profit / (Loss) after Taxation	244,138,774	(1,733,445)	1,077,333	(3,965,316)	176,935,524
12	Proposed Dividend	-	-	-	-	
13	% of Shareholding	90%	99.99%	100.00%	99.60%	*

PART "B": ASSOCIATES AND JOINT VENTURES

Sl. No	Particulars	Name of Joint Ventures
		Cavern Hotels & Resorts FZCo. **
1	Latest Audited Balance sheet date	1-4-2017 to 31-3-2018
2	Shares held by the company on the year end	
	Number	-
	Amount of Investment	-
	Extent of Holding %	-
3	Description of how there is significant influence	JV of Prima Buildwell Pvt. Ltd.
4	Reason why not consolidated	NA
5	Net worth attributable to shareholding	(133,597,155)
6	Profit / Loss for the year:	
i	Considered in Consolidation	-
ii	Not Considered in Consolidation	24,966

* 50.00 % shares held by Prime Cellular Ltd. (subsidiary of the Company)
** 16.67 % shares held by Prima Buildwell Pvt. Ltd.(wholly owned subsidiary of the Company)
In case of Joint Venture i.e. Cavern Hotel & Resorts FZ Co, unaudited financial statements, as certified by the Management, have been considered

For and on behalf of the Board of Directors of

Bharat Hotels Limited

Sd/-	Sd/-	Sd/-	Sd/-
Dr. Jyotsna Suri	**Divya Suri Singh**	**Urmila Khurana**	**Himanshu Pandey**
Chairperson and Managing Director	Executive Director	Chief Financial Officer	Head - Legal and Company Secretary
DIN-00004603	DIN-00004559		

Place : New Delhi
Date : 22nd June, 2018