

30th August, 2021

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

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

Dear Sir,

Sub: Notice of 26th Annual General Meeting (AGM) and Annual Report for the Financial Year 2020-21.

Ref: BSE: 532390; NSE: TAJGVK.

Pursuant to Regulation 30 read with Schedule III Para A of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), we are enclosing herewith the Notice of the **26th Annual General Meeting (AGM)** of the Company to be held on **Friday, the 24th September, 2021 at 11.00 a.m.** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

Pursuant to Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the said Notice forms part of the Annual Report 2020-21 which is also being sent through electronic mode to those members whose email addresses are registered with the company / Depository Participants / Registrar and Share Transfer Agent. The Annual Report for the Financial Year 2020-21 and other related documents are availed on the website of the company at www.tajgvk.in/investors/Annual Report section.

As per provisions of the Act and read with SEBI Listing Regulations, the Members holding shares either in physical form or dematerialized form, as on the **cut-off date i.e., 16th September, 2021**, may cast their vote electronically on the business set forth in the Notice of AGM through electronic voting system of the National Securities Depository Limited (NSDL). The instructions for e-voting are mentioned in the e-voting notice and email covering letter.

The Register of Members and Share Transfer books of the Company shall remain closed from **16th September, 2021 to 24th September, 2021** (both days inclusive) for the purpose of the AGM as per clause 42(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Yours faithfully

For TAJGVK Hotels & Resorts Limited


J SRINIVASA MURTHY
CFO & Company Secretary



Encl: a/a

Copy to

- 1) M/s. National Securities Depository Ltd. 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, MUMBAI-400013
- 2) M/s. Central Depository Services (India) Ltd. P J Towers, 17th Floor, Dalal Street, MUMBAI-400001

TAJGVK HOTELS & RESORTS LIMITED

CIN: L40109TG1995PLC019349 | GSTIN : 36AABCT2223L1ZF

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

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

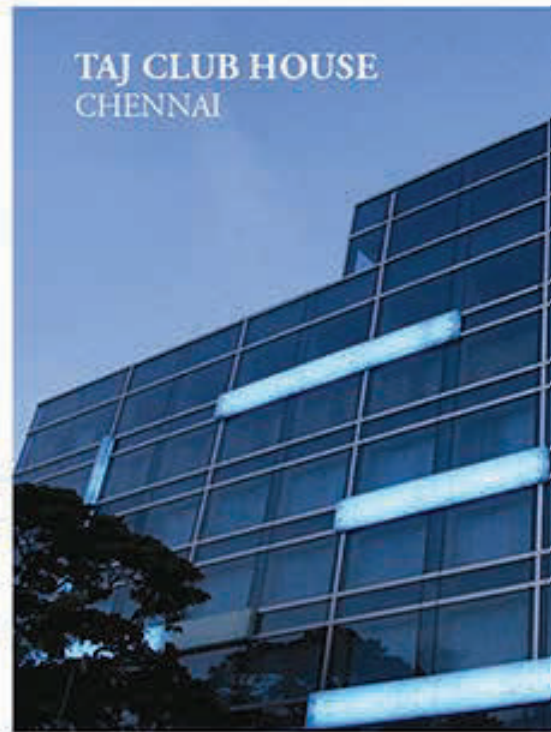

TAJGVK
TAJGVK Hotels & Resorts Limited



**26TH
ANNUAL REPORT
2020-21**



TAJ KRISHNA
HYDERABAD





TAJ DECCAN
HYDERABAD



TAJ CHANDIGARH
CHANDIGARH



TAJ SANTACRUZ
MUMBAI



Chairman's Word

Ladies and Gentlemen,

I have great pleasure in writing to you all shareholders on the performance of the company and the general economic environment in the world particularly after the unprecedented impact of COVID -19 pandemic on businesses and on human lives, which was never witnessed in recent times.

The company's operations are in travel and tourism industry and the hospitality industry has been among the sectors hit hardest by the Corona Virus pandemic, with the resulting lockdowns and economic slowdown decimating revenues, profits and incurred cash losses to meet the obligations of the company.

General Economic Environment

The Indian economy witnessed a sharp drop in GDP following the impact of COVID – 19 induced lockdown during first half of FY21, showed moderate signs of improvement in the second half of FY 21. The GST collections also got robust from November 2020 onwards. However, the second wave that started in late March 2021 has come in the way of further recovery necessitating deployment of resources to protect the lives, safety, and basic needs of a large vulnerable sections of society besides augmenting healthcare infrastructure that is needed to fight the second wave.

There have been lock downs by all the States across the country since April 2021, causing shutdown of manufacturing facilities as well as off-line trade in most geographies. Following the drop in cases and mass scale vaccination initiatives, the lockdown is being relaxed in stages in many geographies since mid-June 2021.

The silver lining is that following a bountiful monsoon in FY 21, the monsoon during FY 22 is also expected to be normal. Unlike the Q1 of the previous year, the GST collections during the first quarter of this fiscal year have been sizable indicative of a reasonable state of activity in the overall economy.

Notwithstanding the huge spends on COVID relief packages, the Union Government kept investing in various infrastructure projects and schemes envisaged in the Union Budget for FY 20-21 and it is expected that the planned investments outlined in the FY 22 budget will also continue. This can create employment as well as income generation that can boost consumption especially in the rural economy in the coming months.

Notwithstanding the positives outlined above, there does exist a fair probability of conditions remaining uncertain over a longer duration as the pandemic is yet to abate, both globally and locally, with the emergence of newer and newer strains. The second wave has impacted every other family forcing sizable spends on healthcare and also leading to a mindset to preserve cash for any future emergency. Large scale deficit financing necessitated by the pandemic can have inflationary effects affecting disposable income. It is expected that the ever-resilient Indians will fight their way up to restore growth.

Indian Hospitality Sector

The Indian hotel industry has taken a hit of over Rs 1.30 lakh crore in revenue for the fiscal year 2020-21 due to the impact of the COVID-19 pandemic, (Source: As per the Federation of Hotel & Restaurant Associations of India (FHRAI reports). The apex industry body submitted a representation to the Hon'ble Prime Minister and a few other Union Ministers urging immediate support from the government to save the hospitality sector from imminent collapse and has requested for several fiscal measures for this.

As pr the FHRAI reports, the Indian hotel industry's total revenue in FY2019-20 stood at Rs.1.82 lakh crore and revenues generated by the Industry during the FY2020-21 was approximately 75 per cent lower than the previous year revenues, resulting in a revenue hit of around Rs.1.30 lakh crore. The pandemic left many hotels and restaurants to close their businesses, because this is labour intensive industry and has large volume of fixed cost components, which many small time entrepreneurs find it difficult to sustain in the long run. The industry witnessed closure of many businesses and rise in non-performing assets (NPAs).



The industry per-se since March 2020, has been struggling to manage its statutory and revenue / capital expenditure obligations, repayment of loans with interest which is not just difficult but impossible under a more severe economic environment due to pandemic.

The Government of India announced Emergency Credit Line Guarantee Scheme (ECLGS) which helped some companies to raise money to meet the obligations and also the loan repayment moratorium announced by Reserve Bank of India in March 2020 for a period of 6 months i.e. March to August 2020 also helped the company. The Industry association has also requested the Government that the sector is very much in need to waive off property tax, water charges, electricity charges and excise license fees for the lockdown period and some State Government(s) come forward and waived for the lockdown period.

When the second wave of the virus was at its peak in April and May 2021, the Federation of Hotel and Restaurant Associations of India (FHRAI), the apex industry body, sought immediate help from Hon'ble Prime Minister for government aid to save the hospitality sector from imminent collapse.

With the above background, I shall proceed to briefly cover the highlights of FY 21 and the steps being taken by your Company to stay stronger in these turbulent times.

Financial Year 2020-21

Your company had to deal with the following major challenges during FY 20-21.

- a. Lockdown that started during the second fortnight of March 2020 continued upto end Q1 of FY 21
- b. The company operated with only Taj Deccan during Q1 of FY21 and gradually opened Taj Chandigarh in July, Taj Club House in September, Taj Krishna & Vivanta Begumpet in November 2020 and Taj Banjara in December 2020.
- c. The company took various cost saving initiatives during the closed down period of the hotels and normalized the operations gradually.

Standalone Revenues

Total income of the company for the year ended 31st March, 2021 is Rs.96.82 Crore as compared to Rs.313.84 Crore of the previous year. EBITDA was Rs.0.47 Crore as against Rs.75.35 Crore and Loss After Tax of Rs.26.13 Crore as compared to Profit After Tax of Rs.23.31 Crore of the previous year. **The company achieved an overall occupancy of 40% as against 65% with an ADR of Rs. 3980 as against Rs. 5481.**

Consolidated Revenues

Total income of the company for the year ended 31st March, 2021 is Rs.96.82 Crore as compared to Rs.313.84 Crore of the previous year. The company reported a Loss After Tax of Rs.39.65 Crore as compared to Profit After Tax of Rs.27.56 Crore of the previous year.

Dividend

Due to the current pandemic times and keeping in view the company philosophy to conserve cash, the company has not declared any dividend for the FY 2020-21.

Finances

On a stand-alone basis, your Company is having a debt of Rs. 178.52 Crore as against Rs. 165.62 Crore in the previous year. The company repaid Rs. 24.38 Crore during the year under review and also borrowed Rs. 33.25 Crore under ECLGS scheme of Government of India.

Acknowledgments

I want to extend my heartfelt gratitude to all the employees of TAJGVK who dedicate their best to the organization and I count on continued support of Central and State Governments, Bankers, and all other stakeholders who reposed confidence in the company in a sustainable manner during these challenging times and look forward to engaging with them more intensely.

Dr. G V K Reddy
Non Executive Chairman



Note from the Managing Director

Dear Shareholders,

TAJGVK is happy to present the 26th Annual Report of your company.

I am writing to you at a time when the world is witnessing the second wave of the COVID-19 pandemic. Businesses are once again feeling the heat with the uncertainty of restrictions and lockdowns amid the rising number of cases. We have witnessed one of the most challenging times ever for the Travel and Tourism industry caused due to the COVID-19 pandemic. The restrictions imposed by various governments across the world to arrest the spread of the pandemic to protect human life, caused large scale disruption to businesses. As a consequence to these restrictions contraction in the world economy has taken place. An early nationwide lockdown helped India, control the spread and mortalities in the first wave of pandemic in the last year.

The pandemic had affected the hospitality sector in an unprecedented manner affecting all segments of the hospitality business. The lockdowns and travel restrictions severely affected the hospitality business across the world and India was not an exception to this meltdown. As a result, the business of your Company has also been impacted by the COVID-19 with a sharp drop in revenues resulting in the Company incurring substantial cash losses during the year under review.

The company reacted swiftly to address and mitigate the impact of the pandemic on its business. The company took cash conservation initiatives in 1st quarter of FY 2020-21, which has immensely helped your company to minimize the negative impact of the pandemic on its finance and operations. The company opened the hotels in a phased manner and all the hotels are in operation from December 2020. The 4th quarter of FY2020-21 was much better and the company witnessed strong F & B business.

We have taken steps to enhance liquidity and also availed the ECLGS 2.0 scheme announced by the Ministry of Finance, Government of India. The company also availed the Interest and principal payment moratorium announced by the Reserve Bank of India for the Period March 2020 to August 2020. The interest moratorium availed was later repaid during the financial year from September 2020 to February 2021. The rollout of vaccines is extremely encouraging and, of course, vital to the industry's recovery and this will definitely take a long time for the sector to come back to normalcy. The health and safety of our employees have been of paramount importance during the pandemic. To ensure the health and safety of employees, training programs have been conducted besides instituting safety protocols to avoid transmission of virus in the workplace.

Standalone Financials

Despite the difficult year, the company achieved Rs. 96.82 Crore of Revenues and a EBITDA was Rs. 0.47 Crore and Loss after Tax of Rs. 26.13 Crore. The company achieved an overall occupancy of 40% as against 65% with an ADR of Rs. 3980 as against Rs. 5481.

Greenwoods Palaces and Resorts Pvt Ltd(JV Company which operates Taj Santacruz Hotel)

The company achieved Rs. 48.44 Crore of Revenues and a EBITDA of Rs. 10.34 Crore and Loss after Tax of Rs.27.59 Crore.

I also take this opportunity to thank all my colleagues on the Board, all our stakeholders, employees, Bankers, Government Authorities for their continuing support, interest and confidence reposed in the Company.

With Regards,

G. Indira Krishna Reddy
Managing Director



Board of Directors



Dr. GVK Reddy



G Indira Krishna Reddy



Shalini Bhupal



Krishna R Bhupal



Puneet Chhatwal



Rajeshkumar Harshadrai
Parekh



D R Kaarthikeyan



M B N Rao



A Rajasekhar



N Anil Kumar Reddy



N Sandeep Reddy



Dinaz Noria

Corporate Information

Board of Directors

(As on 06.08.2021)

Dr. GVK Reddy	: Non-Executive Chairman
Mrs. G Indira Krishna Reddy	: Managing Director
Mrs. Shalini Bhupal	: Joint Managing Director
Mr. Krishna R Bhupal	: Non-Executive & Non-Independent Director
Mr. Puneet Chhatwal	: Non-Executive & Non-Independent Director
Mr. Rajeshkumar Harshadrai Parekh	: Non-Executive & Non-Independent Director Additional Director (w.e.f. 06.08.2021)
Mr. D R Kaarthikeyan	: Independent Director
Mr. M B N Rao	: Independent Director
Mr. A Rajasekhar	: Independent Director
Mr. N Anil Kumar Reddy	: Independent Director
Mr. N Sandeep Reddy	: Independent Director
Mrs. Dinaz Noria	: Independent Director
Mr. J Srinivasa Murthy	: CFO & Company Secretary

Board Committees

Audit Committee

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

Nomination and Remuneration Committee

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

Corporate Social Responsibility Committee

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

Stakeholders Relationship Committee

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

Company Bankers	: AXIS Bank Limited HDFC Bank Limited IDBI Bank Limited
Stock Exchanges where Company's Securities are listed	: Bombay Stock Exchange Ltd. (Scrip Code:532390) National Stock Exchange of India Ltd. (Scrip Code:TJGVK)
Registered Office	: TJGVK Hotels & Resorts Limited (CIN: L40109TG1995PLC019349) Taj Krishna, Road No.1, Banjara Hills, Hyderabad – 500 034. Ph No.040-66293664, Fax: 040-66625364 E-mail:tajgvkshares.hyd@tajhotels.com www.tajgvk.in
Registrars & Share Transfer Agents	: Venture Capital and Corporate Investments Pvt. Ltd. #12-10-167, Bharat Nagar Hyderabad - 500 018. Tel: 040 23818475, 040-23818476 Fax: 040 23868024 E-mail: info@vccipl.com www.vccipl.com
Statutory Auditors	: M/s. M. Bhaskara Rao & Co. (Firm Regn. No.000459S) Chartered Accountants 5-D, 5th Floor, Kautilya, 6-3-652, Somajiguda, Hyderabad – 500 082
Internal Auditors	: Protiviti India Member Pvt Ltd (CIN:U93000HR2009PTC057389) Q City, 5th Floor, Block A, Survey Nos. 109, 110, 111-2 Nanakramguda Village, Serilingampally Mandal RR District, Hyderabad – 500 032 SNB Associates No.12, 3rd Floor, Gemini Parson Complex, 121, Anna Salai, Chennai – 600 006
Secretarial Auditors	: M/s. Narender & Associates (M.No.FCS4898) Company Secretaries 403, Naina Residency, Srinivasa Nagar (East) Ameerpet, Hyderabad – 500 038

Financial Highlights

(Rs. in crores)

	2020-21	2019-20	2018-19	2017-18	2016-17
Total Revenue	96.82	313.84	324.09	290.88	269.77
Profit Before Tax	(36.00)	35.94	38.13	32.01	18.63
Profit After Tax (after extraordinary/prior period items)	(26.13)	23.31	24.24	21.19	10.22
Shareholders' Funds	385.02	411.15	400.55	380.73	362.48
Borrowings	178.53	165.62	197.87	228.62	256.37
Debt Equity ratio	0.46:1	0.40:1	0.49:1	0.60:1	0.71:1
Book value per share (Rs)	61.41	65.57	63.88	60.72	57.81
Earnings per share (Rs)	(4.17)	3.72	3.87	3.38	1.63
Dividend %	-	-	30%	30%	20%

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Notice of the 26th Annual General Meeting (AGM)

Notice is hereby given that the **TWENTY SIXTH ANNUAL GENERAL MEETING** of **TAJGVK HOTELS & RESORTS LIMITED** will be held on **Friday, the 24th September, 2021 at 11.00 A.M.** through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business. The venue of the meeting shall be deemed to be the registered office of the Company at Taj Krishna, Road No.1, Banjara Hills, Hyderabad – 500034:

ORDINARY BUSINESS

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

- 1) To receive, consider and adopt the Standalone and Consolidated Audited Profit and Loss Account for the year ended March 31, 2021 and the Balance Sheet and Cash Flow Statement as on at that date, together with the Reports of Board Directors’ and Auditors’ thereon.
- 2) To appoint a Director in place of Mr. Krishna R Bhupal (DIN:00005442) who retires by rotation and being eligible, offers himself for re-appointment as Director liable to retire by rotation.
- 3) To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:
To appoint a Director in place of Dr. GVK Reddy (DIN:00005212) who retires by rotation and being eligible, offers himself for re-appointment as Director liable to retire by rotation.

SPECIAL BUSINESS

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

“**RESOLVED THAT** pursuant to the provisions of sections 149, 152 read with all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and read with SEBI (Listing Obligations & Disclosure Regulations) Requirements, 2015, Mr. Rajeshkumar Harshadrai Parekh (DIN:01942405), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company, and holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a Member proposing his candidature for the office of Director, liable to retire by rotation, be and is hereby appointed as a Director under the category of Non-Executive Non-Independent Director of the Company”.

- 5) To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, and the Articles of Association of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee thereof) for borrowing, from time to time, an additional debt upto Rs. 250 Crores, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business) and the total amount so borrowed by the Board shall not at any time exceed Rs.500 Crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.”

“**RESOLVED FURTHER THAT** Dr. GVK Reddy, Chairman, Mrs. G. Indira Krishna Reddy, Managing Director and Mrs. Shalini Bhupal, Joint Managing Director of the company be and are hereby severally authorized to take necessary steps as may be required for giving effect to these resolutions and also to negotiate, finalise and execute such of the documents, agreements, undertakings, powers of attorney etc., including any amendments or modifications thereto in connection with the above and also to do such other acts, things, deeds as may be required.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this Resolution.”

- 6) To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations 2015) as amended to date and read with the rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) and also subject to necessary approvals, if any, from all the concerned including from the lenders, consent of the Shareholders of the company be and is hereby accorded to the Board of Directors of the Company (“Board”) for disposal, sale, lease, hypothecation, mortgage, charge or otherwise of any of the immovable and movable properties of the Company (including shares and securities held in the Joint venture Company) and also to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, to secure rupee term loans and / or the issue of debentures and all other monies payable by the Company (hereinafter collectively referred to as “Loans”) in respect of the said Loans for which the charge is to be created, shall not, at any time exceed Rs.500 Crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.”

“RESOLVED FURTHER THAT pursuant to the provisions of section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, read with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations 2015) (as amended, from time to time) and other applicable laws, if any and subject to receipt of all necessary approvals and consents (including from the lenders) as applicable, if any, consent of the Shareholders be and is hereby also accorded to the Board to dilute / divest the equity stake held by the company in Greenwoods Palaces and Resorts Private Limited (a Joint Venture Company) which operates the 5 star hotel at Mumbai International Airport, Mumbai.”

“RESOLVED FURTHER THAT Dr. GVK Reddy, Chairman, Mrs. G. Indira Krishna Reddy, Managing Director and Mrs. Shalini Bhupal, Joint Managing Director of the company be and are hereby severally authorized to take necessary steps as may be required for giving effect to these resolutions and also to negotiate, finalise and execute such of the documents, agreements, undertakings, powers of attorney etc., including any amendments or modifications thereto in connection with the above and also to do such other acts, things, deeds as may be required.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this Resolution.”

7) To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of sections 23, 42, 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 read with the rules made there under including the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, (including any amendment(s), statutory modification(s) or re-enactment(s) thereof, for the time being in force) (“Act”), in accordance with the provisions of the Memorandum and Articles of Association of the Company and pursuant to the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI LODR Regulations”), SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”), and the uniform listing agreements entered with BSE Limited and the National Stock Exchange of India Limited (collectively referred to as “Stock Exchanges”) where the equity shares of the Company are listed, the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”), including any amendment(s), statutory modification(s) or re-enactment(s) thereof, for the time being in force and / or any other regulatory / statutory authorities under any other applicable law, from time to time (hereinafter singly or collectively referred to as the “Appropriate Authorities”) to the extent applicable and subject to such terms, conditions, modifications, consents, sanctions and approvals as may be prescribed, stipulated or imposed by any of the Appropriate Authorities, and guidelines and clarifications issued thereon from time to time and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, consents and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee of Company, which the Board has constituted or may hereafter constitute to exercise its powers including the power conferred by this Resolution), the approval of the Members of the Company be and is hereby accorded to the Board to create, offer, issue and allot such number of equity shares of the Company with a face value of Rs.2/- (Rupee Two Only) each (“Equity Shares”) or other eligible securities defined under Regulation 171(a) of the SEBI ICDR Regulations (hereinafter referred to as “Eligible Securities”), to Qualified Institutional Buyers (“QIBs”), as defined in the SEBI ICDR Regulations, by way of a Qualified Institutions Placement (“QIP”) or on private placement basis to eligible investors in one or more tranches, and / or one or more issuances for an aggregate amount of up to and not exceeding Rs.250 Crores (Rupees Two Hundred and Fifty Crores only) inclusive of such premium as may be fixed on such Securities) through one or more preferential issue(s), private placement(s), qualified institutions placement(s) and / or any combination thereof or any other method as may be permitted under applicable laws to eligible investors through issue of prospectus and / or placement document and / or other permissible / requisite offer documents to any eligible person, including Qualified Institutional Buyers (“QIBs”) in accordance with the SEBI ICDR Regulations, or otherwise, resident or non-resident / foreign investors (whether institutions, banks, incorporated bodies, mutual funds, individuals, trustees), venture capital funds (foreign or Indian), alternative investment funds, foreign portfolio investors, mutual funds, non-resident Indians, pension funds and / or any other categories of investors, whether they are members of the Company or not (collectively referred to as the “Investors”), as may be deemed appropriate by the Board in its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with merchant banker(s) / lead manager(s) and / or underwriter(s) and / or other advisor(s) for such issue at such price or prices, at a discount or premium to market price or prices as may be permitted under applicable laws.”

“RESOLVED FURTHER THAT in case the Company decides to issue and allot any Securities by way of QIP to QIB in terms of Chapter VI of the SEBI ICDR Regulations (hereinafter referred to as “Eligible Securities” within the meaning of SEBI ICDR Regulations):

- (a) the issue and allotment of Eligible Securities shall be completed within 365 days from the date of passing of this Special Resolution or such other time as may be allowed under the Act and / or the SEBI ICDR Regulations, from time to time;
- (b) the Equity Shares (including issuance of the Equity Shares pursuant to conversion of any Securities as the case may be in accordance with the terms of the offering) issued shall rank pari passu in all respects, including entitlement to dividend, with the existing Equity Shares of the Company;

(c) the relevant date for determination of the floor price of the equity shares to be issued shall be in case of allotment of Equity Shares in a QIP the date of meeting in which the Board decides to open the issue, and / or, the QIP shall be made at such price not less than the price determined in accordance with the pricing formula provided under the SEBI ICDR Regulations ("QIP Floor Price"), and the price determined for a QIP shall be subject to appropriate adjustments in accordance with the provisions of the SEBI ICDR Regulations, as may be applicable and the Board may, at its absolute discretion, offer a discount of upto 5% (five per cent) or such other percentage as may be permitted under applicable laws on the QIP Floor Price for any of the Eligible Securities; and the Company shall not undertake any subsequent QIP until the expiry of two weeks, or such other period specified in the SEBI ICDR Regulations, from the date of prior QIP undertaken by the Company pursuant to this special resolution; and the allotment to a single QIB in the proposed QIP issue will not exceed 50% of the total issue size or such other limit as may be permitted under applicable law; the allotment of fully paid-up Eligible Securities except as may be permitted under the SEBI ICDR Regulations, and other applicable laws (or any combination of the Eligible Securities as decided by the Board) shall only be made to QIBs within the meaning of Chapter VI of the SEBI ICDR Regulations and no allotment shall be made, either directly or indirectly, to any QIB who is a promoter or any person related to promoters in terms of the SEBI ICDR Regulations; and the Securities shall not be sold for a period of one year from the date of allotment, except on a recognized Stock Exchange or except as may be permitted from time to time by the SEBI ICDR Regulations."

"RESOLVED FURTHER THAT without prejudice to the generality of the above, subject to applicable laws, regulations and guidelines and subject to approvals, consents and permissions, if any, of Appropriate Authorities, including any conditions as may be prescribed in granting such approvals, consents or permissions by Appropriate Authorities, the aforesaid issue of Equity Shares or other Eligible Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in the capital markets or as the Board may, in its sole and absolute discretion, deem fit"

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of the terms and conditions for issuance of Equity Shares and / or other Eligible Securities including the number of such Equity Shares or other Eligible Securities that may be offered and proportion thereof, issue price, listing, premium / discount permitted under applicable law, timing for issuance of such Equity Shares or other Eligible Securities and the class of investors to whom the Securities are to be issued, number of issues, tranches, issue price; to vary, modify or alter any of the terms and conditions as it may deem expedient; to submit application to the stock exchanges for obtaining in-principle approval and final approvals for listing and trading of Equity Shares, to sign and execute all deeds, documents, undertakings, agreements, papers & writings as may be required in this regard including without limitation to entering into and executing arrangements for managing, underwriting, marketing, listing, trading and entering into and executing arrangements with book running lead managers, lead managers, legal advisors, depository, custodian, registrar, trustee, escrow agent and executing other agreements, including any amendments or supplements thereto, as may be necessary or appropriate."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized on behalf of the Company to finalize, approve and issue any document(s) or agreement(s), including but not limited to placement document / prospectus and / or letter of offer and / or circular, documents and agreements including filing of such documents (in draft or final form) with any Indian regulatory authority or stock exchanges and sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating to the private placement offer letter (along with the application form), information memorandum, disclosure documents, placement document, placement agreement and any other documents as may be required and to vary, modify or alter any of the terms and conditions thereof as it may deem expedient, to seek by making requisite applications as may be required, any approval, consent or waiver from the Company's lenders and / or any third parties with whom the Company has entered into various commercial and other agreements, and / or any / all concerned government, statutory and regulatory authorities, and / or any other approvals, consents or waivers that may be required in connection with the issue, offer and allotment of the Eligible Securities, to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of Equity Shares or other Eligible Securities, accept modifications and amendments if any, as may be prescribed by the relevant Authorities and to take all other steps which may be incidental, consequential, relevant or ancillary in this connection, including in relation to utilization of the issue proceeds, as it may in its absolute discretion deem fit without being required to seek further consent or approval of the Members or otherwise to this end, and that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to above or contemplated in the foregoing resolutions are hereby approved, ratified and confirmed in all respects."

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

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

Place : Hyderabad
Date : 06.08.2021

Notes

- 1) In view of the continuing COVID-19 pandemic and restrictions imposed on the movement of people, the Ministry of Corporate Affairs ("MCA") vide its Circular nos.14/2020 dated 08.04.2020, 17/2020 dated 13.04.2020, 20/2020 dated 05.05.2020, 02/2021 dated 13.01.2021 and SEBI vide its Circular No.SEBI/HO/CFD/CMD1/CIR/P/2020/79, dated 12.05.2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15.01.2021 prescribed the procedure and manner of conducting Annual General meeting (AGM) of the Members will be held through Video Conference (VC)/Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. Hence, in compliance with the Circulars, 26th AGM of the Company shall be conducted through VC / OAVM. National Securities Depositories Limited ('NSDL') will be providing facility for remote e-voting, participation in the AGM through VC / OAVM and e-voting during the AGM.
- 2) The Explanatory statement pursuant to section 102 of the Companies Act, 2013 setting out material facts concerning the business under Item number 3 to 7 of the Notice is annexed thereto. The relevant details pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as SEBI Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM are also annexed.
- 3) The 26th AGM is being held pursuant to the MCA Circulars through VC / OAVM facility, therefore physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence, Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
- 4) The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on the National Securities Depository Limited's ('NSDL') e-Voting website at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars. The detailed instructions for joining the Meeting through VC/OAVM form part of the Notes to this Notice.
- 5) Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM and vote on its behalf. The said Resolution/Authorization shall be sent to the Company at tajgvkshares.hyd@tajhotels.com or to Venture Capital and Corporate Investments Private Limited, Registrar and Share Transfer Agents at info@vccipl.com with a copy marked to evoting@nsdl.co.in.
- 6) Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013 ("the Act").
- 7) In compliance with MCA Circular No. 20/2020 dated 05.05.2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR /P/2020/79 dated 12.05.2020 and owing to the difficulties involved in dispatching of physical copies of the financial statements including Board's Report, Auditor's report or other documents required to be attached therewith (together referred to as Annual Report), the Annual Report for FY 2020-21 and Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).
- 8) The Register of Members and Share Transfer Books of the Company will remain closed from **16th September, 2021 to 24th September, 2021 (both days inclusive)** for the purpose of the Annual General Meeting of the Company.
- 9) As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 01.04.2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holdings shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Share Transfer Agents, M/s. Venture Capital and Corporate Investments Private Limited for assistance in this regard.
- 10) Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants and Members holding shares in physical form are requested to intimate any change of address and/ or bank mandate to M/s. Venture Capital and Corporate Investments Private Limited / Investor Service Department of the Company immediately.
- 11) Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories of dividend as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change / deletion in such bank details. Further, instructions, if any, already given by them in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form. Members may, therefore, give instructions regarding bank accounts in which they wish to receive dividend to their Depository Participants ('DPs').
- 12) During the day of 26th AGM, Members may access the electronic copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act, upon Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>. Members seeking to inspect such documents can send an email to tajgvkshares.hyd@tajhotels.com.

- 13) The Notice of AGM along with Annual Report for FY 2020-21, is available on the website of the Company at www.tajgvk.in, on the website of Stock Exchanges i.e., Bombay Stock Exchange Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of NSDL at www.evoting.nsdl.com.
- 14) The Securities and Exchange Board of India has mandated submission of the Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to M/s. Venture Capital and Corporate Investments Private Limited / Investor Service Department of the Company.
- 15) In accordance with the provisions of Regulation 39(4) and Schedule VI of the SEBI (Listing Obligations & Disclosure Regulations) Requirements, 2015, the Company maintains a demat account namely 'Unclaimed Suspense Shares Demat Account' with Zen Securities and currently holds 2,55,680 equity shares in this account as on 31st March, 2021.
- 16) Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unclaimed Dividend Account of the company, is liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividend were also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members / Claimants are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends / shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority, in Form No. IEPF-5 available on www.iepf.gov.in. The Members / Claimants can file only one consolidated claim in a financial year as per the IEPF Rules.

Procedure for attending the AGM through VC / OAVM:

- 17) Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-voting login credentials and selecting the EVEN for Company's AGM. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, Members can also use the OTP based login for logging into the e-voting system of NSDL.
- 18) Members are requested to join the Meeting through Laptops for better experience and will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connected via mobile hotspot may experience audio / video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of glitches.
- 19) Members may note that the VC / OAVM facility, provided by NSDL, allows participation of at least 1,000 Members on a first-come first- served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. can attend the AGM without any restriction on account of first-come-first-served principle.
- 20) Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in/ 1800-1020-990 or contact Mr. Swapneel Puppala, Assistant Manager, NSDL at swapneelp@nsdl.co.in / +91 8951022700.

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

- 21) As the AGM is being conducted through VC / OAVM, members are encouraged to express their views / send their queries in advance mentioning their name, DP Id and Client Id / Folio No., e-mail id, mobile number at tajgvkshares.hyd@tajhotels.com to enable smooth conduct of proceedings at the AGM. Questions / Queries received by the Company on or before 21st September, 2021 on the afore mentioned e-mail id shall only be considered and responded to during the AGM.
- 22) Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP Id and Client Id / Folio No., PAN, mobile number at tajgvkshares.hyd@tajhotels.com on or before 21st September, 2021. Those Members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the AGM. Speakers are requested to submit their questions at the time of registration, to enable the Company to respond appropriately.
- 23) The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the AGM.

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

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

- 25) AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated 8th April, 2020 and MCA Circular No. 17/2020 dated 13th April, 2020, MCA Circular No. 20/2020 dated 5th May, 2020 and MCA Circular No. 2/2021 dated 13th January, 2021.
- 26) The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 16th September, 2021, i.e. the date prior to the commencement of book closure, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.
- 27) The remote e-voting period commences on 21st September, 2021 (9:00 A.M. IST) and ends on 23rd September, 2021 (5:00 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., 16th September, 2021, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Members, the Member shall not be allowed to change it subsequently.
- 28) In addition, the facility for voting through electronic voting system shall also be made available during the AGM. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the meeting.

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

INSTRUCTIONS FOR REMOTE E-VOTING FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:

How do I vote electronically using NSDL e-Voting system?

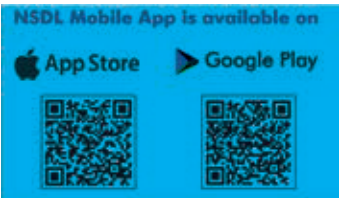




The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

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

A) Login method for e-Voting for Individual shareholders holding securities in demat mode:

In terms of SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Votng period.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsd.com/SecureWeb/Ideas Direct Reg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider – NSDL and you will be redirected to e-Voting website of NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>4) Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div data-bbox="762 1827 1102 2029" style="text-align: center;">  <p>NSDL Mobile App is available on  App Store  Google Play</p> <p> </p> </div>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/Easi Registration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option.</p> <p>Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Help desk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL

Login type	Help desk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL help desk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL help desk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com> / either on a Personal Computer or on a mobile.
- Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
- A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com> / with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. cast your vote electronically.
- Your User ID details are given below:
 - For Members who hold shares in demat account with NSDL: 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****).
 - For Members who hold shares in demat account with CDSL: 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12***** then your user ID is 12*****).
 - For Members holding shares in Physical Form: EVEN Number followed by Folio Number registered with the company (For example if folio number is 001*** and EVEN is 116765 then user ID is 101456001***)
- Your password details are given below:
 - If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
 - If you are using NSDL e-voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you by NSDL. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.

- c) How to retrieve your 'initial password'?
 - i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - ii. If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a. Click on "Forgot User Details / Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
 - b. "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
 - c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number / folio number, your PAN, your name and your registered address.
 - d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, click on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-voting will open.

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle.
2. Select "EVEN" of company is 116765.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify / modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc., with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by email to narenderg99@gmail.com with a copy marked to evoting@nsdl.co.in
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details / Password?" or "Physical User Reset Password?" option available on <https://www.evoting.nsd.com> to reset the password.
3. In case of any queries, you may refer to the FAQs for Shareholders and e-voting user manual for Shareholders available at the download section of <https://www.evoting.nsd.com> or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to (tajgvksharesh.hyd@tajhotels.com or infor@vccipl.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to tajgvkshares.hyd@tajhotels.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM:

1. Member will be provided with a facility to attend the AGM through VC / OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC / OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members may join the Meeting through Laptops, Smart phones, Tablets and iPads for better experience. Further, members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox. Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.
3. Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the AGM, from their registered email address, mentioning their name, DP ID and Client ID number / folio number and mobile number, to reach the Company's email address tajgvkshares.hyd@tajhotels.com on or before on or before 21st September, 2021. Queries that remain unanswered at the AGM will be appropriately responded by the Company at the earliest post the conclusion of the AGM.
4. Members who would like to express their views/ ask questions as a speaker at the Meeting may preregister themselves by sending a request from their registered email address mentioning their names, DP ID and Client ID / folio number, PAN and mobile number at tajgvkshares.hyd@tajhotels.com on or before 21st September, 2021. Only those members who have preregistered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
5. Members who need assistance before or during the AGM can reach out NSDL on evoting@nsdl.co.in, contact at 1800-222-990 or 022-24994890.
6. The procedure for e-Voting on the day of the e-AGM is same as the instructions mentioned above for remote e-voting.
7. Only those Members/ shareholders, who will be present in the e-AGM through Video Conference facility and have not casted their vote through remote e-Voting are eligible to vote through e-Voting in the e-AGM and they can exercise their vote while they are connected in the Video Conference by following the guidelines provided therein. However, members who have voted through Remote e-Voting will be eligible to attend the e-AGM.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhaar Card) by email to (tajgvksharesh.hyd@tajhotels.com or infor@vccipl.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) to the Company at investors@ctep.com or to the respective Depository Participants "DPs" for receiving all communications from the Company electronically.
3. Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members / shareholders, who will be present in the AGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM through VC / OAVM. However, they will not be eligible to vote at the AGM again.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC / OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders / members login by using the remote e-voting credentials. The link for VC / OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID / folio number, PAN, email id, mobile number to tajgvkshares.hyd@tajhotels.com on or before 21st September, 2021. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
6. Members who would like to express their views or have questions / seeking any information with regard to the accounts and operations of the Company or the businesses covered under the Notice of AGM, are requested to write to the Company mentioning their name, demat account number/folio number, email id, mobile number at tajgvkshares.hyd@tajhotels.com on or before 21st September, 2021. The same will be replied by the company suitably.
7. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.

29) Other Instructions

- a. The e-voting period commences on **21st September, 2021 (9:00 a.m. IST)** and ends on **23rd September, 2021 (5:00 p.m. IST)**. During this period, Members holding shares either in physical form or in dematerialized form, as on **cut-off date i.e., 16th September, 2021**, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently or cast the vote again.
- b. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of voting, either through remote e-voting or voting at the AGM through electronic voting system.
- c. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he / she is already registered with NSDL for remote e-voting then he / she can use his / her existing User ID and password for casting the vote.
- d. The Company has appointed Mr. Narender Gandhari, Practicing Company Secretary, (Membership No. FCS4898), Proprietor of M/s. Narender & Associates as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
- e. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.tajgvk.in and on the website of NSDL <https://www.evoting.nsdl.com> immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and Bombay Stock Exchange Limited, where the shares of the Company are listed.

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

Place : Hyderabad
Date : 06.08.2021

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

Explanatory Statement

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

The following Explanatory Statement sets out the material facts relating to Item Nos. 3 to 7 of the accompanying Notice of Annual General Meeting (AGM).

Item No. 3

Dr. GVK Reddy (DIN:00005212) is 84 years and he is Non-Executive Non Independent Director, whose term of office is liable to retire by rotation. In order to comply with the provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, applicable from 1st April, 2019, the company passed the necessary special resolution through postal ballot approval dated 30th March, 2019 for his continuance as Director liable to retire by rotation. As per the approval of the members and in terms of section 152 of the Companies Act, 2013, Dr. GVK Reddy is liable to retire by rotation and he offered himself for re-appointment at the ensuing AGM.

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

Dr. GVK Reddy is the Founder Chairman and Managing Director of GVK Group, a diversified business conglomerate with a predominant focus on infrastructure development. He began his career by undertaking major irrigation project contracts including bridges, dam and irrigation canals. GVK Group has today emerged as one of the key players in India's infrastructure development. Apart from Airports, Roads, Power and Life Sciences, GVK Group in the hospitality sector, has built some of the finest luxury hotels in Hyderabad, Chandigarh, Chennai and Mumbai.

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

- GVK Group set up India's first Independent Power Project (IPP) in the private sector at Jegurupadu, Andhra Pradesh to generate 217 MW power and added another 228 MW in the second phase. GVK Group commissioned another power plant at Kakinada, AP, to generate 469 MW power.
- GVK Group has successfully executed India's first six-lane expressway connecting Jaipur to Kishangarh in the state of Rajasthan.
- GVK Group has developed a four-lane road project between Deoli and Kota in Rajasthan and a six-lane project between Bagodara and Vasad in Gujarat.
- GVK Group has developed and commissioned a 330MW hydro power project in the state of Uttarakhand and 540MW thermal power project in the state of Punjab.
- GVK Group was engaged in the operation and modernization of Mumbai's Chhatrapati Shivaji International Airport, which has been termed as one of the most challenging infrastructure projects in the world. GVK CSIA's new integrated Terminal 2 which commenced operations on 12 February, 2014, has bagged many awards and accolades and attained an iconic status across the globe for integrating a world-class design, infrastructure and operational efficiency.
- Dr. GVK Reddy heads GVK EMRI, one of the most significant Corporate Social Responsibility initiatives of GVK Group. This is an emergency response services provider under a Public Private Partnership model spread across 15 states and two UTs of India.
- Dr. GVK Reddy is a philanthropist and a keen supporter of India's budding sporting talent.
- The terms and conditions of appointment of Dr. GVK Reddy (DIN:00005212), Non-Executive Director shall be open for inspection by the Members at the registered office of the Company during business hours on any working day.

Dr. GVK Reddy's contribution to the growth of the company is immense and the Board felt his vast expertise, knowledge and guidance is required for the company. Accordingly, the Board of Directors of the Company recommend the resolution at Item No.3 for approval of the members as Special Resolution. Apart from Dr. GVK Reddy, who is interested himself, Mrs. G Indira Krishna Reddy, Managing Director, Mrs. Shalini Bhupal, Joint Managing Director and Mr. Krishna R Bhupal, Directors, are interested in the resolution being relatives, to the extent of their shareholding.

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

Item No. 4

The Board of Directors of the Company appointed Mr. Rajeshkumar Harshadrai Parekh (DIN:01942405), as an Additional Director of the Company with effect from 06.08.2021. In terms of the provisions of Section 161(1) of the Companies Act, 2013, Mr. Rajeshkumar Harshadrai Parekh, would hold office up to the date of the ensuing Annual General Meeting.

The Company has received notice under Section 160 of the Companies Act, 2013 from Indian Hotels Company Limited (IHCL), proposing the candidature of Mr. Rajeshkumar Harshadrai Parekh (DIN:01942405) as Director of the Company liable to retire by rotation. The Company also received confirmation in terms of section 164 of the Companies Act, 2013 from Mr. Rajeshkumar Harshadrai Parekh that he is not disqualified from being appointed as Director.

The brief profile of Mr. Rajeshkumar Harshadrai Parekh is as follows:

Mr. Rajeshkumar Harshadrai Parekh is a qualified Chartered Accountant and a member of the Institute of Chartered Accountants of India, a qualified Company Secretary and a member of the Institute of Company Secretaries of India and a Commerce graduate from the University of Bombay. He has also studied law. He has 37 years' post-qualification experience in the field of finance and related areas.

Mr. Parekh joined the Tata Group in 1990. At Tata Chemicals Ltd, he was responsible for the accounting and finance function of the Rs. 1,500 crore fertilizer project in Babrala, UP till the successful completion of the project and commencement of commercial production. He has handled all aspects of various investment Non-Banking Financial Companies (NBFCs) of the Tata Group.

He has been with The Indian Hotels Co Ltd (IHCL), a company promoted by the Tatas, since 2001 and is currently designated as Vice-President – Finance & Direct Tax. During his tenure with IHCL, he has assumed various roles and handled multiple assignments in diverse fields. He is responsible for the operations and other functions at the corporate level for several international companies and certain domestic companies of the IHCL Group besides heading the direct tax function. He has led several assignments relating to mergers, amalgamations, acquisitions, divestments, restructuring, etc. in the hospitality, aviation and NBFC space. He has varied knowledge and experience in both domestic and international jurisdictions in multiple functions such as accounts, finance, legal, secretarial, compliance, taxation, audit and corporate matters. He is also a mentor to several qualified and promising young professionals within the IHCL Group to develop them for larger roles.

This Statement may also be regarded as an appropriate disclosure under the Act and Listing Regulations. Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Parekh is appointed as a Non-Executive and Non-Independent Director.

Mr. Puneet Chhatwal, Director of the Company and Nominee Director of IHCL is interested in the resolution. Save and except Mr. Parekh and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at item No.4 of the Notice.

The Board recommends the Special Business set out at Item No.4 of the Notice for the approval of the shareholders as Ordinary Resolution

Item No. 5

The Board of Directors at the meeting held on August 6, 2021 discussed and approved the proposal to raise around Rs. 250 Crores to meet the financial obligations of the company. The company has to complete the phased upgradation / renovation program of the existing hotels and also to complete the Yelahanka Hotel project within the time lines approved by Government of Karnataka. The company has received the approvals from Fire Department, Environmental and Pollution control Board Government of Karnataka and are expecting the final building approval from KIADB shortly. The Board discussed the various options to raise these funds and also approved to avail additional rupee term loan or issue of debentures or bonds or any other instrument(s).

As per the provisions of section 180(1)(c) of the Companies Act, 2013 read with other applicable provisions as amended to date and read with the rules made there under (including any statutory modification or re-enactment thereof for the time being in force) and the Articles of Association of the Company and also subject to necessary approvals, if any, from all the concerned including from the lenders, the approval of the members of the Company is required to the Board of Directors of the Company for borrowing, from time to time, any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves.

Accordingly, now the company proposes to borrow an additional amount up to Rs.250 Crores which may exceed the paid up capital and free reserves of the Company and the total amount so borrowed by the company including the existing debt shall not exceed Rs. 500 Crores.

None of the Directors / Key Managerial Personnel are interested or concerned in the resolution.

The Board recommends the special business set out at Item No. 5 of Notice for approval of the shareholders as special resolution.

Item No. 6

The Board of Directors at the meeting held on August 6, 2021 discussed and approved the proposal to raise around Rs. 250 Crores to meet the financial obligations of the company. The company has to complete the phased upgradation / renovation program of the existing hotels and also to complete the Yelahanka Hotel project within the time lines approved by Government of Karnataka. The company has received the approvals from Fire Department, Environmental and Pollution control Board, Government of Karnataka and are expecting the final building approval from KIADB shortly. The Board discussed the various options to raise these funds and also approved to avail additional rupee term loan or issue of debentures or bonds or any other instrument(s).

As per the provisions of section 180(1)(a) of the Companies Act, 2013 read with other applicable provisions as amended to date and read with the rules made there under (including any statutory modification or re-enactment thereof for the time being in force) and the Articles of Association of the Company and also subject to necessary approvals, if any, from all the concerned including from the lenders, the approval of the members of the Company is required to the Board of Directors of the Company for disposal, sale, lease, hypothecation, mortgage, charge or otherwise of any of the immovable and movable properties of the Company (including shares and securities held in the Joint venture Company).

Accordingly, now the company proposes to raise additional funds by way of disposal, sale, lease, hypothecation, mortgage, charge or otherwise of any of the immovable and movable properties of the Company and also to divest or dilute the stake held by the company in the Joint venture Company i.e. Greenwoods Palaces and Resorts Private Limited, which operates the Taj Santacruz Hotel in Mumbai.

None of the Directors / Key Managerial Personnel are interested or concerned in the resolution.

The Board recommends the special business set out at Item No. 6 of Notice for approval of the shareholders as special resolution.

Item No. 7

The Board of Directors at the meeting held on August 6, 2021 discussed and approved the proposal to raise around Rs. 250 Crores to meet the financial obligations of the company. The company has to complete the phased upgradation / renovation program of the existing hotels and also to complete the Yelahanka Hotel project within the time lines approved by Government of Karnataka. The company has received the approvals from Fire Department, Environmental and Pollution control Board, Government of Karnataka and are expecting the final building approval from KIADB shortly.

The Board discussed the various options and apart from the debt option as explained above in Item No.5 and 6, the Board also approved to raise equity upto an amount of Rs. 250 crores and approved to issue additional equity shares of the company at such premium calculated as per the extant SEBI guidelines to Qualified Institutional buyers (QIB's) under Qualified Institutional Placement or issue of equity shares under private preferential basis to eligible investors. The proceeds of the equity raising will be utilized for the repayment of the outstanding terms loans and / or to meet the other financial obligations of the Company and/ or to part finance the Bengaluru hotel project/other administrative expenses thereof.

As per the provisions of section Sections 23, 42, 62(1)(c) of the Companies Act 2013 read with other applicable provisions if any as amended to date and also read with the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI LODR Regulations"), Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"), the approval of the members of the company is required for issuing additional equity shares of the company.

The Board will decide on the exact quantum of debt and equity keeping in view the interest of the company and its shareholders.

None of the Directors / Key Managerial Personnel are interested or concerned in the resolution.

The Board recommends the special business set out at Item No. 7 of Notice for approval of the shareholders as special resolution.

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

Place : Hyderabad
Date : 06.08.2021

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

Profile of Directors

Details of Directors Seeking Appointment and Re-appointment at the 26th Annual General Meeting of the Company (Pursuant to Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings issued by the Institute of Company Secretaries of India.

Name of the Director	Dr GVK Reddy	Mr. Krishna R Bhupal	Mr. Rajeshkumar Harshadrai Parekh
DIN	00005212	00005442	01942405
Date of Birth and Age	22.03.1937 (84 Years)	16.03.1983 (38 Years)	13.06.1962 (59 Years)
Date of first Appointment in the Board	02.02.1995	24.10.2009	06.08.2021
Qualifications	B.A.,	Graduate in Finance & Accounting	FCA, FCS and LLB
Expertise in specific functional areas	Project Development and Execution	Finance & Accounting and Project development	Finance and Taxation
Relationship with other Directors and other Key Managerial Personnel of the Company	Mrs. G Indira Krishna Reddy, Mrs. Shalini Bhupal and Mr.Krishna R Bhupal	Dr. GVK Reddy, Mrs. G Indira Krishna Reddy and Mrs. Shalini Bhupal	IHCL Nominee Director
Nature of appointment (appointment/reappointment)	Retires by rotation and offers himself for re-appointment.	Retires by rotation and offers himself for re-appointment.	Retires by rotation and offers himself for re-appointment.
Terms and Conditions of appointment/ reappointment	Appointment as a Non-Executive Non-Independent Director liable to retirement by rotation	Appointment as a Non-Executive Non-Independent Director liable to retirement by rotation	Appointment as a Non-Executive Non-Independent Director liable to retirement by rotation
Remuneration last drawn by such person, if applicable and remuneration sought to be paid	Sitting fees paid to Dr. GVK Reddy, the details are given in Corporate Governance Report	Sitting fees paid to Mr. Krishna R Bhupal the details are given in Corporate Governance Report	Nil
Shareholding in the Company	Nil	Nil	Nil
The number of Meetings of the Board attended during the year	7 out of 7	7 out of 6	Nil
List of Companies in which outside Directorship held as on 31.03.2021 (Companies registered in India)	1) GVK Power & Infrastructure Ltd. 2) CRESCENT EPC Projects & Technical Services Ltd 3) GVK Natural Resources Pvt Ltd 4) Cygnus Real Estates Pvt Ltd 5) GVK Davix Technologies Pvt Ltd 6) Green Woods Palaces & Resorts Pvt Ltd	1) GVK Power & Infrastructure Ltd. 2) GVK Energy Ltd. 3) CRESCENT EPC Projects & Technical Services Ltd 4) GVK Technical and Consultancy Services Pvt Ltd. 5) Som Krishna Bhupal Real Estate Pvt Ltd	1) Luthria & Lalchandani Hotel & Properties Pvt Ltd. 2) Sheena Investments Pvt Ltd 3) Skydeck Properties & Developers Pvt Ltd
Chairman/Member of the *Committees of other Companies on which he is a Director as on 31.03.2021	Nil	Nil	Nil

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

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the Twenty Sixth Annual Report of the Company together with the Consolidated and Standalone Audited Accounts for the year ended 31st March, 2021.

FINANCIAL RESULTS

The performance of the Company for the financial year ended 31st March, 2021 is as below:

(Rs. In Crores)

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Total Revenue	96.82	313.84	96.82	313.84
Operating expenses	96.35	238.48	96.35	238.48
Depreciation	16.55	16.79	16.55	16.79
Finance cost	19.91	22.63	19.91	22.63
Profit Before Tax	(36.00)	35.94	(36.00)	35.94
Tax expense:				
Current tax	-	10.88	-	10.88
Deferred tax	(9.55)	1.21	(9.55)	1.21
Short provision of tax of earlier years	-	-	-	-
Profit After Tax	(26.45)	23.85	(26.45)	23.85
Total Comprehensive Income for the year	(26.13)	23.31	(26.13)	23.31
Share of profit / (loss) from joint venture	-	-	(13.52)	4.24
Consolidated Comprehensive Income for the year	-	-	(39.65)	27.56
Profit brought forward from previous year	261.60	251.00	257.15	242.31
Transitional adjustment on adoption of Ind AS 116	-	8.06	-	8.07
Profit available for appropriation	235.47	266.25	217.50	261.80
Less: Dividend paid	-	3.76	-	3.76
Less: Dividend tax	-	0.89	-	0.89
Profit carried forward to Balance Sheet	235.47	261.60	217.50	257.15
Earnings per share (Rs.)	(4.17)	3.72	(6.32)	4.40

BUSINESS OVERVIEW

An analysis of the Business and Financial Results are given in the Management Discussion and Analysis, which forms a part of the Annual Report.

COMPANY'S PERFORMANCE

On Standalone basis the total income for the year ended 31st March, 2021 was Rs. 96.82 crores, which was lower by Rs.217.02 crores as compared to Rs.313.84 crores of the previous financial year. This was primarily on account of dip in the business due to Covid-19 pandemic and resultant lock downs imposed by the Central and various State Governments. The Hotels were opened in a phased manner during the year under review, which resulted in substantial drop in revenues, hence the previous year figures are not comparable.

DEPRECIATION AND FINANCE COSTS

Depreciation for the year was Rs.16.55 crores as compared to Rs.16.79 crores for the previous year.

Finance costs for the year ended 31st March, 2021 was Rs.19.91 crores as compared to Rs.22.63 crores in the previous year. The company repaid Rs. 24.38 crores of term loans during the year and also negotiated with bankers for reduction in interest costs which resulted in lower interest outgo.

TRANSFER OF AMOUNT TO RESERVES

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

DIVIDEND

Due to outbreak of Covid-19 pandemic and the subsequent lockdown, the company is facing stress on cash flows and to mitigate the current unexpected situation, the Company has taken steps to curb all fixed costs. Hence, the Board of Directors decided not to declare dividend for the Financial year 2020-21.

DIVIDEND DISTRIBUTION POLICY

The Board of Directors of the Company in their meeting held on 25.06.2021 approved and adopted a Policy on Distribution of Dividend to comply with Regulation 43A of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the same is uploaded on website of the Company at <https://www.tajgvk.in>.

FINANCIAL RESULTS OF JOINT VENTURE (JV) COMPANY

As required under the Listing Agreement entered into with the Stock Exchanges, a consolidated financial statement of the Company which includes the company's share in Green Woods Palaces and Resorts Private Limited (the JV Company) is attached. The consolidated financial statements have been prepared in accordance with the relevant accounting standards as prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rule, 2015 (as amended). The Company consolidated the proportional Profit after tax / (Loss after Tax) in accordance with Accounting Standards of Ind AS 110 read with Ind AS 28. The company reported Consolidated Loss After Tax of Rs. 39.65 crores as against Profit After Tax of Rs. 27.56 crores in the previous year.

The performance of Green Woods Palaces and Resorts Private Limited, the JV Company for the financial year ended 31st March, 2021 is as below:

(Rs. In Crores)

Particulars	2020-21	2019-20
Total Revenue	48.43	141.37
Operating expenses	38.10	81.16
Depreciation	25.41	25.22
Finance cost	21.48	23.39
Profit / (Loss) Before Tax	(36.56)	11.60
Tax expense:		
Current tax	-	-
Deferred tax	(8.91)	2.94
Profit / (Loss) After Tax	(27.65)	8.66
Earnings per share (Rs.)	(3.69)	1.15

BORROWINGS / INDEBTNESS

The total long term borrowings of the company stood at Rs.145.27 crores for the year ended 31st March, 2021 as compared to Rs.165.62 crores as at 31st March, 2020. During the financial year under review, the company repaid Rs.24.38 crores and Rs.4.03 crores of interest during the moratorium period was converted to term loan by HDFC Bank.

During the year company availed working capital term loan facility under the Emergency Credit Line Guarantee Scheme (ECLGS) Operational Guidelines has been issued by the National Credit Guarantee Trustee Company Limited ("NCGTCL"), a wholly owned Trustee Company of Government of India of Rs.16.38 crores from Axis Bank Ltd and Rs.16.87 crores from HDFC Bank Ltd.

The total debt outstanding as at 31st March, 2021 is Rs.178.52 crores including short term loan availed under Emergency Credit Line Guarantee Scheme (ECLGS) is Rs.33.25 crores.

CREDIT RATING

During the year under review, your Company's credit ratings by ICRA Ltd is as below:

Long Term Rating: ICRA –BBB + and

Short Term Rating: ICRA –A2

RELATED PARTY TRANSACTIONS

To comply with the provisions of Section 188 of the Companies Act, 2013 and Rules made thereunder read with Regulation 23 of SEBI (LODR) Regulations, your Company took necessary prior approval of the Audit Committee before entering into related party transactions. All contracts / arrangements / transactions entered into by the Company during the Financial Year 2020-21 with related parties, as defined under the Act and SEBI (LODR) Regulations were in the ordinary course of business and on arm's length basis.

During the year under review, your Company had not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the Policy of the Company for Related Party Transactions. During the year, the company renewed the Hotel Operating Agreements of Taj Krishna and Taj Deccan with IHCL, a related party and took the approval of Audit Committee and Board at their meetings held on 29.01.2021.

None of the transactions with any of the related parties were in conflict with the interest of the Company rather, these were synchronized and synergized with the Company's operations. Attention of Members is drawn to the disclosure of transactions with the related parties set out in Note No. 28 of the Standalone Financial Statements, forming part of the Annual Report.

Your Company has framed a Policy on Related Party Transactions in accordance with the Companies Act, 2013 and SEBI (LODR) Regulations. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and related parties. The policy is uploaded on website of the Company at www.tajgvk.in under corporate policies.

Pursuant to Regulation 23(9) of SEBI (LODR) Regulations, related party transactions are reported to the Stock Exchanges on a half yearly basis.

Since all transactions which were entered into during the Financial Year 2020-21 were on arm's length basis and in the ordinary course of business and there was no material related party transaction entered by the Company during the Financial Year 2020-21 as per Policy on Related Party Transactions, hence no detail is required to be provided in Form AOC-2 prescribed under Clause (h) of Subsection (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

BENGALURU HOTEL PROJECT

The Company has been allotted around 7.5 acres land in Yelahanka, Bengaluru for the hotel project. The construction of 2 bridge(s) across the land abutting Company land to connect to the National Highway is completed. Consequent to the Hon'ble Supreme Court setting aside the Hon'ble National Green Tribunal (NGT) order banning construction activity within 75 meters from the lake bed. The company prepared the design for construction of 260 Rooms Five Star Hotel and received the approvals from Fire Department, Environmental and Pollution control Board, Government of Karnataka and are expecting the final building approval from KIADB shortly. The company will judiciously take decision when to start the project construction, considering the current economic situation due to Covid 19 which impacted the cash flows of the company.

MEETINGS OF THE BOARD OF DIRECTORS

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

DIRECTORS

Re-appointments:

To comply with the provisions of Section 152 of the Act and in terms of the Articles of Association of the Company, Dr. GVK Reddy (DIN:00005212) and Mr. Krishna R Bhupal (DIN:00005442), Non-Executive Non-Independent Directors are liable to retire by rotation at the ensuing AGM and being eligible, seeks re-appointment. The Board of Directors, on the recommendation of Nomination and Remuneration Committee, recommended their re-appointment.

Appointments:

In order to comply with the Listing Regulations on Board composition of Promoter Directors and Independent Directors, the Board appointed Mrs. Dinaz Noria as Director (Independent Woman Director) of the Company w.e.f. 25.06.2020.

The Board has appointed Mr. Dilip Cherian (DIN:00322763) as the Additional Director under Independent Director Category by way of Circular resolution which was approved by all the Directors on 10.09.2020.

The Board at its meeting held on 06.08.2021 appointed Mr. Rajeshkumar Harshadrai Parekh (DIN 01942405) as the Additional Director and he shall hold office upto the date of ensuing AGM. Your Company is in receipt of notice under section 160 of the Act, from a Shareholder proposing his candidature for appointment as Director, liable to retire by rotation under the category of Non-Executive Non-Independent Director of the Company. The Board on the recommendation of Nomination and Remuneration Committee, recommended his appointment as Director liable to retire by rotation.

Retirement:

Mr. K Jayabharath Reddy (DIN:00038342), Mr Ch G Krishna Murthy (DIN:01667614) and Mr. S Anwar (DIN:06454745), Non-Executive Independent Directors of the Company completed their term of 5 years on 27.07.2020.

Resignation:

During the year Mr. Giridhar Sanjeevi (DIN:06648008) has resigned from the Board with effect from 15.09.2020, Mr. Dilip Cherian (DIN:00322763) has resigned from the Board with effect from 19.09.2020 and Mr. Rajendra Misra (DIN:07493059) has resigned from the Board on 06.08.2021 and the Board of Directors have taken on record their valuable contributions / guidance during their tenure as Directors of the Company.

KEY MANAGERIAL PERSONNEL (KMP)

Mrs. G Indira Krishna Reddy, Managing Director, Mrs Shalini Bhupal, Joint Managing Director and Mr. J Srinivasa Murthy, CFO & Company Secretary of the Company, continued to be the Key Managerial Personnel of your Company in accordance with the provisions of Section 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

PERFORMANCE EVALUATION CRITERIA FOR DIRECTORS

To comply with the provisions of Section 134(3)(p) of the Act and Rules made thereunder and Regulation 17(10) of SEBI (LODR) Regulations, the Board has carried out the annual performance evaluation of the Directors individually including the Independent Directors, Board as a whole and following Committees of the Board of Directors:

- i) Audit Committee;
- ii) Nomination and Remuneration Committee;
- iii) Stakeholders' Relationship Committee;
- iv) Risk Management Committee and
- iv) Corporate Social Responsibility Committee.

Further, to comply with Regulation 25(4) of SEBI (LODR) Regulations, Independent Directors also evaluated the performance of Non-Independent Directors, Chairman and Board as a whole at a separate meeting of Independent Directors.

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

INDEPENDENT DIRECTORS DECLARATION

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

MEETING OF INDEPENDENT DIRECTORS

A separate meeting of Independent Directors as required under the Schedule IV of the Companies Act, 2013 was held on 31st March, 2021, without presence of Executive Directors. Such meeting was conducted to review and evaluate a) the performance of Non-Independent Directors and the Board as a whole, (b) the performance of the Chairperson of the company, taking into account the views of Executive Directors and Non-Executive Directors and (c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The Independent Directors expressed their satisfaction with the performance of Non-Independent Directors and the Board as a whole and the Chairman of the Independent Directors meeting briefed the outcome of the meeting to the Chairman of the Board.

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

BOARD AND COMMITTEES OF THE BOARD

The number of meetings of the Board and various Committees of the Board including composition are set out in the Corporate Governance Report which forms part of this report. The intervening gap between the meetings was within the period prescribed under the provisions of Section 173 of the Act and SEBI (LODR) Regulations.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Directors have appointed M/s. Narender & Associates, Practising Company Secretaries, (Certificate of Practice No.5024), Hyderabad to undertake the Secretarial Audit of your Company for the financial year 2020-21.

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

STATUTORY AUDITORS

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

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

Auditors Report

The Statutory Auditors have issued unmodified opinion in their Consolidated and Standalone Auditor's Report for the financial year ended 31st March, 2021 and there are no qualifications, reservations or adverse remarks in the Auditor's Report.

INTERNAL AUDITORS

The Board of Directors of the Company have appointed M/s. Protiviti India Member Pvt Ltd, and M/s. SNB Associates as Internal Auditors to conduct Internal Audit of the Company Hotels for the Financial Year 2020-21 and the Internal Auditors have presented the observations to the Audit Committee at their meeting held on 25.06.2021.

PUBLIC DEPOSITS

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

INSURANCE

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

CHANGE IN THE NATURE OF BUSINESS

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

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

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

MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments in the business operations of the company for the financial year ended 31st March, 2021 to the date of signing of the Director's Report.

REPORT ON THE INTERNAL FINANCIAL CONTROLS

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

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a. In the preparation of the annual accounts, the applicable accounting standards (Ind AS) had been followed and that no material departures have been made from the same.
- b. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year i.e. 31st March, 2021 and of the profit of the Company for that period.
- c. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. that the Directors have prepared the Annual Accounts for the Financial Year ended 31st March, 2021 on a going concern basis.
- e. They have laid down internal financial controls for the company and such internal financial controls are adequate and were operating efficiently, and
- f. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDIT COMMITTEE

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

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

NOMINATION AND REMUNERATION COMMITTEE

Details pertaining to composition of the Nomination and Remuneration Committee are included in the Report on Corporate Governance.

Brief description of terms of reference:

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

- Any other matter as the Board may decide from time to time.
- The Brief Policy for Selection of Directors and determining Directors' independence is annexed to this report.

REMUNERATION POLICY

To comply with the provisions of Section 178 of the Act and Rules made thereunder and Regulation 19 of SEBI (LODR) Regulations, the Company's Remuneration Policy for Directors, Key Managerial Personnel (KMP), Senior Management and other Employees of the Company is uploaded on website of the Company at www.tajgvk.in under corporate policies. The Policy includes, inter alia, the criteria for appointment and remuneration of Directors, KMPs, Senior Management Personnel and other employees of the Company.

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

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

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

There are no employees drawing remuneration of more than Rs.102 lakhs per annum or drawing remuneration of Rs.8.50 lakhs per month if employed part of the year as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014. The details of remuneration paid to Key Managerial Personnel is given in the Corporate Governance section of this annual report.

SUBSIDIARY / ASSOCIATE COMPANIES

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

RISK MANAGEMENT COMMITTEE

Pursuant to the provisions of Regulation 21(5) of SEBI (LODR) Regulations, the top 1000 listed entities, determined on the basis of market capitalization, as at the end of the immediate previous financial year shall constitute a Risk Management Committee. The Company has constituted a Risk Management Committee (RMC). The Audit and Risk Management Committee of the Board of Directors inter-alia monitors and reviews the risk management plan and such other functions as assigned from time to time. The details of the Committee and its terms of reference are set out in the Corporate Governance Report. The RMC is entrusted with the responsibility to frame, implement and monitor the Risk Management Plan and also ensure its effectiveness. The Audit Committee has an oversight in the areas of financial risks and controls.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Corporate Social Responsibility ('CSR') Committee had formulated and recommended to the Board, Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company, monitoring the implementation of framework of the CSR Policy and recommending the amount to be spent on CSR Activities. The CSR Policy of the Company is under modification in pursuant of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 and the revised policy was recommended by the CSR Committee and approved by the Board and the same can be accessed on the Company's website at https://www.tajgvk.in/CSR_Policy.pdf.

The Annual Report on CSR activities in terms of the requirements of Companies (Corporate Social Responsibility Policy) Rules, 2014 is enclosed as **Annexure-3**.

VIGIL MECHANISM

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

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

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

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

The company has not given any Loans / Guarantees and not made any Investments during the FY 2020-21, as required under the provisions of section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, the disclosure in the prescribed format is annexed as **Annexure-4**.

EXTRACTS OF ANNUAL RETURN

As required by Section 92(3) of the Act read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of the Annual Return for the Financial Year 2020-21 is enclosed as **Annexure-5** in the prescribed Form MGT-9, which is a part of this report. The same is available on the Company's website at [www.tajgvk.in/investor relations/annual report](http://www.tajgvk.in/investor%20relations/annual%20report).

OTHER INFORMATION

MANAGEMENT DISCUSSION AND ANALYSIS

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

BUSINESS RESPONSIBILITY REPORT

Business Responsibility Report for the year under review, as stipulated under Regulation 34(2)(f) of SEBI (LODR) Regulations, forms part of the Annual Report.

CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by Securities and Exchange Board of India. The report on Corporate Governance as stipulated under the SEBI (LODR) Regulations is attached to this report. The certificate from M/s. Narender & Associates, Company Secretaries confirming compliance with the conditions of corporate governance is also attached to the Corporate Governance Report.

HUMAN RESOURCES

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

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

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

LEARNING AND DEVELOPMENT

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

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

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

The total strength of employees of your Company for the year under review was about 349 permanent employees which includes Unit staff and Deputed staff and 597 employees on FTC and outsourced.

QUALITY

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

LISTING

The Equity Shares of your Company are listed on Bombay Stock Exchange Limited (Scrip Code: 532390) and National Stock Exchange of India Limited (Scrip Code: TAJGVK). It may be noted that there are no payments outstanding to the Stock Exchanges by way of Listing Fees. The company has paid the listing fee for the financial year 2021-22.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The comply with the provisions of Section 134 of the Act and Rules made thereunder, your Company has complied with the provisions relating to constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Reddresal) Act, 2013. An Internal Committee has been set up to redress complaints received regarding sexual harassment. The Company has designated the external independent member as a Chairperson of the Committee.

During the year under review, no complaint was filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Reddresal) Act, 2013 and no complaint was pending at the beginning and end of Financial Year 2020-21.

COMPLIANCE WITH SECRETARIAL STANDARDS

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

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

(I) CONSERVATION OF ENERGY

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

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

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

(II) TECHNOLOGY ABSORPTION

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

(III) FOREIGN EXCHANGE EARNINGS AND OUTGO

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

(Rs. In lakhs)

Particulars	March 31, 2021	March 31, 2020
Earned	644.23	3514.00
Used	46.47	376.41

ACKNOWLEDGEMENTS

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

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

Place : Hyderabad
Date : 06.08.2021

Dr. GVK Reddy
Non Executive Chairman
DIN:00005212

SECRETARIAL AUDIT REPORT

(as per Form No MR – 3)

For the Financial year ended 31.03.2021

(pursuant to section 204(1) of the Companies Act, 2013 and

Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

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

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

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

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

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

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

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

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

Based on my verification of **M/s.TAJGVK Hotels & Resorts Limited** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion the Company has, during the audit period covering the financial year ended on 31st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s TAJGVK Hotels & Resorts Limited** for the financial year ended on 31st March, 2021 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the Rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the Rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; and
 - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
6. Labour and Industrial Laws, as applicable to the Company, as mentioned in the Annexure.
7. Other laws such as Environmental laws, as mentioned in the Annexure, specifically applicable to the Company. I have also examined compliance with the applicable clauses of the following:
 - i. Secretarial Standards issued by the Institute of Company Secretaries of India.
 - ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For a part of the year under review, The Company has not Complied with the provisions of Section 17(1) of SEBI (Listing obligations & Disclosure Requirements), Regulations 2015, due to non appointment of Women Director upto 25th June, 2020.

At the Board Meeting held on 25th June, 2020, Company has appointed Ms. Dinaz Noria (DIN: 00892342) as Independent Women Director for period of 5 years. Further, the company has also paid the penalty for non compliance of the above provisions to both NSE and BSE as detailed below:

Date of payment	Stock Exchange Name	Penalty Amount paid in Rs.
24.08.2020	Bombay Stock Exchange (BSE)	5,01,500
25.08.2020	National Stock Exchange (NSE)	5,01,500

We further report that

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

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

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

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

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

LIST OF LABOUR & INDUSTRIAL LAWS

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

LIST OF ENVIRONMENTAL LAWS

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

**For Narender & Associates
Company Secretaries**

Place : Hyderabad
Date : 06.08.2021

G Narender
Proprietor
FCS:4898, CoP:5024

Annexure-2**Part “B”: Associates and Joint Ventures**

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

1.	Name of Joint Venture	Green Woods Palaces and Resorts Pvt Ltd
2.	Latest audited Balance Sheet Date	31.03.2021
3.	Shares of Associate / Joint Ventures held by the company on the year end	3,67,50,000
4.	Amount of Investment in Associates / Joint Venture	Rs.11025 lakhs
5.	Extent of Holding %	48.99% of Equity Share Capital
6.	Description of how there is significant influence	As per the Shareholders Agreement, the Joint Venture (JV) Company is jointly controlled by Greenridge Hotels & Resorts LLP and TAJGVK Hotels & Resorts Limited. The Company has right to nominate Directors on the Board of JV Company.
7.	Reason why the associate / joint venture is not consolidated	The company consolidated the proportional Profit After Tax / (Loss After Tax) in accordance with Accounting Standards of Ind As 110 read with Ind As 28 as prescribed under section 133 of the Companies Act, 2013 and rules made thereunder.
8.	Net worth attributable to Shareholding as per latest audited Balance Sheet	Rs.(1796.47) lakhs
9.	Profit / Loss for the year	
	i. Profit considered in Consolidation	Rs.(1351.91) lakhs
	ii. Not considered in Consolidation	Not applicable

**By Order of the Board of Directors
For TAJGVK Hotels & Resorts Limited**Place : Hyderabad
Date : 06.08.2021**Dr. GVK Reddy**
Non Executive Chairman
DIN:00005212

CORPORATE SOCIAL RESPONSIBILITY

Report on Corporate Social Responsibility as per
Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014
for the Financial year ended 31.03.2021

1. A brief outline of the Company's CSR Policy of the Company :

The Company has signed MOU with Bangalore Development Authority (BDA), to rejuvenate and restore the Shivnahelli lake, Yelahanka, Bengaluru. The company is taking up the works as per the approved plans of BDA.

2. The Composition of the CSR Committee.

Sl. No.	Name of the Member	Designation/ Nature of Directorship	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
1	Mr. A Rajasekhar	Chairman (Independent)	1	1
2	Mrs. Shalini Bhupal	Member (Executive)	1	1
3	Mrs. Dinaz Noria	Member (Independent)	1	1

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company : Composition of Committee, CSR Policy and CSR Project activities under taken is uploaded in company's website: <https://tajgvk.in/Corporate Policy>.

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable

5. Details of the amount available for set-off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Nil

6. Average net profit of the company as per section 135(5): Rs.3493.65 lakhs

7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 69.87 lakhs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(c) Amount required to be set off for the financial year, if any: Nil

(d) Total CSR obligation for the financial year (7a+7b-7c): Rs.69.87 lakhs

8. (a) CSR amount spent or unspent for the financial year:

(Rs. In lakhs)

Total amount spent for the financial year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6)(Independent)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Nil	69.87	23/04/2021	Not Applicable	Nil	Not Applicable

(b) Details of CSR amount spent against ongoing projects for the financial year : Nil

S. No.	Name of the project	Item from the list of activities in Schedule VII of the Act	Local area (Yes / No)	Location of the project		Amount spent for the project	Mode of implementation Direct (Yes / No)	Mode of implementation Through Implementing Agency	
				State	District			Name	CSR Registration Number
1	Excavation and rejuvenation of Shivnahelli Lake, Bengaluru	Environmental Sustainability	Yes	Karnataka	Bengaluru	Refer Note given below	Yes	NA	NA

Note: Due to current pandemic situation the company could not take up the on going Rejuvenation works at Shivnahelli Lake, Yelahanka, Bengaluru, during the FY 2020-21. The company was required to spent Rs. 69.87 lakhs for the FY 2020-21. As per MCA Notification dated 22.01.2021, the company transferred the unspent amount to separate bank account with in the stipulated time and the amount will be spent as per the terms of MOU signed with Bangalore Development Authority (BDA).

(c) Details of CSR amount spent against other than ongoing projects for the financial year : NA

(d) Amount spent in Administrative Overheads : Nil

(e) Amount spent on Impact Assessment, if applicable : Nil

(f) Total amount spent for the Financial year (8b+8c+8d+8e) : Rs. Nil

(g) Excess amount for set off, if any: Nil

Sl. No.	Particular	Amount (Rs. In lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	-
(ii)	Total amount spent for the financial year	-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

The excess spends in FY 2020-21 over the mandated spend is Nil.

9 (a) Details of unspent CSR amount for the preceding three financial years:

(Rs. In lakhs)

S. No.	Preceding financial year	Amount transferred to Unspent CSR Account as per section 135(6)	Amount spent in the Reporting financial year	Amount Transferred to any fund specified under schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years
				Name of the Fund	Amount	Date of transfer	
Nil							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S. No	Project ID	Name of the project	Financial year in which the project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting financial year	Cumulative amount spent at the end of the reporting financial year	Status of the project completed / ongoing
Nil								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):

(a) Date of creation or acquisition of the capital asset(s): None

(b) Amount of CSR spent for creation or acquisition of capital asset: Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Due to current pandemic situation the company could not take up the on going Rejuvenation works at Shivnahelli Lake, Yelahanka, Bengaluru, during the FY 2020-21. The company was required to spend Rs. 69.87 lakhs for the FY 2020-21. As per MCA Notification dated 22.01.2021, the company transferred the unspent amount to separate bank account with in the stipulated time and the amount will be spent as per the terms of MOU signed with Bangalore Development Authority (BDA).

A Rajasekhar
Chairman, CSR Committee

Mrs. Shalini Bhupal
Member, CSR Committee

Date: 06.08.2021

Annexure to Director's Report

Disclosure of Particulars of Loans, Guarantees and Investments under section 186 of the Companies Act, 2013
Amount outstanding as at 31st March, 2021

(Rs. In Lakhs)

Particulars	FY2020-21	FY2019-20
Loans given	Nil	Nil
Guarantees given	Nil	Nil
Investments made	11026.80	11026.80

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

Place : Hyderabad
Date : 06.08.2021

Dr. GVK Reddy
Non Executive Chairman
DIN:00005212

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

Form No. AOC-2

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

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

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

Note: During the year, the company renewed the Hotel Operating Agreements of Taj Krishna and Taj Deccan with IHCL, a related party and took the approval of Audit Committee and Board at their meetings held on 29.01.2021.

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

Place : Hyderabad
Date : 06.08.2021

Dr. GVK Reddy
Non Executive Chairman
DIN:00005212

FORM NO.MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2021

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I). REGISTRATION AND OTHER DETAILS:

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

II). PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Rooms	55101	39.01%
2	Restaurants & Bars (F&B)	56301	51.72%
3	Banquets & other income	56210	9.27%

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

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

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

i) Category-wise Share Holding

S. No.	Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Shares	Demat	Physical	Total	% of Shares	
A.	Promoter									
1)	Indian									
a)	Individual/ HUF	31017806	-	31017806	49.47	31017806	-	31017806	49.47	-
b)	Central Government	-	-	-	-	-	-	-	-	-
c)	State Government(s)	-	-	-	-	-	-	-	-	-
d)	Bodies Corporate	16000400	-	16000400	25.52	16000400	-	16000400	25.52	-
e)	Banks / FI	-	-	-	-	-	-	-	-	-
f)	Any Other	-	-	-	-	-	-	-	-	-
	Sub-Total(A)(1)	47018206	-	47018206	74.99	47018206	-	47018206	74.99	-
2)	Foreign									
a)	NRIs-Individuals	-	-	-	-	-	-	-	-	-
b)	Other-Individuals	-	-	-	-	-	-	-	-	-
c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
d)	Banks / FI	-	-	-	-	-	-	-	-	-
e)	Any Other	-	-	-	-	-	-	-	-	-
	Sub-Total(A)(2)	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	47018206	-	47018206	74.99	47018206	-	47018206	74.99	-
B.	Public Shareholding									
1.	Institutions									
a)	Mutual Funds/Alternate investment Funds	6375361	80	6375441	10.17	3123693	80	3123773	4.98	5.19
b)	Banks / FI	187678	585	188263	0.30	230052	585	230637	0.37	(0.07)
c)	Central Government	-	-	-	-	-	-	-	-	-
d)	State Government(s)	-	-	-	-	-	-	-	-	-
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	-	-	-	-	-	-	-	-	-
g)	FII's (Foreign Portfolio Investors)	562200	-	562200	0.90	-	-	-	-	0.90
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)	Others (Foreign Nation)	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	7125239	665	7125904	11.36	3353745	665	3354410	5.35	6.01
2.	Non Institutions									
a)	Bodies Corp	2486355	22440	2508795	4.00	2236286	9110	2245396	3.58	0.42
(i)	Indian	-	-	-	-	-	-	-	-	-
(ii)	Overseas (OCB)	-	-	-	-	-	-	-	-	-
b)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh	3803591	530923	4334514	6.91	7811170	480773	8291943	13.22	(6.31)
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	711000	-	711000	1.13	711000	-	711000	1.13	-
c)	Others(Specify)	-	-	-	-	-	-	-	-	-
(i)	HUF	-	-	-	-	-	-	-	-	-
(ii)	Non Resident Individuals	316857	-	316857	0.51	289351	-	289351	0.46	0.05
(iii)	Trusts	1191	-	1191	-	391	-	391	-	-
(iv)	Clearing Members	149826	-	149826	0.24	153304	-	153304	0.24	-
(v)	IEPF Authority	535202	-	535202	0.85	637494	-	637494	1.02	(0.17)
	Sub-Total (B)(2)	8004022	553363	8557385	13.65	11838996	489883	12328879	19.66	(6.01)
	Total Public shareholding (B)=(B)(1)+ (B)(2)	15129261	554028	15683289	25.01	15192741	490548	15683289	25.01	-
C.	Shares held by custodian for GDR&ADRs	-	-	-	-	-	-	-	-	-
	Grand Total (A+B+C)	62147467	554028	62701495	100.00	62210947	490548	62701495	100.00	-

ii) Shareholding of Promoters

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

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

S. No.	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mrs. G Indira Krishna Reddy				
	At the beginning of the year	7568947	12.07		
	Increase / Decrease Shareholding during the year				
	12.11.2020 (Transfer)	(313500)	0.50	7255447	11.57
	24.11.2020 (Transfer)	313500	0.50	7568947	12.07
	At the end of the year			7568947	12.07
2	Mrs. Shalini Bhupal				
	At the beginning of the year	23448859	37.40		
	Increase / Decrease Shareholding during the year				
	12.11.2020 (Transfer)	(313500)	0.50	23135359	36.90
	24.11.2020 (Transfer)	313500	0.50	23448859	37.40
	At the end of the year			23448859	37.40
3	Dr. GVK Reddy				
	At the beginning of the year	-	-		
	Increase / Decrease Shareholding during the year				
	12.11.2020 (Transfer)	313500	0.50	313500	0.50
	24.11.2020 (Transfer)	(313500)	0.50	-	-
	At the end of the year			-	-
4	Mr. Krishna R Bhupal				
	At the beginning of the year	-	-		
	Increase / Decrease Shareholding during the year				
	12.11.2020 (Transfer)	313500	0.50	313500	0.50
	24.11.2020 (Transfer)	(313500)	0.50	-	-
	At the end of the year			-	-

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

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Increase / decrease in shareholding during the year	Cumulative shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of shares	No. of Shares	% of total Shares of the Company
1	HDFC Small Cap Fund	1806890	2.88	(62864)	1744026	2.78
2	Damani Estate and Finance Pvt Ltd	1491299	2.38	-	1491299	2.38
3	L&T Mutual Fund Trustee Limited	583196	0.93	(330500)	252696	0.40
4	Bright Star Investments Pvt Ltd	174506	0.28	-	174506	0.28
5	Sundaram Alternative Opportunities Fund	880265	1.40	(726322)	153943	0.25
6	G V Reddy	248000	0.39	(148000)	100000	0.16
7	Sundaram Mutual Fund	1164194	1.86	(1067296)	96898	0.15
8	Kamal Shyamsundar Kabra	-	-	711000	711000	1.13
9	IDFC Classic Equity Fund	-	-	427947	427947	0.68
10	ITI Small Cap Fund	-	-	242589	242589	0.39

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

S. No.	Name of the Director / KMP	Shareholding at the beginning of the year		Increase / decrease in shareholding during the year	Cumulative shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of shares	No. of Shares	% of total Shares of the Company
1.	Dr. GVK Reddy	-	-	-	-	-
2.	Mrs. G Indira Krishna Reddy	7568947	12.07	-	7568947	12.07
3.	Mrs. Shalini Bhupal	23448859	37.40	-	23448859	37.40
4.	Mr. Krishna R Bhupal	-	-	-	-	-
5.	Mr. Puneet Chhatwal	-	-	-	-	-
6.	Mr. Rajeshkumar Harshadrai Parekh	-	-	-	-	-
7.	Mr. M B N Rao	-	-	-	-	-
8.	Mr. A Rajasekhar	-	-	-	-	-
9.	Mr. D R Kaarthikeyan	-	-	-	-	-
10.	Mr. N Sandeep Reddy	-	-	-	-	-
11.	Mr. N Anil Kumar Reddy	-	-	-	-	-
12.	Mrs. Dinaz Noria	-	-	-	-	-
	KMP	-	-	-	-	-
1.	Mr. J Srinivasa Murthy	-	-	-	-	-

V) INDEBTEDNESS

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

(Rs. In lakhs)

Particulars	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	16562.48	-	-	16562.48
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	125.66	-	-	125.66
Total (i+ii+iii)	16688.14	-	-	16688.14
Change in Indebtedness during the financial year				
Addition	3728.05	-	-	3728.05
Reduction	2563.16	-	-	2563.16
Net change	1164.89	-	-	1164.89
Indebtedness at the end of the financial year				
i) Principal Amount	17853.03	-	-	17853.03
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	17853.03	-	-	17853.03

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director and Joint Managing Director

(Rs. In lakhs)

S. No	Particulars of Remuneration	Mrs. G Indira Krishna Reddy Managing Director	Mrs. Shalini Bhupal Joint Managing Director	Total Amount
1.	Gross Salary	-	163.91	163.91
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	-	-
	b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	2.40	2.41	4.81
	c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission as % of profit	-	-	-
5.	Others	-	-	-
	Total (A)	2.40	166.32	168.72
	Ceiling as per Schedule V of the Companies Act, 2013	121.62	121.62	243.24

B. Remuneration to other Directors

(in Rs.)

S. No	Particulars of Remuneration	Mr. D R Kaarthikeyan	Mr. M B N Rao	Mr. A Rajasekhar	Mr. N Anil Kumar Reddy	Mr. N Sandeep Reddy	Mr. S Anwar	Mr. K Jayabharath Reddy	Mr. Ch G Krishna Murthy	Mrs. Dinaz Noria	Total Amount (Rs)
1.	Independent Directors (ID) Fee for attending Board / Committee meetings	175,000	180,000	215,000	215,000	215,000	85,000	105,000	35,000	125,000	13,05,000
	Commission	-	-	-	-	-	-	-	-	-	-
	Others, Please Specify	-	-	-	-	-	-	-	-	-	-
	Total (1)										
2.	Other Non-Executive Directors	Dr. GVK Reddy	Mr. Krishna R Bhupal	Mr. Puneet Chhatwal	Mr. Rajendra Misra						
	Fee for attending Board / Committee meetings	175,000	200,000	-	-						3,75,000
	Commission	-	-	-	-						-
	Others, Please Specify	-	-	-	-						-
	Total (2)	-	-	-	-						3,75,000
	Total (B)=(1+2)										16,80,000
	Total Managerial Remuneration (Rs in lakhs) (A+B)										185.52
	Ceiling as per Schedule V of the Companies Act, 2013										243.24

Note: Due to loss the ceiling under section 198 of the Companies Act, 2013 is not applicable and the remuneration paid to Whole Time Directors is the minimum remuneration as per the approval of the shareholders.

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

(Rs. In lakhs)

S. No	Particulars of Remuneration	Mr. J Srinivasa Murthy CFO & Company Secretary
1.	Gross Salary including performance Bonus	69.86
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-
	b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	-
	c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission as % of profit	-
5.	Others	-
	Total	69.86

VII) PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

A. Company

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

B. Directors

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

C. Other Officers in Default

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

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

Place : Hyderabad
Date : 06.08.2021

Dr. GVK Reddy
Non Executive Chairman
DIN:00005212

Annexure to Director's Report

Information pursuant to Section 134(3)(q) and Section 197 (12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31st March, 2021 and forming part of the Directors' Report for the said financial year is as under.

- i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2020-21, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

S. No	Name of the Director / KMP and Designation	Remuneration of Director /KMP for financial year 2020-21	% increase in Remuneration in the Financial year 2020-21	Ratio of remuneration of each Director / to median remuneration of employees
1	Mrs. G Indira Krishna Reddy Managing Director	2.40	(99.31)%	0.68
2	Mrs. Shalini Bhupal Joint Managing Director	166.32	(28.86)%	47.25
3	Mr. J Srinivasa Murthy CFO & Company Secretary	69.86	(29.67)%	19.85

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

- ii) The median remuneration of permanent employees of the Company during the financial year 2020-21 was Rs.3.52 lakhs.
iii) In the financial year, there was a decrease of 39% in the median remuneration of employees;
iv) There were 349 permanent employees which includes the Unit staff and Deputed Staff as on March 31, 2021. The number of employees on FTC/outsourced are 597.
v) Price Earnings ratio of the Company was (26) as at March 31, 2021 and was 43 as at March 31, 2020.
vi) Average percentage decrease made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2020-21 was 39% whereas the decrease in the managerial remuneration for the financial year was 69%.
vii) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

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

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

Place : Hyderabad
Date : 06.08.2021

Dr. GVK Reddy
Non Executive Chairman
DIN:00005212

Management Discussion and Analysis

FORWARD LOOKING STATEMENT

Your Company has been reporting consolidated results taking into account the results of its joint venture company i.e. Greenwoods Palaces and Resorts Private Limited (which operates the Taj Santacruz Hotel in Mumbai). The Management Discussion and Analysis section therefore, covers the financial results of your Company for the financial year 2020-21. Some statements describing the projections, estimates, expectations or outlook, may be forward looking. Actual results may, however, differ materially from those stated, on account of various factors such as changes in government regulations, tax regimes, economic developments within India, exchange rates and interest rates fluctuations, impact of competition, demand and supply constraints, etc.

ECONOMIC ENVIRONMENT

The financial year under review witnessed the economic and social disruption caused by the outbreak of COVID-19 pandemic across the world. The pandemic caused an unprecedented challenge to all spheres of human life especially on the health and also financially. The economic and social disruption caused by the pandemic has been devastating wherein a large number of people losing their livelihoods and companies faced with survival and existential threat.

Governments across the world imposed countrywide lockdown which restricted movement of people and many countries closing their boundaries to arrest the spread of pandemic. This was followed by gradual lifting of restrictions within a regulated environment starting from the second quarter of the year.

The pandemic had an immediate impact on most industries and sectors leading to a steep decline in Gross Domestic Product (GDP) of many countries. Many companies changed their operating models to adapt to innovative ways of working and wherever possible, restricted employees to working from home for maintaining safety and good health. Many organizations implemented travel restrictions and also reduced conferences, events and embarked on cost reduction and austerity measures to conserve cash flows.

GLOBAL HOSPITALITY AND TOURISM INDUSTRY

Global tourism suffered its worst year on record in 2020, with international arrivals dropping by 74% according to the latest data from the United Nations World Tourism Organization (UNWTO). International arrivals at destinations worldwide were a billion fewer in 2020 than in the previous year, due to an unprecedented fall in demand consequent to stricter travel restrictions imposed to curtail the pandemic. International tourist arrivals (overnight visitors) dropped by 87% in January 2021, amid new outbreaks and tighter travel restrictions following a decline of 85% in the quarter ended December, 2020. By regions, Asia Pacific dropped by 96% since the region continues to have the highest level of travel restrictions in place. Europe and Africa both saw a decline of 85% in arrivals, while the Middle East recorded a drop of 84%. International arrivals in the America decreased by 77% in January, 2021. (Source: UNWTO, Barometer January 2021).

IMPACT OF PANDEMIC ON THE TRAVEL AND TOURISM INDUSTRY

The pandemic severely impacted the travel and tourism industry globally which suffered a loss of almost US\$ 4.5 trillion. Domestic visitor spends decreased by 45% while international visitor spends decreased by 69.4% compared to 2019 (Source: World Travel & Tourism Council, Economic Impact Reports 2020). The unprecedented and unparalleled business disruption caused by the pandemic to the travel and tourism sector resulted in large scale layoff of people employed in this sector. The first wave of the pandemic is estimated to cause a loss of 61.6 million jobs globally with a threat of higher losses and the existing fiscal support and policy initiatives launched by various governments are withdrawn before the recovery starts.

New mutations of the virus and another wave in the fourth quarter of the year affecting many countries like India is a cause of concern at this stage. However the availability of effective vaccines and concerted efforts towards mass vaccination along with safety and hygiene norms are expected to prevent the spread of the virus and bring normalcy to life.

The pandemic had affected the hospitality sector in an unprecedented manner affecting all segments of the hospitality business. The lockdowns and travel restrictions severely affected the hospitality business across the world and India was not an exception to this meltdown. As a result, the business of your Company has also been impacted by the COVID-19 with a sharp drop in revenue resulting in the Company incurring substantial cash losses during the year under review.

The COVID-19 pandemic impacted the tourism industry severely due to the rapid spread of the virus, closing of borders and stringent lockdowns imposed by Governments to combat the virus. Business and leisure travel significantly reduced in the first two quarters of the year with most companies enabling technologies to work remotely from home and vacationers cancelling bookings and postponing planned travel. Social distancing measures also impacted the Food & Beverages business of the company. Many hotels were closed for several months during the year. Even after opening, hotel performances varied depending on the nature of unlocking announced by local Governments.

'R.E.S.E.T 2020', is a strategic initiative of IHCL framed early in the year to address the challenges posed by the unprecedented global crisis and help the IHCL Group navigate through the difficult times with agility. R.E.S.E.T. 2020 represents Revenue growth, Excellence, Spend optimization, Effective asset management and Thrift and financial prudence. This strategy has been carved out to ensure that the Company is able to Survive, Revive and Thrive through the pandemic and beyond.

GLOBAL ECONOMY

Global economy contracted by 3.3% in 2020 as a result of diminished economic activities across the globe induced by Covid-19 pandemic. Except China which returned to Pre-Covid GDP level with 2.3% growth in 2020, other major economic powers are yet to witness notable momentum in the economic recovery.

In 2020, advanced economies contracted by around 4.7% while emerging markets and developing economies contracted by 2.2%. The Indian economy contracted by 8.0%. Most developed and large economies responded to the pandemic by extraordinary policy measures to stimulate the economy especially through liquidity support and other favourable regulatory changes. The adverse economic effect of the pandemic has been more severe on nations that rely on tourism and exports and those with limited policy space to respond.

The IMF in its report on World Economic Outlook published in April 2021 projected a stronger recovery in 2021 and 2022 with growth projected to be 6 percent in 2021 and 4.4 percent in 2022. The growth rate projected for India is 12.5% in 2021 and 6.9% in 2022, while China is projected to grow by 8.4% in 2021 and 5.6% in 2022. Emerging and Developing Asia is projected to grow by 8.6% in 2021 and 6% in 2022. GDP contraction was lower than the initial expectations due to unprecedented monetary policy support from global central banks and fiscal stimulus from governments. (Source: IMF- World Economic Outlook – Apr 2021).

The World Bank in its earlier report of January, 2021 forecasted global economic output to expand by 4% in 2021 and moderate to 3.8% in 2022. However, it expects recovery of global economic output to remain below pre-pandemic trends for a prolonged period. It attributes the slower growth to the massive debt levels that have been accumulated over the past decade and recent stimulus packages which while creating liquidity does have inflationary pressures exposing the global economy to financial market stress. It highlighted downside risks as a possible further increase in the spread of the virus, delays in vaccine procurement and distribution, more severe and longer-lasting effects on potential output from the pandemic and financial stress triggered by high debt levels and weak growth. On the other hand, limiting the spread of the virus, providing relief for vulnerable populations, and overcoming vaccine-related challenges were stated as immediate priorities. (Source: Global Economic Prospects-World Bank)

INDIAN ECONOMY

The Indian economy witnessed first year of contraction since 1980 with an estimated decline of 7.7% in FY 2020-21 with a sharp 15.7% decline in first half of the year and a minor 0.1% fall in the second half. The sharp decline was attributable to strict and early lockdowns imposed nationwide to control the spread of COVID-19. The lockdown caused a sharp contraction of 23.9% in GDP during Q1 recovering to a 7.5% drop in Q2 with improvement in all key economic indicators. Government consumption in the second half, improving private consumption and net exports have cushioned the economy in the second half. By sectors, agriculture has performed well compared to other industries with a growth of 3.4% during FY 2020-21. Industry and services are estimated to contract by 9.6% and 8.8% during FY 2020-21. Within Services, trade, hotels, transport & communication, constituting one-third of overall services, are estimated to contract by 21.4%. The Economic Survey projects India's real GDP to grow by 11% in 2021-22 based on continued normalization in economic activities and the roll out of COVID-19 vaccines gathering traction. Supplemented with supply-side push aided by reforms, easing of regulation, continued infrastructural investments, recovery of pent-up demand, increase in discretionary consumption and supported by pick up in credit given low interest rates and adequate liquidity, it expects the economy to overtake pre-pandemic levels of FY 2019-20 in another 2 years (Source: Economic Survey 2020-21).

OUTLOOK

Due to the second wave of pandemic and with a surge of cases and emergence of new variants, many countries reintroduced stricter travel restrictions mandatory testing, quarantines and in some cases border closures and domestic lockdowns impacting the resumption of international travel. Further, the pace of vaccinations has been slower than expected and varying across countries. With 32% of destinations worldwide showing complete border closures in early February, 2021 and another 34% with partial closure, UNWTO expects international tourist arrivals to be down by 85% during January to March, 2021 over the same period of 2019, representing a loss of about 260 million international arrivals. Most experts do not see global travel returning to pre-pandemic levels earlier than 2023. The recovery is depended on several factors such as a gradual improvement of the epidemiological situation, continued roll-out of the COVID-19 vaccine, a significant improvement in traveller confidence and a major lifting of travel restrictions.

PROPERTY UPGRADES AND RENOVATIONS

We carry out necessary upgradations to keep our hotels in good condition and to offer better value in terms of great ambience and comfort, while keeping the needs of our customers at the core of these changes. Due to the COVID-19 pandemic, only essential and productivity enhancing capital expenditures were incurred as part of liquidity management.

ENVIRONMENT, HEALTH AND SAFETY

We are committed towards operating in an environmentally responsible manner while catering to the interests of our diverse stakeholders. During the year, we took various measures to mitigate the impact of our operations on the climate and environment and preserve the planet for the future generations.

Optimising use of natural resources such as energy and water and managing waste efficiently are some of our priority focus areas. We have persistently worked towards optimising energy and water usage and responsible waste management. The hotels have generated significant savings by conserving water and energy and installing organic waste convertors to reduce waste sent to landfill.

Your Company's hotel i.e. Taj Club House, Chennai utilises power from renewable energy sources, which not only helps in reducing the carbon footprint, but also in optimising cost of power. We source 3 Million units renewable energy mainly through Power Purchase Agreements with private power producers operating in the green power sector. Additionally, we emphasise on reducing our energy consumption wherever possible. Waste management is an integral part of your Company's environment management endeavour. Your Company promotes waste reduction, as well as segregation and recycling. The Hotel units either process waste using onsite waste treatment plants or engages certified vendors to promptly collect the waste for further processing.

Sludge from sewage treatment plants is safely disposed by the agencies contracted for the management of these units. We are committed to phasing out single-use plastics across all our properties and have been making steadfast progress towards this goal every year. Water is a critical and scarce resource for local communities and for our industry. We are aware of the increasing water stress in our areas of operation and the need to strive for maximum water efficiency. We optimise our water consumption and work hard to mitigate our impact on the availability of freshwater. We manage our water resources and utility in an efficient manner, thereby ensuring there is no water shortage at any time. Water security assessment of hotels is undertaken regularly to identify water-related risks and strengthen preparedness to manage them.

Safety continues to be one of the top priority areas of your Company wherein all measures have been taken to ensure safety of all stakeholders. Your Company continues to drive awareness on safety across hotels. Common safety hazards and their safeguards have been highlighted in specially designed animated safety videos, and, case studies based on true incidents continue to be shared with the hotels as a learning tool. The approach of routinely identifying safety risks associated with operations helps your Company implement appropriate and effective mitigation plans and ensures adherence to overall Safety compliance. The Fire and Life Safety (FLS) audits, Standard Operating Procedures (SOPs) on safety such as Safe Sewage Treatment Plant Operations, Safe Banqueting Operations, Visitors etc., To ensure a continuous focus on safety, we created and implemented a Basic Safety Training Module for all hotels. This will act as an induction as well as refresher module for all employees. Other training interventions by the Tata group Safety Office such as The Occupational Safety, Health & Working Conditions Code, 2020 and Other EHS Legislation Updates and Motor Vehicle Business Travel on Roads and On-site vehicle movement have been well attended by our safety champions. Teams at hotels continue to drive health, safety and security awareness sessions continuously, thus ensuring unwavering focus.

FOOD SAFETY, HYGIENE AND CLEANLINESS

Continuous improvement of the Food Safety Management System by training and optimising the capacities of people, processes and technologies is an ongoing exercise. To increase the rigour in respect of Food Safety, Hygiene and Cleanliness audits were conducted by an external audit partner, ensuring implementation of FSSAI guidelines and standards. In order to address the challenges posed on account of the COVID-19 pandemic, your Company has taken several measures to ensure safety and wellbeing of its associates and guests. Following are some of the safety measures undertaken at hotel units.

- Provisions of Hand sanitizers while entering the hotel premises and at various locations inside
- Temperature monitoring at time office and main gate
- Sanitisation of baggage
- Mask for all the staff while entering for duty and for guests
- Cleaning and sanitisation of all the touch at regular intervals
- Providing PPE to the staff, specially who serve the quarantine guests
- Social distancing is maintained at all areas by rearranging the tables/chairs, foot markings etc
- Disinfection of guest rooms after each check outs
- Awareness sessions for staff on COVID 19.

Employees have been provided with an option of working from home in accordance with the guidelines issued by the Central/State/ Municipal authorities during the lock-down period. The safety of essential employees, who are required to report for work, is being ensured and they have been mandated to use protective gear and take all safety precautions.

HUMAN CAPITAL

Your Company's employees are its most valuable asset, who enable the Company to deliver a level of service that is amongst the highest in the hospitality industry. A combination of a robust talent management strategy and a transparent performance management system, leading to an attractive long term compensation philosophy, is employed to attract and retain the best available talent. We continually strive to make our operations more efficient, while creating a respectful work environment for each member of our team. Our colleagues put the organisation ahead of themselves, especially during the period of lockdown, to ensure that the organisation could cater to essential services and quarantined guests.

RISK GOVERNANCE AND MANAGEMENT

The process of risk governance and management involves identification of risks, framing an adequate response to manage and mitigate the risks identified, followed by constant monitoring and review of the risk management process. The Risk Management Committee of the Board is responsible for developing and monitoring the risk management policies and also oversees how management monitors compliance with the Company's risk management policies and procedures. The internal audit department facilitates identification of risks and mitigants.

COMPANY OVERVIEW

Your Company witnessed a subdued performance in terms of business in FY 2020-21 primarily in the first half of the year due to onset of Covid-19 and the resultant lockdown imposed by the Central Government and the various State Governments. All hotels except one at Hyderabad were shut for a major part of the first half year. The hotels opened for operations in a phased manner from the month of July, 2020 and with all hotels functional by December, 2020.

FINANCIALS

Revenue from operations for FY 2020-21 was Rs.96.82 crores, which was lower by Rs.217.02 crores as compared to Rs.313.84 crores in the previous year. The room revenues were at Rs.37.77 crores and the food and beverage income was Rs.50.07 crores primarily contributed by wedding and social events with various restrictions imposed by State Government(s) on number of pax, social distancing etc.

EXPENDITURE:

- The total expenditure for FY 2020-21 was Rs.96.35 crores as against Rs.238.48 crores in the previous year thereby resulting in 60% of decrease. This is primarily due to the shutdown of some of the hotels during the Covid lockdown period as also from the salary cuts taken by employees across cadre and the renegotiation of vendor contracts in the extraneous circumstances that existed during the year.
- Payroll cost has decreased by 59% to Rs.27.57 as compared to Rs.66.71 crores in previous year.
- Earnings before Interest, Depreciation, Tax and Amortisation (EBITDA), registered a decrease of Rs.74.89 crores to Rs.0.47 crores in 2020-21 from Rs.75.36 crores in the previous year.

PROFIT BEFORE TAX

The company reported a Loss Before Tax of Rs.36 crores as compared to Profit Before Tax of Rs.35.94 crores in the previous year.

PROFIT AFTER TAX

The company reported a Loss After Tax of Rs.26.13 crores as compared to a Profit After Tax of Rs.23.31 crores in the previous year.

FINANCIAL POSITION

The Company's interest coverage ratio for the year ended 31st March, 2021 is (0.81) times as compared to 2.59 times in the previous year. As at 31st March, 2021 the Company had Rs.10.73 crores of cash and bank balance and Rs.26.99 crores as undrawn credit facilities, which provide the Company financial flexibility. During the year company availed working capital term loan facility under the Emergency Credit Line Guarantee Scheme (ECLGS) Operational Guidelines has been issued by the National Credit Guarantee Trustee Company Limited ("NCGTCL"), a wholly owned Trustee Company of Government of India of Rs.16.38 crores from Axis Bank Ltd and Rs.16.87 crores from HDFC Bank Ltd.

As at 31st March, 2021 the Company's Net debt amounted to Rs. 178.52 crores as compared to Rs.165.62 crores in the previous year.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

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

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

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

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

Risk Mitigation Initiatives

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

- Continuously evaluates options for improving profitability of its assets.

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

COVID-19 Pandemic – Impact and mitigation measures

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

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

Impact of COVID- 19

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

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

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

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

Ability to maintain any operations during the period

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

Schedule, if any, for restarting the operations

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

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

Post lifting of the lockdown restrictions, the Company will start re-opening hotels after establishing thorough and well-rehearsed safety protocols. The Company expects all the hotels to become operational in a phased manner after the lockdown is lifted and the confidence

of travelers is restored. However, at this stage, the duration for which these restrictions will remain in place is uncertain and resumption of full-fledged operations will depend upon directives issued by the Central/ State Governments. The Central Government has allowed operating the hotels from 8th June 2020. In this regards, the company is awaiting the detailed instructions and clarifications from the State Government and will act accordingly.

Steps taken to ensure smooth functioning of operations

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

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

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

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

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

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

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

The company's long term credit facilities of Rs. 178.52 Crore are rated by ICRA with a rating of "[ICRA] BBB+" (pronounced ICRA triple B plus) with a Negative outlook and short-term working capital limits of Rs. 30.00 Crore are rated as [ICRA] A2 (pronounced ICRA A two). The company believes the existing working capital limits are sufficient to manage the operations.

The company has availed the Covid-19 relief Package announced by RBI. The company received the approval from Banks for the interest moratorium relief from March to August, 2020.

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

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

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

Financial Statements

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

Details of the impact of COVID-19 on your Company

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

Recognition & Communication

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

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

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

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

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

Corporate Governance

Report Pursuant to Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), compliance with the requirements of Corporate Governance of the company is set out below:

1. A. Related Party Disclosure

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

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

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

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

During the year, the company renewed the Hotel Operating Agreements of Taj Krishna and Taj Deccan with IHCL, a related party and took the approval of Audit Committee and Board at their meetings held on 29.01.2021. Further, in Financial Year 2020-21, there were no material transactions of the Company with any of its related parties. Accordingly, the Company has provided Nil details in the Form No. AOC-2.

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

B. Management Discussion and Analysis (MDA) Report

1. The report on MDA is annexed to the Boards' Report.
2. Disclosure of Accounting Treatments:

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

C. Corporate Governance:

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

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

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

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

2. Board of Directors

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

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

The Company is in compliance with the Corporate Governance norms in terms of constitution of the Board of Directors. The Board of the Company is composed of eminent individuals from diverse fields. As on the date of this report, the Board of Directors comprises 12 Directors (one Non-Executive Chairman, one Managing Director, one Joint Managing Director, Three Non-Executive & Non-Independent Directors and Six Non-Executive Independent Directors).

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

Name	Category	Directorships in companies under Section 165 as on 31st March, 2021			No. of other Committee positions held	
		Listed Public	Unlisted Public	Unlisted Private	Member (1)	Chairman (2)
Dr. GVK Reddy DIN 00005212	Promoter Non-Executive Chairman	2	1	4	-	-
Mrs. G Indira Krishna Reddy DIN 00005230	Promoter Managing Director	1	-	5	2	-
Mrs. Shalini Bhupal DIN 00005431	Promoter Joint Managing Director	1	1	3	2	-
Mr. Krishna R Bhupal DIN 00005442	Promoter Non-Executive Director	2	2	2	2	-
Mr. Puneet Chhatwal DIN 07624616	Non-Executive & Non-Independent Director	4	4	-	6	1
Mr. Rajeshkumar Harshadrai DIN 01942405	Non-Executive & Non-Independent Director	1	-	3	-	-
Mr. D R Kaarthikeyan DIN 00327907	Independent Non-Executive Director	4	1	2	-	-
Mr. M B N Rao DIN 00287260	Independent Non-Executive Director	4	4	2	5	4
Mr. A Rajasekhar DIN 01235041	Independent Non-Executive Director	2	-	4	3	1
Mr. N Sandeep Reddy DIN 00483826	Independent Non-Executive Director	1	-	15	2	-
Mr. N Anil Kumar Reddy DIN 0017586	Independent Non-Executive Director	2	-	4	2	3
Mrs. Dinaz Noria DIN 00892342	Independent Non-Executive Director	1	-	1	1	-

a) Board Meetings

During the year ended 31st March, 2021, Five Board Meetings were held on 15.04.2020, 24.04.2020, 25.06.2020, 04.08.2020, 24.09.2020, 02.11.2020 and 29.01.2021. Attendance details of each Director at the Board Meetings during the financial year ended 31st March, 2021 and the last Annual General Meeting are given below:

Name	Number of Board Meetings		Attendance at 25th AGM held on 24th September, 2020
	Held	Attended	
Dr. GVK Reddy DIN 00005212	7	7	Yes
Mrs. G Indira Krishna Reddy DIN 00005230	7	7	Yes
Mrs. Shalini Bhupal DIN 00005431	7	7	Yes
Mr. Krishna R Bhupal DIN 00005442	7	6	Yes
Mr. Puneet Chhatwal DIN 07624616	7	7	Yes
Mr. Rajeshkumar Harshadrai Parekh - DIN 01942405	-	-	NA
Mr. D R Kaarthikeyan DIN 00327907	7	7	No
Mr. M B N Rao DIN 00287260	7	6	Yes
Mr. A Rajasekhar DIN 01235041	7	7	Yes
Mr. N Sandeep Reddy DIN 00483826	7	7	Yes
Mr. N Anil Kumar Reddy DIN 0017586	7	7	Yes
Mrs. Dinaz Noria * DIN : 00892342	4	4	Yes
Mr. Rajendra Misra *** DIN 07493059	7	7	Yes
Mr. Giridhar Sanjeevi ** DIN 06648008	4	4	Yes
Mr. K Jayabharath Reddy \$ DIN 00038342	3	2	NA
Mr. CH G Krishna Murthy \$ DIN 01667614	3	1	NA
Mr. S Anwar \$ DIN 06454745	3	3	NA
Mr. Dilip Cherian @ DIN 00322763	-	-	NA

1) * : Mrs. Dinaz Noria appointed as Independent Director w.e.f. 25.06.2020

2) \$: Mr. K Jayabharath Reddy, Mr. CH G Krishna Murthy and Mr. S Anwar, completed their term as Independent Directors on 27.07.2020

3) ** : Mr. Giridhar Sanjeevi, resigned as Director w.e.f. 15.09.2020

4) @ : Mr. Dilip Cherian resigned as Director w.e.f. 19.09.2020

5) *** : Mr. Rajendra Misra, resigned as Director w.e.f. 06.08.2021

6) - : Mr. Mr. Rajeshkumar Harshadrai Parekh appointed w.e.f. 06.08.2021 as Non Executive and Non Independent Director

Note: Video/Tele-conferencing facility is offered to facilitate Directors to participate in the meetings.

b) Disclosure of relationship between directors inter-se

List of relatives of Dr GVK Reddy, Chairman

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

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

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

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

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

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

c) Shares held by Non-Executive Directors

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

d) Familiarization program imparted to Independent Directors

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

e) Profile of Board of Directors

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

Dr. GVK Reddy, Non Executive Chairman

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

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

Mr. G Indira Krishna Reddy, Managing Director

Mrs. G Indira Krishna Reddy is Science Graduate and has over 37 years of versatile experience in the fields of Project Development, Finance, Strategy and Administration. Prior to TAJGVK, she worked as Managing Director of Novopan Industries Ltd., a pioneer in Particle Board Industry. She has been working as Managing Director of the company for the last 21 years and under her able guidance, the Company expanded business to other cities viz: Chennai, Chandigarh and Mumbai.

Mrs. Shalini Bhupal, Joint Managing Director

Mrs. Shalini Bhupal a Graduate in Bachelor of Arts. Mrs. Bhupal is the promoter Director of the company and in the year 2004 she was appointed as an Executive Director of the Company to look after the expansion projects particularly in the areas of project design, planning and execution. Mrs. Bhupal has more than two decades of experience in Administration, finance and strategic planning. Under

the guidance of Mrs. Bhupal, the Company has successfully completed 4 hotels projects viz Taj Club House, Chennai, Taj Chandigarh, VBT Begumpet, Hyderabad and Taj Santacruz, Mumbai.

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

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

She is currently on the Boards of Orbit Travel and Tours Pvt. Ltd.

Mr. Krishna R Bhupal, Non-Executive Director

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

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

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

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

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

Mr. Puneet Chhatwal, Non-Executive Director

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

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

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

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

Mr. Rajeshkumar Harshadrai Parekh, Non-Executive Director

Mr. Rajeshkumar Harshadrai Parekh is a qualified Chartered Accountant and a member of the Institute of Chartered Accountants of India, a qualified Company Secretary and a member of the Institute of Company Secretaries of India and a Commerce graduate from the University of Bombay. He has also studied law. He has 37 years' post-qualification experience in the field of finance and related areas.

Mr Parekh joined the Tata Group in 1990. At Tata Chemicals Ltd, he was responsible for the accounting and finance function of the Rs 1,500 crore fertilizer project in Babrala, UP till the successful completion of the project and commencement of commercial production. He has handled all aspects of various investment Non-Banking Financial Companies (NBFCs) of the Tata Group.

He has been with The Indian Hotels Co Ltd (IHCL), a company promoted by the Tatas, since 2001 and is currently designated as Vice-President – Finance & Direct Tax. During his tenure with IHCL, he has assumed various roles and handled multiple assignments in diverse fields. He is responsible for the operations and other functions at the corporate level for several international companies and certain domestic companies of the IHCL Group besides heading the direct tax function. He has led several assignments relating to mergers, amalgamations, acquisitions, divestments, restructuring, etc. in the hospitality, aviation and NBFC space. He has varied knowledge and experience in both domestic and international jurisdictions in multiple functions such as accounts, finance, legal, secretarial, compliance, taxation, audit and corporate matters. He is also a mentor to several qualified and promising young professionals within the IHCL Group to develop them for larger roles.

Mr. D R Kaarthikeyan, Non-Executive Independent Director

He is a retired IPS officer appointed as director in the year 2001, he is a Graduate in Bachelor of Science (Chemistry and Agriculture) and also in Law. Practiced as Lawyer for three years and then joined the Indian Police Service and held challenging positions like

- Chief of Investigation of former Prime Minister Rajiv Gandhi assassination case;
- Director-General of Central Reserve Police Force, the largest para-military force in India and perhaps in the entire World;
- Director of the prestigious Central Bureau of Investigation of India; and
- Director-General in the National Human Rights Commission.

Mr. M B N Rao, Non-Executive Independent Director

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

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

Mr. A Rajasekhar, Non-Executive Independent Director

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

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

Mr. N Anil Kumar Reddy, Non-Executive Independent Director

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

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

Mr. N Sandeep Reddy, Non-Executive Independent Director

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

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

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

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

Mrs. Dinaz Noria, Non-Executive Independent Woman Director

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

She founded the firm in 1990 as a wedding design studio, 3D filled a niche in an emerging wedding décor and planning market by pushing the boundaries and changing the rules. This Hyderabad based company forayed in to all markets and designs and manages

events pan India and overseas. The firm is a pioneer and leader in the wedding market industry, Dinaz has brought her entrepreneurial passion to take aesthetically curated concepts, signature to her extensive body of work, and transform them into experience, using her strengths of project, people and time management.

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

f) Confirmation from the Board

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

3. Audit Committee

a) Brief description of terms of reference

The terms of reference of the Audit Committee are covering the matters specified for Audit Committees under Regulation 18 read with Part C of Schedule II to the SEBI (LODR) Regulations and Section 177 of the Companies Act, 2013. The terms of reference of the Audit Committee inter alia, is to review the financial statements including changes in accounting policies and practices before submission to the Board, recommended the appointment of statutory and internal auditors including fixation of audit fee, discussed the internal auditors' findings and reviewed the company's financial and risk management policies.

b) Composition and attendance details of the Committee meetings are as follows

The present Committee consists of 6 Non-Executive Directors, of whom 4 are Independent Directors. The Audit Committee has met 4 times during the financial year 2020-21 on 25.06.2020, 04.08.2020, 02.11.2020 and 29.01.2021.

The constitution of the Audit Committee and attendance details during the financial year ended 31st March, 2021, are given below:

Name of the Member	Designation	No. of meetings held	No. of meetings attended
Mr. M B N Rao	Chairman, Independent Director	4	3
Mr. Krishna R Bhupal	Member, Non-Executive Director	4	4
Mr. Puneet Chhatwal	Member, Non-Executive Director	4	4
Mr. A Rajasekhar	Member, Independent Director	4	3
Mr. N Anil Kumar Reddy	Member, Independent Director	4	4
Mr. N Sandeep Reddy	Member, Independent Director	4	4

Note: Video / Tele-conferencing facility is offered to facilitate Directors to participate in the meetings.

Mrs. G. Indira Krishna Reddy, Managing Director, Mrs. Shalini Bhupal, Joint Managing Director are special invitees to the Audit Committee meeting. The senior executives of IHCL were also special invitees, when the operations of the Hotels are discussed.

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

4. Nomination and Remuneration Committee

a) Brief description of terms of reference

The terms of reference of the Committee are in line with the requirements of section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II to the SEBI (LODR) Regulations. The Committee has been constituted to recommend/review the remuneration package of the Managing/ Whole-Time Directors, nomination of Directors / Key Managerial Personnel and one level below the Board along with the heads of department apart from deciding other matters such as framing and implementation of stock option plans to employees, etc. The remuneration policy is directed towards rewarding performance based on review of achievements which are being reviewed periodically which is in consonance with the existing industry practices.

b) Composition, name of members and Chairperson

The Nomination and Remuneration Committee consists of 5 Non-Executive Directors, of whom 3 are Independent Directors. The Nomination and Remuneration Committee has met 2 times during the financial year 2020-21 on 23.04.2020 and 04.08.2020.

The constitution of the Nomination and Remuneration Committee and attendance details during the financial year ended 31st March, 2021, are given below:

Name of the Member	Designation	No. of meetings held	No. of meetings attended
Mr. N Anil Kumar Reddy	Chairman, Independent Director	2	2
Mr. Krishna R Bhupal	Member, Non Executive Director	2	2
Mr. Puneet Chhatwal	Member, Non Executive Director	2	2
Mr. N Sandeep Reddy	Member, Independent Director	2	2
Mr. A Rajasekhar	Member, Independent Director	2	2

Note: Video/Tele-conferencing facility is offered to facilitate Directors to participate in the meetings.

c) Nomination and Remuneration policy

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

d) Performance evaluation of Directors

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

The evaluation of Independent Directors, Board of Directors, Managing Director, Non-Executive Directors, Chairperson of the Board, evaluation of Committees are already discussed in Directors Report. Evaluation of all Board members is performed on an annual basis. The evaluation is performed by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

The Nomination and Remuneration Committee and the Board reviewed the performance of each Director individually and expressed satisfaction on the performance and also recommended for continuation as Directors of the Company.

5. Meeting of Independent Directors

A Separate meeting of the Independent Directors was held on 31.03.2021, inter-alia, to discuss evaluation of the performance of Non-Independent Directors, the Board as a whole, evaluation of the performance of the Chairman, taking into account the views of the Executive and Non-Executive Directors and the evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

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

6. Lead Independent Director

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

7. Succession planning

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

8. Remuneration of Non-Executive Directors

- There were no pecuniary transactions with any Non-Executive Directors of the Company.
- Non-Executive Directors other than IHCL Nominee Directors are paid Sitting Fees for attending the Board Meetings / Committee meetings the details of which are given in Board Report.
- The Remuneration paid to the Whole time Director during the year ended 31st March, 2021 is as follows:

(Rs in lakhs)

Name of the Director	Gross Salary	Value of Perquisites	Stock option	Sweat Equity	Commission	Total	No. of shares held
Mrs. G Indira Krishna Reddy Managing Director	-	2.40	-	-	-	2.40	75,68,947
Mrs. Shalini Bhupal Joint Managing Director	163.91	2.41	-	-	-	166.32	2,34,48,859

9. Stakeholders Relationship Committee

The terms of reference and composition of the Stakeholders' Relationship Committee satisfy the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulations.

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

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

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

The Committee has met 4 times during the financial year 2020-21 on 25.06.2020, 04.08.2020, 02.11.2020 and 29.01.2021. The attendance details for the Committee meeting is as follows:

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

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

The Company has received the following communications from the shareholders during the period April, 2020 to March, 2021, and all these were replied / resolved to the satisfaction of the shareholders

Sl. No.	Nature of Request / Complaint	Received	Resolved
1	Non-receipt of share certificate sent for Transfer	-	-
2	Non-receipt of dividend warrant	33	33
3	Non-receipt of Demat credit / Remat certificate	-	-
4	Non-receipt of Annual Report	1	1
5	Change of Address	-	-
6	Bank Details / Mandate	-	-
7	Issuing new share certificate(s) in lieu of erstwhile Hotel Sree Krishna Limited share certificate(s) received for exchange	32	32
8	Stop Transfer / Procedure for duplicate share certificate	-	-
9	Indemnity / Affidavit – duplicate	-	-
10	Remat Request	-	-
11	Revalidation / Replacement of Dividend Warrant	-	-
12	Procedure for Transfer / Transmission / Name Deletion	-	-
13	Registration of Signature	-	-
14	Confirmation of details	-	-
15	Others (Nominee)	-	-
	TOTAL	66	66
	Complaints received from:		
1	SEBI	-	-
2	Stock Exchange	1	1

10. Corporate Social Responsibility Committee

The present Committee comprises of three Members Mr. A Rajasekhar, Chairman, Mrs. Shalini Bhupal, Mrs. Dinaz Noria, Members of the Committee.

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

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

4. Monitor the policy from time to time as per the CSR policy.

During the year ended 31st March, 2021, one CSR Committee Meetings were held on 29.01.2021. The constitution of the CSR Committee and attendance details during the financial year ended 31st March, 2021 are given below:

Name of the Member	Designation	No. of meetings held	No. of meetings attended
Mr. A Rajasekhar	Chairman, Independent Director	1	1
Mrs. Shalini Bhupal	Member, Executive Director	1	1
Mrs. Dinaz Noria	Member, Independent Director	1	1

11. Risk Management Committee

During the year ended 31st March, 2021, one Committee Meeting was held on 15.03.2021. The constitution of the Committee and attendance details during the financial year ended 31st March, 2021 are given below:

Name of the Member	Designation	No. of meetings held	No. of meetings attended
Mr. N Anil Kumar Reddy	Chairman, Independent Director	1	1
Mrs. G Indira Krishna Reddy	Member, Executive Director	1	1
Mrs. Shalini Bhupal	Member, Executive Director	1	1
Mr. Ian Dubier	Member	1	1
Mr. Srinivas Lahari Panditha	Member	1	1

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

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

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

12. Compliance Officer

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

13. Prevention of Insider Trading

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

14. Compliance

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

15. Post Meeting Follow-Up Mechanism

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

16. Recording Minutes of Proceedings at Board and Committee Meetings

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

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

Regulation	Particulars of Regulations	Compliance status during the financial year 2020-21
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of listed entity	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to Directors and Senior Management	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i)	Website	Yes

18. General Body Meetings

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

Year	Date	Time	Meeting	Venue
2019-20	24.09.2020	11.00 A.M.	AGM	Meeting held through VC / OAVM the meeting deemed to be held at registered office of the company
2018-19	25.07.2019	11.30 A.M.	AGM	Sri Sathya Sai Nigamagamam, Srinagar Colony, Hyderabad
2017-18	03.08.2018	11.30 A.M.	AGM	Sri Sathya Sai Nigamagamam, Srinagar Colony, Hyderabad

b) Special Resolutions passed during last three Annual General Meetings

Year	Date	Meeting	Special business and special resolutions passed with requisite majority
2019-20	24.09.2020	AGM	1) Appointment of Mrs. Dinaz Noria as an Independent Women Director 2) Re-appointment of Mr. D R Kaarthikeyan as a Non-Executive Independent Director 3) Re-appointment of Mr. M B N Rao as a Non-Executive Independent Director 4) Re-appointment of Mrs. G Indira Krishna Reddy as Managing Director 5) Approval of the excess remuneration paid to Mrs. G Indira Krishna Reddy, Managing Director of the company for the financial year 2019-20 6) Approval of the excess remuneration paid to Mrs. Shalini Bhupal, Joint Managing Director of the company for the financial year 2019-20
2018-19	25.07.2019	AGM	1) Appointment of Dr. GVK Reddy as a Director liable to retire by rotation 2) Re-appointment of Mr. A Rajasekhar as a Non-Executive Independent Director 3) Appointment of Mrs. Shalini Bhupal, Whole Time Director designated as Joint Managing Director for a period of 5 years 4) Approval for waiver of recovery of excess remuneration paid to Mrs. G Indira Krishna Reddy, Managing Director of the company, in view of the amended provisions of the Companies Act, 2013 5) Approval for waiver of recovery of excess remuneration paid to Mrs. Shalini Bhupal, Whole Time Director of the company, in view of the amended provisions of the Companies Act, 2013 6) Approval of the excess remuneration paid to Mrs. G Indira Krishna Reddy, Managing Director of the company for the financial year 2018-19
2017-18	03.08.2018	AGM	1) Waiver of excess remuneration paid to Managing Director for the financial year 2017-18

c) Special Resolutions passed last year through postal ballot

During the year, no special resolution was passed through postal ballot.

d) Extraordinary General Meeting

No Extraordinary General Meeting of the Members was held during the year 2020-21.

19. Means of Communication

Information like Quarterly / Half Yearly / Annual Financial Results of the Company that have been made available from time to time have been submitted to the Stock Exchanges to enable them to put on their websites and communicate to their Members. The same is also made available to Institutional Investors or to the Analysts, if any and are also hosted on the Company's website at www.tajgvk.in.

The Quarterly / Half Yearly / Annual Financial Results are published in English and Telugu language newspapers normally in Business Standard and Andhra Prabha. The Company is filing all reports / information including Quarterly Financial Results, Shareholding Pattern, and Corporate Governance Report etc., electronically on NSE website viz. www.nseindia.com and on BSE website viz. www.bseindia.com.

20. Shareholders Information:

1.	Annual General Meeting	
	Date, time & Venue	24th September, 2021, 11.30 A.M.
2.	Share transfer book closure dates	16th September, 2021 to 24th September, 2021 (Both days inclusive)
3.	Financial Year Calendar 2021-22	
	Financial Results Reporting	
	For the quarter ending June 30, 2021	6th August, 2021
	For the quarter ending September 30, 2021	October / November, 2021
	For the quarter ending December 31, 2021	January / February, 2022
	For the quarter ending March 31, 2022	April / May, 2022
4.	Listing of Stock Exchanges	Company's equity shares are listed at:
	Name and Address of the Stock Exchange	Scrip Code
	National Stock Exchange of India Ltd Exchange Plaza, 5th Floor, Plot No.C/1, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400 051	TAJGVK
	Bombay Stock Exchange Ltd 1st Floor, New Trading, Ring Rotunda Building, P J Towers, Dalal Street, Fort, Mumbai – 400 013	532390
	Listing fees for and up to the year 2021-22 have been paid to the above Stock Exchanges.	
5.	Demat ISIN Numbers in NSDL & CDSL Equity shares	INE586B01026

21. Statement of changes in share capital

Date of Allotment	Number of Shares	Issue Price (Rs.)	Consideration	Reasons for Allotment	Cumulative Paid up Capital (Rs.)	Cumulative Share Premium (Rs.)
2nd February, 1995	700	10	Cash	Subscribers to Memorandum	7,000	-
28th June, 2000	1,01,64,599	10	Other than cash	As per Scheme of Arrangement	10,16,52,990	7,30,75,000
28th June, 2000	23,75,000	10	Other than cash	As per Scheme of Arrangement	12,54,02,990	34,62,00,000
18th October, 2005	6,27,01,495	2	Other than cash	Stock Split of Rs.10/- FV to Rs.2/- FV	12,54,02,990	34,62,00,000

22. Distribution of Shareholding as on 31st March, 2021

Shareholding as on 31st March, 2020

No. of shares held	No. of Share	% of Share capital	No. of Shareholders	% of total no. of shareholders
Upto - 500	3987020	6.36	40146	93.69
501 - 1000	1231739	1.96	1552	3.62
1001 - 2000	1010180	1.61	668	1.56
2001 - 3000	465833	0.74	186	0.43
3001 - 4000	283841	0.45	79	0.18
4001 - 5000	247217	0.39	52	0.12
5001 - 10000	613590	0.98	83	0.19
10001 and above	54862075	87.50	82	0.19
Total	62701495	100.00	42848	100.00

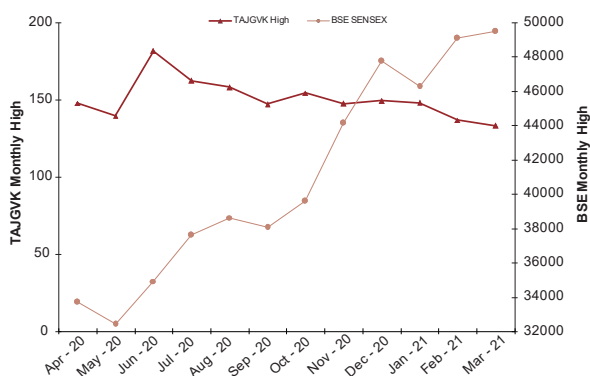
23. Shareholding pattern of the company as on 31st March, 2021

Sl. No.	Nature of Request / Complaint	No. of Shareholders	No. of equity shares	% of share holding
I	Promoter's Holding	3	47018206	74.99
II	Non-Promoters Holding			
	Institutional Investors	1	75000	0.12
	Mutual Funds and UTI	15	3277716	5.23
	Banks, Financial institutions, insurance companies	4	1694	-
	Foreign Institutional Investors	-	-	-
III	Others			
	Private Corporate bodies	228	2245396	3.58
	Indian Public	42012	9002943	14.36
	NRI/ OCBs	499	289351	0.46
	Trusts	3	391	-
	Foreign National	-	-	-
	HUF	-	-	-
	IEPF Authority	1	637494	1.02
	Clearing Members	82	153304	0.24
	TOTAL	42848	62701495	100.00

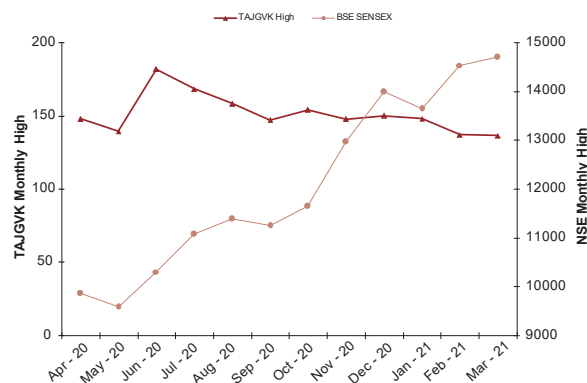
24. Stock Market Data

Month & Year	Bombay Stock Exchange (BSE) Price (Rs.)		National Stock Exchange (NSE) Price (Rs.)	
	Month's High	Month's Low	Month's High	Month's Low
April, 2020	147.90	99.10	147.90	100.00
May, 2020	139.70	117.15	139.40	117.00
June, 2020	181.70	138.00	181.80	135.00
July, 2020	162.35	136.00	168.30	136.00
August, 2020	158.25	137.35	158.30	139.15
September, 2020	147.25	118.00	147.15	117.75
October, 2020	154.55	125.00	154.00	125.05
November, 2020	147.50	124.45	147.80	124.50
December, 2020	149.50	124.20	150.00	124.00
January, 2021	148.10	131.00	148.00	130.40
February, 2021	136.90	120.50	137.00	120.40
March, 2021	133.25	108.00	136.55	109.00

COMPARISON WITH BROAD BASED INDICES - BSE



COMPARISON WITH BROAD BASED INDICES - NSE



25. Share Transfer System: As on 31st March, 2021, 6,22,10,947 equity shares of the company were in dematerialized form and 4,90,548 equity shares were held in physical form. Transfer of equity shares in dematerialized form are done through depositories with no involvement of the company. In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from 1st April, 2019, securities of listed company can be transferred in dematerialized form except where the claim is lodged for transmission of shares.

Company obtains a half yearly certificate from Company Secretary in Practice as required under Regulation 40(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and file copy of the said Certificate(s) with Stock Exchanges. Accordingly to avail benefit of dematerialize, members are advised to dematerialize the shares held by them in physical form.

26. Reconciliation of Share Capital Audit: Share Capital Audit is being carried out every quarter by a Company Secretary in Practice to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued capital. The Audit confirms that the total issued, paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with depository) and that the request for dematerialize of shares are processed by the Registrar and Share Transfer Agent within statutory period and uploaded with the concerned depository.

27. Credit Rating: During the year under review, your company's credit rating given by ICRA Ltd is as detailed below :

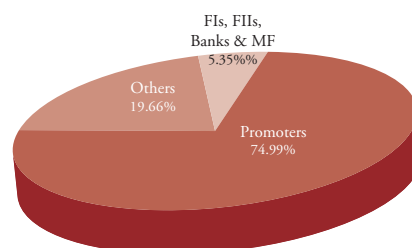
Long term rating	ICRA –BBB+
Short term rating	ICRA –A2

28. Dematerialization of shares & Facility of simultaneous transfer :

99.23% of the shares issued by the Company have been dematerialized up to 31st March, 2021. Trading in equity shares of your Company on any Stock Exchange is permitted only in the dematerialized mode with effect from 2nd July, 2001.

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

Shareholders	Shares	Percentage of shares
Promoters	47018206	74.99%
FIs, FIIS, Banks & MF	3354410	5.35%
Others	12328879	19.66%



29. Unit Locations

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

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

Venture Capital and Corporation Investments Pvt Ltd

Unit: **TAJGVK Hotels & Resorts Limited**

#12-10-167, Bharat Nagar, Hyderabad – 500 018

Tel: 040-23818475, 23818476 Fax: 040-23868024

Email : info@vccipl.com; info@vccilindia.com; Website : www.vccipl.com

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

31. Any query on Annual Report:

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

32. Other Disclosures

a) During the year ended 31st March, 2021 there were no materially significant related party transactions, which had potential conflict with the interests of the Company at large

b) Details of non-compliance:

For a part of the year under review, The Company has not Complied with the provisions of Section 17(1) of SEBI (Listing obligations & Disclosure Requirements), Regulations 2015, due to non appointment of Women Director upto 25th June, 2020.

At the Board Meeting held on 25th June, 2020, Company has appointed Ms. Dinaz Noria (DIN: 00892342) as Independent Women Director for period of 5 years. Further, the company has also paid the penalty for non compliance of the above provisions to both NSE and BSE as detailed below:

Date of payment	Stock Exchange Name	Penalty Amount paid in Rs.
24.08.2020	Bombay Stock Exchange (BSE)	5,01,500
25.08.2020	National Stock Exchange (NSE)	5,01,500

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

c) Details of establishment of Vigil Mechanism:

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

The Audit Committee reviews periodically the functioning of Vigil Mechanism Policy. No personnel has been denied access to the Audit Committee. A copy of the Vigil Mechanism Policy is also available on the website of the Company: www.tajgvk.in under corporate policies. The company has not received any complaint during the Financial Year ended 31.03.2020.

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

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

f) The Company has not raised any funds through preferential allotment or qualified institutions placement during the Financial Year ended 31.03.2021.

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

h) Given below are the details of fees paid to M/s. M Bhaskara Rao & Co., Chartered Accountant, Statutory Auditors of the Company on a Consolidated basis during the Financial Year ended 31.03.2021:

S. No.	Payments to the Statutory Auditors (excluding taxes)	Amount (Rs. In lakhs)
1	Audit fees paid for Standalone and Consolidated Financials	13.50
2	Tax Audit and Quarterly Limited Review Reports	1.50
3	Reimbursement of out of pocket expenses	0.05

i) SEBI Complaints Redressal System (SCORES):

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

j) NSE Electronic Application Processing System (NEAPS):

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

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

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

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

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

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

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

- i) Board: The Company has Non-Executive Chairperson and position of Chairman, Managing Director are held by separate Directors.
- ii) Reporting of Internal Auditor: Internal Auditors reports directly to the Audit Committee.

35. Code of Conduct and Business Ethics

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

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

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

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

S. No.	Particulars	No. of shareholders	No. of Equity shares
1	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e., 01.04.2020	3104	313870
2	No. of shareholders who approached the Company for transfer of shares from Unclaimed Suspense account during the year.	24	3435
3	Number of shareholders to whom shares were transferred from the Unclaimed Suspense account during the year.	24	3435
4	Transferred to Investor Education and Protection fund Authority	573	54755
5	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense account at the end of the year i.e., 31.03.2021	2507	255680

The voting rights on the shares outstanding in the suspense account as on 31.03.2021 shall remain frozen till the rightful owner of such shares claim the shares.

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

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

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

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

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

Financial year	Amount of unclaimed dividend transferred (In Rs.)	Date of unclaimed dividend transferred	No. of equity shares transferred
2009-10	23,22,752	23.08.2017	3,78,669
2010-11	23,68,930	04.09.2018	36,307
2011-12	20,33,566	15.11.2019	1,20,841
2012-13	7,75,102	03.09.2020	1.02.692

Members who have not en-cashed their dividend warrants for the financial year 2013-14 and thereafter are requested to write to CFO & Company Secretary, TAJGVK Hotels & Resorts Limited, Taj Krishna, Road No.1, Banjara Hills, Hyderabad – 500 034, e-mail:tajgvkshares.hyd@tajhotels.com or the Company's Registrar and Share Transfer Agents, for obtaining payment in lieu of such dividend warrants. The detailed dividend history and the due dates of transfer to IEPF are available on the website of the company www.tajgvk.in. Information in respect of such unclaimed dividend due for transfer to the Investor Education and Protection Fund (IEPF) are given below

Financial Year	% of Dividend Declared	Date of Declaration of Dividend	Last date for claiming unpaid dividend	Unclaimed Dividend (In Rs.)	Due date for transfer to the IEPF A/c
2013-14	10%	01.08.2014	05.09.2021	3,43,137.00	04.10.2021
2014-15	The Company has not declared dividend for this financial year				
2015-16	20%	04.08.2016	03.08.2023	6,46,474.00	02.09.2023
2016-17	20%	01.08.2017	31.07.2024	2,98,388.40	01.09.2024
2017-18	30%	03.08.2018	07.09.2025	3,23,317.80	06.10.2025
2018-19	30%	25.07.2019	30.08.2026	2,70,066.60	29.09.2026
2019-20	The Company has not declared dividend for this financial year				

DECLARATION BY MANAGING DIRECTOR / CEO

I, G Indira Krishna Reddy, Managing Director of TAJGVK Hotels & Resorts Limited hereby declare that all the Board Members and Senior Managerial Personnel have affirmed for the year ended 31st March, 2021 compliance with the code of conduct of the Company laid down for them.

Place: Hyderabad
Date : 06.08.2021

G Indira Krishna Reddy
Managing Director
DIN:00005230

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

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

To
The Members of
TAJGVK Hotels & Resorts Limited

We have reviewed the compliance of conditions of Corporate Governance by TAJGVK Hotels & Resorts Limited, for the year ended 31st March, 2021, as stipulated in Chapter IV of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015.

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

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

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

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

For Narender & Associates
Company Secretaries

Place : Hyderabad
Date : 06.08.2021

G Narender
Proprietor
FCS:4898, CoP:5024

CERTIFICATE BY CEO/CFO

Pursuant to the provisions under Schedule V to the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, it is hereby certified that for the period ended 31st March, 2021:

- A. We have reviewed the financial statements and the cash flow statements for the period ended 31st March, 2021 and that to the best to our knowledge and belief, these statements:
1. do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the period under review that are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take, to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
1. significant changes in internal control over financial reporting during the period under review;
 2. significant changes in accounting policies during the period and that the same have been disclosed in the notes to the financial statements; and
 3. instances of significant fraud, if any, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

G Indira Krishna Reddy
Managing Director
DIN:00005230

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

Place: Hyderabad
Date: 06.08.2021

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

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

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

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S. No.	Name of the Director	Designation	DIN	Date of Appointment in Company
1	Dr G V K Reddy	Director	00005212	02-02-1995
2	Mrs. G Indira Krishna Reddy	Managing Director	00005230	25-04-2015
3	Mrs. Shalini Bhupal	Joint Managing Director	00005431	17-06-2004
4	Mr. Krishna R Bhupal	Director	00005442	24-10-2009
5	Mr. Puneet Chhatwal	Director	07624616	02-02-2018
6	Mr. Rajeshkumar H Parekh	Director	01942405	06-08-2021
7	Mr. M B N Rao	Director	00287260	24-10-2009
8	Mr. D R Kaarthikeyan	Director	00327907	27-04-2001
9	Mr. A Rajasekhar	Director	01235041	01-08-2014
10	Mr. N Sandeep Reddy	Director	00483826	15-05-2019
11	Mr. N Anil Kumar Reddy	Director	00017586	15-05-2019
12	Mrs. Dinoz Noria	Director	00892342	25-06-2020

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

For **NARENDER & ASSOCIATES**
Company Secretaries

Place: Hyderabad
Date: 06.08.2021

G NARENDER
Proprietor
FCS-4898, COP-5024

BUSINESS RESPONSIBILITY REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

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

Section A: General Information about the Company

1	Corporate Identity Number (CIN) of the company	L40109TG1995PLC019349								
2	Name of the Company	TAJGVK Hotels & Resorts Limited								
3	Registered Address	Taj Krishna, Road No.1, Banjara Hills, Hyderabad – 500 034, Telangana Ph No.040-66662323, Fax No.040-66625364								
4	Website	Website: www.tajgvk.in								
5	Email ID	tajgvkshares.hyd@tajhotels.com								
6	Financial Year reported	1st April, 2020 to 31st March, 2021								
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	<table border="1"><thead><tr><th>Industrial Group</th><th>Product Description</th></tr></thead><tbody><tr><td>551</td><td>Short Term Accommodation activities</td></tr><tr><td>561</td><td>Restaurants and Mobile food service activities</td></tr><tr><td>562</td><td>Event catering and other food services activities</td></tr></tbody></table>	Industrial Group	Product Description	551	Short Term Accommodation activities	561	Restaurants and Mobile food service activities	562	Event catering and other food services activities
Industrial Group	Product Description									
551	Short Term Accommodation activities									
561	Restaurants and Mobile food service activities									
562	Event catering and other food services activities									
8	List three key products / services that the company manufactures / provides (as in balance sheet):	1. Rooms 2. Food and beverage services								
9	Total number of locations where business activity is undertaken by the Company:	TAJGVK Hotels & Resorts Ltd undertakes business at the following locations: Four hotels in Hyderabad, one hotel in Chandigarh and Chennai								
10	Markets served by the Company - Local / State / National / International:	National : Hyderabad, Chandigarh, Chennai International : Nil								

Section B: Financial Details of the Company as on March 31, 2021

S. No.	Particulars	FY 2020-21 (Rs. In Lakhs)
1	Paid up capital	1254.03
2	Total turnover	9681.74
3	Total profit after taxes	(2612.89)
4	Total spending on Corporate Social Responsibility (CSR)	Nil
5	List of activities in which expenditure in 4 above has been incurred	Rejuvenation of the Shivnahelli Lake, Yelahanka, Bengaluru.

Note: Due to current pandemic situation the company could not take up the on going Rejuvenation works at Shivnahelli Lake, Yelahanka, Bengaluru, during the FY 2020-21. The company was required to spent Rs. 69.87 lakhs for the FY 2020-21. As per MCA Notification dated 22.01.2021, the company transferred the unspent amount to separate bank account with in the stipulated time and the amount will be spent as per the terms of MOU signed with Bangalore Development Authority (BDA).

Section C: Other Details

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

Section D: BR Information

1. Details of Director/Directors responsible for BR

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

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

(b) Details of BR Head :

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

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

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

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

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

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

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

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

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

3. Governance related to BR

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

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

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

Financial Year 2020-21 is the 2nd year of applicability of Business Responsibility Report and the Company is yet to publish any separate report in this regard.

Section E: Principle-wise Performance

Principle 1

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

Derived from Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the Company?

No, the policy relating to ethics, bribery and corruption is extended to all stakeholders.

2. Does it extend to the Group / Joint Ventures / Suppliers/ Contractors / NGOs / Others?

Yes

3. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the Management? If so, provide details thereof, in about 50 words or so.

The Company did not receive any complaint from any stakeholders in this regard.

Principle 2

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

1. List up to three of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

As a hospitality company, selling rooms and F&B business is our product and service. We endeavour to integrate measures entailing energy and water conservation, waste management, culturally and regionally sensitive designs and interiors of our hotels, purchases from local traders, MSME vendors, artisans and craftsmen and local hiring.

2. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The Company is part of the Central Warehousing Programme of IHCL. Under this programme orders from our hotels are consolidated, leading to full truck load shipments from vendors to warehouse and from warehouse to hotels. This has reduced transportation due to consolidation of shipments. This has helped the Company improve its supply chain efficiency and lower its carbon footprint, reduce stock inventories and optimize logistics.

3. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Our Hotels source products and services from local vendors, MSMEs and communities surrounding the Hotels. Some of the products sourced by our hotels include bread, dry fruits, packing materials, uniforms, flowers and fish. The hotels engage authorised local agencies for garbage clearance and for other support services. Training is given in the areas of hygiene, sanitation and food safety management practices. The vendors are also educated on meeting the Taj Standards for their products. Vendor meets are organised at regular intervals to give feedbacks and necessary trainings to vendors.

4. Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Our Hotels are participating in the Earth check programme of IHCL. All hotels engage authorised agencies to collect the waste and thereby the Company has ensured that 100% of the organic wastes generated are diverted from landfills. All e-waste generated in our properties is given to recyclers certified by the Pollution Control Board. Hotels ensure sewage treatment before disposing water into municipal sewers and also reuse treated water for gardening and cleaning of back area of the units as appropriate. The Company is also committed to eliminate single use plastics from our Hotels.

Principle 3

Businesses should promote the well-being of all employees

1. Please indicate the Total number of employees:

Permanent	Contractual	Total
349	597	946

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

Total hiring done in 2020-21: The company Hotels normally hire on casual basis for Banquet function and during the year in aggregate more than 600 persons were engaged.

3. Please indicate the Number of permanent women employees: 79

4. Number of permanent employees with disabilities

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

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

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

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

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

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

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

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

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

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

Principle 4

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

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

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

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

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

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

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

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

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

Principle 5

Businesses should respect and promote human rights

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

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

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

Sum of No. of complaints filed during Financial Year 2020-21	Sum of No. of complaints pending as on end of the Financial Year 2020-21
Nil	Nil

Principle 6

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

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

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

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

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

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

Yes

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

No

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

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

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

Yes

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

Nil

Principle 7

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

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

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

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

No

Principle 8

Businesses should support inclusive growth and equitable development.

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

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

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

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

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

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

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

(Rs. In lakhs)

S. No	CSR project or activity identified.	Sector In which The Project Is Covered	Projects or programs 1) Local area or other 2) Specify the State and district where projects or programs was undertaken.	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct on projects or progarms- (2) Overheads:	Cumulative Expenditure upto the reporting Period.	Amount spent Direct or through implementing Agency.
1	Excavation and rejuvenation of Shivnahelli Lake, Bengaluru	Environmental Sustainability	Local Area, Yelahanka, Bengaluru, Karnataka as per the MOU signed with BDA, Bengaluru	69.87	Direct on the project*	199.90	Direct
	Total			69.87		199.90	

Note: Due to current pandemic situation the company could not take up the on going Rejuvenation works at Yelhanka, Bengaluru, during the FY 2020-21. The company was required to spent Rs. 69.87 lakhs for the FY 2020-21. As per MCA Notification dated 22.01.2021, the company transferred the unspent amount to separate bank account with in the stipulated time.

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

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

Principle 9

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

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

The Company receives guest complaints that are dealt with from time to time and handled to closure but none of them have converted to a consumer complaint / case during the financial year 2020-21. As such there were no consumer cases filed during the financial year ended March 31, 2021.

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

Not Applicable

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

No

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

Yes

**STANDALONE
FINANCIAL
STATEMENTS**

Independent Auditor's Report

To The Members of
TAJGVK Hotels & Resorts Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of TAJGVK Hotels & Resorts Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the net loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of matter

We draw attention to the following Notes to the Financial Statements

Note 23

Regarding the management's assessment of the impact of COVID-19 on its business including but not limited to liquidity and going concern assumptions, recoverable values of its financial and non-financial assets and its increased efforts for their recovery and impact on revenues and costs for the year ended 31st March 2021, and based on its internal and external sources of information, sensitivity analysis of the assumptions used and its current estimates, the company's expectation to recover its carrying amount of the aforesaid assets.

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

Key Audit Matters

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

S. No	Key Audit Matter	Auditor's Response
1	<p>Impact of COVID-19 pandemic and Going Concern -Refer Note 23:</p> <p>During the year, the business of the Company was significantly impacted due to COVID-19. Significant number of hotels were not operating for the first six months on account of restrictions imposed due to lockdowns; with lifting of lockdown restrictions all the hotels started operating from second half of the year.</p> <p>The Company has assessed the potential impact of Covid-19 on its capital and financial resources, profitability, liquidity position, ability to service debt and other financing arrangements, supply chain and demand for its services.</p> <p>The Company has also assessed the potential impact of Covid-19 on the carrying value of property, plant & equipment, right to use assets, intangible assets, investments, trade receivables, inventories, and other current assets appearing in the financial statements of the Company and expects to recover the carrying amounts of these assets.</p> <p>Presently, various state Governments have imposed restrictions due to the resurgence of COVID-19 cases, which has significantly impacted business of the Company.</p> <p>In view of the above, we identified impact of COVID-19 on going concern as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none">• Obtained an understanding of key assumptions adopted by the Company in assessing the Impact based on our understanding of the Company's business• Performed the following procedures:<ul style="list-style-type: none">• Reviewed the status of long-term borrowings and company's availment of moratorium to the repayment;• Reviewed the receivables position as at 31st March 2021 on the date of report• Obtained understanding of new borrowing facilities availed including additional credit pronounced under government scheme.• Assessed Government's efforts to counter the impact of resurgence in COVID-19 cases and the impact of the same on future projections;• Assessed disclosures made in the standalone financial statements with regard to the above. Refer to note 23(a) & (b)

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

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

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

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

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

Management's Responsibility for the Standalone Financial Statements

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has an adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rules made thereunder and in force for the time being.
- e) On the basis of the written representations received from the Directors as on March 31, 2021 taken on record by the Board of Directors of the Company, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Managerial Personnel during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. (Refer Note 22)
 - ii. The Company 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.

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

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

D. BAPU RAGHAVENDRA
Partner
(Membership No.213274)
UDIN: 21213274AAAAMO9402

Place: Hyderabad,
Date: June 25, 2021

Annexure “A”

to the Independent Auditor’s Report

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

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

We have audited the internal financial controls over financial reporting of **TAJGVK Hotels & Resorts Limited** (“the Company”) as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

D. BAPU RAGHAVENDRA
Partner
(Membership No.213274)
UDIN: 21213274AAAAMO9402

Place: Hyderabad
Date: June 25, 2021

Annexure “B”

to the Independent Auditor’s Report

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

- i. In respect of the Company’s fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) During the year due to COVID pandemic, the company has not conducted the physical verification of fixed assets. But the company has a policy to conduct physical verification all the fixed assets (Property, Plant and Equipment) once in 3 years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) According to the information and explanations furnished to us, and based on the records examined by us, the title deeds of immovable properties included in the fixed assets register are held in the name of the Company except to the extent stated in Foot Notes 1&2 to Note 1 and Note 24 of the financial statement.
- ii. Inventory has been physically verified by the Management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in books of account.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. Accordingly, reporting under the provisions of Clause 3 (iii), (iii) (a), (iii) (b) and (iii) (c) of the said Order does not arise.
- iv. In our opinion and according to the information and explanations furnished to us, the Company has not granted any loans, or made any investments or provided any guarantees or security during the year to any of the parties specified in Sections 185 and 186 of the Companies Act, 2013. Accordingly, reporting under the provisions of Clause 3 (iv) of the said Order does not arise.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed thereunder to the extent notified. Accordingly, reporting under provisions of paragraph 3(v) of the Order does not arise.
- vi. According to the information furnished to us, maintenance of Cost Records has not been specified by the Central Government under Section 148(1) of the Companies Act 2013, for the business carried out by the company. Thus, reporting under Clause 3(vi) of the Order does not arise.
- vii. According to the information and explanations furnished to us,
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other all statutory dues applicable to it, with the appropriate authorities, and there were no such dues on the date of the Balance Sheet
 - (b) Details of disputed dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value added Tax which have not been deposited as on March 31, 2021 are as below:

Name of the Statute	Nature of Dues	Amount Rs. In Lakhs	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax,	51.57	2006-07	CIT (Appeals)
		151.08	2012-13	ITAT, Hyderabad
AP VAT Act	VAT	294.04	2008-09 to 2010-11	Hon’ble High Court of Telangana
		13.36	2008-09	Sales Tax Tribunal
Service Tax	Service Tax	2477.10	2006 to 2011	CESTAT, Hyderabad
		50.52	2013-2017	Commissioner of Central Tax (Appeals)

- viii. According to the information and explanations given to us, and based on the records examined by us, the Company has not defaulted in respect of repayment of loans or borrowings to financial institutions, banks and government.
- ix. According to the information furnished to us, during the year under report, the company did not have any moneys raised from Initial Public Offering or Further Public Offering, that remained to be applied for the purposes for which they were raised. Thus, reporting under Clause 3(ix) of the Order does not arise.
- x. To the best of our knowledge and according to the information and explanations furnished to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

- xi. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Managerial Personnel during the year is in accordance with the provisions of section 197 read with Schedule V of the Companies Act 2013
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order does not arise.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable Accounting Standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order does not arise.
- xv. In our opinion and according to the information and explanations furnished to us, during the year, the Company has not entered into any non-cash transactions, to which the provisions of Section 192 of the Companies Act 2013 apply, with its directors or persons connected with them.
- xvi. In our opinion, based on the information and explanations furnished to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

D. BAPU RAGHAVENDRA
Partner
(Membership No.213274)
UDIN: 21213274AAAAMO9402

Place: Hyderabad
Date: June 25, 2021

Standalone Balance Sheet as at March 31, 2021

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

Particulars	Note	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	1	39,194.96	40,327.91
Right to Use Assets		3,023.73	3,117.21
Capital work-in-progress		8,748.66	9,054.95
Intangible Assets	1	82.56	117.82
		51,049.91	52,617.89
Financial Assets			
Investments	2	11,026.80	11,026.80
Other financial assets	3	390.95	379.62
Tax Assets (Net)		2,300.42	2,345.53
Other non current assets	4	2,971.15	2,990.97
		16,689.32	16,742.92
TOTAL NON-CURRENT ASSETS		67,739.23	69,360.81
Current Assets			
Inventories	5	710.74	815.89
Financial Assets			
Trade Receivables	6	945.23	1,565.45
Cash and Cash Equivalents	7	1,072.60	730.10
Bank balances other than cash and cash equivalents	7	18.79	46.97
Other financial assets	3	1,006.63	504.27
Other Current assets	4	766.58	1,233.07
TOTAL CURRENT ASSETS		4,520.57	4,895.75
TOTAL ASSETS		72,259.81	74,256.56
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	8	1,254.03	1,254.03
Other Equity	9	37,248.26	39,861.16
Total Equity		38,502.29	41,115.19
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	10	13,667.36	14,044.08
Other financial Liabilities	12	171.42	195.74
Lease Liabilities		4,371.35	4,358.51
Provision for Employee benefits	13	392.13	393.24
Deferred Tax Liabilities (net)	15	4,890.75	5,833.60
TOTAL NON-CURRENT LIABILITIES		23,493.01	24,825.17
Current Liabilities			
Financial Liabilities			
Borrowings	10	301.14	66.20
Trade Payables			
- Micro and Small Enterprises	11	-	60.17
- Others	11	4,931.02	4,407.74
Other financial Liabilities	12	4,519.92	3,206.90
Other current liabilities	14	512.43	575.19
TOTAL CURRENT LIABILITIES		10,264.51	8,316.20
Total Equity and Liabilities		72,259.81	74,256.56
Summary of Significant Accounting Policies			
The accompanying notes form an integral part of the Financial Statements			

Per our report of even date
For **M.BHASKARA RAO & CO.,**
Chartered Accountants
Firm Regn No.000459S

D. Bapu Raghavendra
Partner
Membership No.213274
Place : Hyderabad
Date : June 25, 2021

For and on behalf of the Board

G Indira Krishna Reddy
Managing Director
DIN:00005230

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

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

Standalone Statement of Profit and Loss for the year ended March 31, 2021

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

Particulars	Note	Current Year	Previous year
Revenue from Operations	16	9,417.44	31,261.53
Other Income	17	264.30	122.40
Total Income		9,681.74	31,383.93
EXPENSES			
Food and Beverages Consumed	18	1,139.37	3,327.89
Employee Benefit Expense and Payment to Contractors	19	2,757.37	6,671.25
Finance Costs	20	1,991.37	2,262.76
Depreciation and Amortisation	1	1,562.05	1,598.68
Amortization of right to use assets		93.48	80.04
Other Operating and General Expenses	21	5,738.06	13,849.01
Total Expense		13,281.70	27,789.63
Profit Before Exceptional Items And Tax		(3,599.96)	3,594.30
Exceptional Items		-	-
Profit Before Tax		(3,599.96)	3,594.30
Tax Expense			
Current Tax		-	1,088.00
Deferred Tax		(955.15)	120.95
Tax relating to earlier years		-	-
Total Tax Expense		(955.15)	1,208.95
Profit for the period		(2,644.81)	2,385.35
Other Comprehensive Income, Net of Tax			
Items that will not be reclassified to profit and loss			
Actuarial gain / (loss) on employee gratuity (net of tax)		31.91	(53.89)
Total Comprehensive Income for the Year		(2,612.90)	2,331.46
Earnings Per Share			
No. of equity shares of Rs.2/-each		6,27,01,495	6,27,01,495
1) Basic		(4.17)	3.72
2) Diluted		(4.17)	3.72
Summary of Significant Accounting Policies			
The accompanying notes form an integral part of the Financial Statements			

Per our report of even date
For **M.BHASKARA RAO & CO.**,
Chartered Accountants
Firm Regn No.000459S

D. Babu Raghavendra
Partner
Membership No.213274
Place : Hyderabad
Date : June 25, 2021

For and on behalf of the Board

G Indira Krishna Reddy
Managing Director
DIN:00005230

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

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

Standalone Cash Flow Statement for the year ended March 31, 2021

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

Particulars	Current Year	Previous Year
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	(3,599.96)	3,594.30
Adjustments for :		
Depreciation	1,562.05	1,598.68
Amortization expense on Right-To-Use assets	93.48	80.04
Miscellaneous Expenditure Written off	-	11.25
Loss on sale of assets	2.20	8.32
Profit on sale of assets	(9.88)	(6.86)
Bad debts written off	-	97.81
Provision for Bad & Doubtful Debts	-	0.25
Provision for bad & doubtful debts credited back	-	(44.55)
Finance costs	1,991.37	2,262.76
Interest earned	(32.82)	(10.11)
	3,606.40	3,997.59
Operating Profit before working capital changes	6.44	7,591.89
Adjustments for :		
Trade Receivables	620.23	247.09
Inventories	105.13	(64.70)
Non-current and current financial assets	(512.89)	(7.71)
Other Non-current and current assets	486.32	(344.38)
Non-current and current financial liabilities	(527.22)	161.43
Other Current Liabilities	(62.77)	(191.11)
Employee benefit obligations	(1.10)	116.03
Trade payables	463.09	147.74
Cash generated from operations	570.79	64.39
Less: Taxes paid / (refund received)	577.23	7,656.28
Net Cash In Flow From Operating Activities	45.10	195.56
	532.13	7,460.72
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets /addition to CWIP	(93.80)	(310.20)
Interest Received	32.02	14.18
Sale of Fixed Assets	13.94	10.04
Net Cash Out Flow From Investing Activities	(47.84)	(285.98)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Long term loans (repaid)	(2,437.50)	(3,225.00)
Term loans raised / (repaid)	3,728.05	-
Working capital borrowings	234.94	66.20
Long term deposits raised/(paid back)	(24.32)	(17.52)
Interest paid	(1,592.09)	(1,818.08)
Interest costs on lease liability	(379.05)	(424.45)
Fixed deposits created	300.00	(700.00)
Dividend paid	-	(376.21)
Taxes on dividend paid	-	(88.93)
Net Cash Out Flow From Financing Activities	(169.97)	(6,583.99)
Net increase in cash and cash equivalent	314.32	590.75
Cash and Cash equivalents as at beginning of the year	777.07	186.32
Cash and Cash equivalents as at end of the year	1,091.39	777.07

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

Per our report of even date

For **M.BHASKARA RAO & CO.,**

Chartered Accountants

Firm Regn No.000459S

D. Babu Raghavendra

Partner

Membership No.213274

Place : Hyderabad

Date : June 25, 2021

For and on behalf of the Board

G Indira Krishna Reddy

Managing Director

DIN:00005230

Dr. G V K Reddy

Non-Executive Chairman

DIN:00005212

J Srinivasa Murthy

CFO & Company Secretary

M. No. : FCS4460

Financial Liability Statement

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

Particulars	Current Year	Previous Year
1) Net debt		
Cash and cash equivalents	1,091.39	777.07
Current Investment	-	-
Total Liquid Investment - (a)	1,091.39	777.07
Long term Borrowings (Including Current portion)	17,853.03	16,562.48
Short Term Borrowings	301.14	66.20
Gross Debt - (b)	18,154.17	16,628.68
Net Debt (b) - (a)	17,062.78	15,851.61
2) Other financial Liabilities		
Derivatives	-	-
Interest Accrued but not due	-	125.66
Total Other financial Liabilities	-	125.66
Grand Total	17,062.78	15,977.27

Particulars	Other assets		Liabilities from financing activities				Total
	Cash and cash equivalents	Current Investment	Gross Debt	Net Debt	Derivatives	Interest Accrued but not due	
As at 1 April 2020	777.07	-	16,628.68	15,851.61	-	125.66	15,977.27
Cash flows	314.32	-	1,525.48	1,211.17	-	(125.66)	1,085.51
As at 31 March 2021	1,091.39	-	18,154.17	17,062.78	-	-	17,062.78

Statement of Changes in Equity as at March 31, 2021

Particulars	Equity Share Capital Subscribed	Reserves and Surplus				Total
		Capital Reserve	Securities Premium Account	Retained Earning		
				General Reserve	Profit & Loss B/fd	
Balance at the beginning of the year (April 1, 2020)	1,254.03	3,469.30	3,132.00	7,100.00	26,159.86	41,115.19
Add:						
Profit for the year	-	-	-	-	(2,644.81)	(2,644.81)
Other Comprehensive Income for the period, net of taxes, excluding actuarial gain/ (losses)	-	-	-	-	31.91	31.91
Balance at the end of the year (Mar 31, 2021)	1,254.03	3,469.30	3,132.00	7,100.00	23,546.96	38,502.29

Per our report of even date
For **M.BHASKARA RAO & CO.**,
Chartered Accountants
Firm Regn No.000459S

D. Bapu Raghavendra
Partner
Membership No.213274
Place : Hyderabad
Date : June 25, 2021

For and on behalf of the Board

G Indira Krishna Reddy
Managing Director
DIN:00005230

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

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

1. General information

TAJGVK Hotels & Resorts Limited (“TAJGVK” / “the Company”) was incorporated on 02nd February, 1995 in the erstwhile state of Andhra Pradesh, India. The Company is a joint venture between the GVK Group and Indian Hotels Company Limited. The Company is primarily engaged in the business of owning, operating & managing hotels, palaces and resorts with the brand name of “TAJ”.

2. These financial statements were authorized for issue by a resolution of the Board of Directors passed on June 25, 2021.

3. Summary of Significant Accounting Policies

i. Statement of compliance:

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

ii. Basis of preparation of financial statements:

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

iii. Use of estimates:

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

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

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

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

An asset is treated as current when it is:

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

All other liabilities are classified as non-current

A liability is treated as current when it is :

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

All other liabilities are classified as non-current

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

v. Exceptional Items

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

vi. Revenue Recognition:

- a. Income from guest accommodation is recognised on a day to day basis after the guest checks into the Hotels. Income from Food and Beverages are recognised at the point of serving these items to the guests. Income stated is exclusive of taxes collected. Rebates and discounts granted to customers are reduced from revenue.
- b. Shop rentals are recognized on accrual basis.
- c. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- d. Insurance claims are recognized as and when they are settled / admitted.

vii. Inventories:

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

viii. Property Plant and equipment:

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

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

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

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

ix. Intangible assets:

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

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

x. Depreciation and Amortisation:

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

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

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

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

Computer Software	: 6 years
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xi. Leases:

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

Lessee:

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

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

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

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

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

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

Lessor:

Rental income from operating lease is recognised on a straight line basis over the lease term unless payments to the Company are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increase. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned. No change in recognition or disclosure is made to lease rentals earned by the company in the capacity as a lessor, pursuant to adoption of Ind AS 116.

xii. Foreign Exchange Transactions:

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

- a. **Initial recognition:** Transactions in foreign currencies are initially recorded at the exchange rates (INR spot rate) prevailing on the date of the transaction.
- b. **Conversion:** Foreign currency monetary items are reported at the exchange rates (INR spot rate) on Balance Sheet date.
- c. **Exchange Difference:** Exchange differences arising on the settlement of monetary items, on reporting of such monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or expense in the year in which they arise. Foreign currency assets / liabilities are restated at the rates prevailing at the year end and the gain / loss arising out of such restatement is taken to revenue.

xiii. Retirement Benefits:

a. **Defined Contribution Plan:**

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

b. **Defined Benefit Plan:**

Gratuity:

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

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

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

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

The Company recognizes the following changes in the net defined benefit obligation as an expense in its statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

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

Compensated Absences

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

xiv. Borrowing Costs:

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

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

xv. Taxes on income:

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

- a. **Current tax:** Provision for current tax is made for Income-tax liability estimated to arise on the profit for the year at the current rate of tax in accordance with the Income-tax Act, 1961.
- b. **Deferred Tax:** Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

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

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

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

xvi. Earnings per share:

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

xvii. Impairment of non-financial assets:

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account.

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

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

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

xviii. Provisions:

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

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

xix. Contingent Liabilities and Contingent Assets:

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

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

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

xx. Cash and cash equivalents

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

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

xxi. Investment in subsidiaries, associates and joint ventures

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

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

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

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

xxii. Financial assets

Initial recognition and measurement:

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

Subsequent measurement:

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

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

De-recognition:

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

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

Financial liabilities**Initial recognition and measurement:**

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

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

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

Subsequent measurement:

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

Financial liabilities at fair value through profit or loss.

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

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

Loans and borrowings

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

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

De-recognition:

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

xxiii. Significant accounting judgements, estimates and assumptions

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

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

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

Taxes

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

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

Defined benefit plans (gratuity benefits)

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

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

Allowance for uncollectible trade receivables

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

Notes to Financial Statement for the year ended March 31, 2021

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

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

Particulars	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Total	Capital Work in Progress	Intangible Assets
Gross Block at Cost									
At April 1, 2020	4,244.11	30,994.02	10,873.28	1,969.61	334.35	189.63	48,605.00	9,054.95	382.20
Additions	-	365.23	21.61	1.64	11.62	-	400.10	47.20	-
Disposals	-	-	19.60	0.04	7.63	-	27.27	353.49	3.02
As At Mar 31, 2021	4,244.11	31,359.25	10,875.29	1,971.21	338.34	189.63	48,977.83	8,748.66	379.18
Depreciation									
At April 1, 2020	1.83	2,705.23	4,495.48	791.50	244.92	38.13	8,277.09	-	264.38
Charge for the period	-	546.75	790.15	131.46	40.03	19.54	1,527.93	-	34.12
Disposals	-	-	14.75	-	7.40	-	22.15	-	1.88
As At Mar 31, 2021	1.83	3,251.98	5,270.88	922.96	277.55	57.67	9,782.87	-	296.62
Net Block									
As At Mar 31, 2021	4,242.28	28,107.27	5,604.41	1,048.25	60.79	131.96	39,194.96	8,748.66	82.56
As at Mar 31, 2020	4,242.27	28,288.79	6,377.81	1,178.11	89.44	151.49	40,327.91	9,054.95	117.82

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

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

3) Rs.326 lakhs of banqueting space adjacent to gardenia lawns was capitalized in Taj Krishna during the year.

Note 2 - Investments

Particulars	Face Value Rs.	As at March 31, 2021		As at March 31, 2020	
		No. of shares	Rs. lakhs	No. of shares	Rs. lakhs
Non-Current Investments - Unquoted					
(i) Investment in Joint Venture	10/-	36,750,000	11,025.00	36,750,000	11,025.00
Green Woods Palaces and Resorts Pvt Ltd (fully paid Equity shares)					
(ii) Others	10/-	18,000	1.80	18,000	1.80
Green Infra Windfarms Limited (fully paid Equity shares)					
Total Non-current Investments			11,026.80		11,026.80

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

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

Note 3 - Other Financial Assets

Particulars	As at March 31, 2021	As at March 31, 2020
A) Non Current		
Deposits with Public Bodies and Others	390.95	379.62
	390.95	379.62
B) Current		
Deposit with public bodies and others	3.74	3.74
Other advances	416.89	394.87
Claims Receivable	1.38	1.38
Interest accrued	4.17	3.38
Other receivables	580.45	100.90
	1,006.63	504.27

Note 4 - Other assets

Particulars	As at March 31, 2021	As at March 31, 2020
A) Non current (Unsecured considered good)		
Other advances recoverable	2,213.31	2,213.31
Advance lease payments	708.30	720.94
Deposits for tax and other statutory dues	49.54	56.72
	2,971.15	2,990.97

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

Particulars	As at March 31, 2021	As at March 31, 2020
B) Current (Unsecured considered good)		
Prepaid Expenses	184.50	262.50
Indirect tax recoverable	20.22	51.21
Advance to Suppliers	150.07	151.49
Advance to Employees	10.40	16.29
Excess of GST input credit over liability	246.48	308.98
Export benefit receivable	154.91	442.60
	766.58	1,233.07

Note 5 - Inventories

Particulars	As at March 31, 2021	As at March 31, 2020
Food and Beverages	455.24	523.90
Stores and Operating Supplies	255.50	291.99
	710.74	815.89

Note 6 - Trade receivables

Particulars	As at March 31, 2021	As at March 31, 2020
Considered good - Unsecured	945.23	1,565.45
Credit impaired	93.29	93.29
	1,038.52	1,658.74
Less : Provision for Trade Receivables which are credit impaired	93.29	93.29
	945.23	1,565.45

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

Note 7 - Cash and bank balances

Particulars	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalents		
Cash on hand	13.81	24.70
Balances with banks in current account	58.79	-
Margin money deposits	-	5.40
Other deposit with bank	1,000.00	700.00
	1,072.60	730.10
Bank balances other than cash and cash equivalents		
Earmarked balances with banks on account of unclaimed dividends	18.79	46.97
	18.79	46.97

Note 8 - Equity Share Capital

Particulars	As at March 31, 2021	As at March 31, 2020
Authorised Share Capital 170500000 (170500000) Equity Shares of Rs.2/- each	3,410.00	3,410.00
	3,410.00	3,410.00
Issued Share Capital 62701495 (62701495) Equity Shares of Rs.2/- each fully paid-up	1,254.03	1,254.03
	1,254.03	1,254.03
Subscribed and Paid Up Share Capital 62701495 (62701495) Equity Shares of Rs.2/- each fully paid-up	1,254.03	1,254.03
	1,254.03	1,254.03

i) Reconciliation of equity shares outstanding:

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	Rs.lakhs	No. of shares	Rs.lakhs
Shares outstanding at the beginning of the year	6,27,01,495	1,254.03	6,27,01,495	1,254.03
Add : Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	6,27,01,495	1,254.03	6,27,01,495	1,254.03

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

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

Name of Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mrs. G. Indira Krishna Reddy	75,68,947	12.07	75,68,947	12.07
Mrs. Shalini Bhupal	2,34,48,859	37.40	2,34,48,859	37.40
The Indian Hotels Company Limited	1,60,00,400	25.52	1,60,00,400	25.52

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

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

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

Note 9 - Other Equity

Particulars	As at March 31, 2021	As at March 31, 2020
Reserves and Surplus		
Capital Reserve	3,469.30	3,469.30
Securities Premium Account	3,132.00	3,132.00
General Reserve	7,100.00	7,100.00
Retained Earnings		
Surplus in the Profit And Loss	26,159.86	25,099.93
Add: Current period profits	(2,644.81)	2,385.35
Less: Transition adjustment on adoption of Ind AS 116	-	1,137.70
Add: Transitional adjustment for deferred tax recognition of lease liability and RTU assets	-	331.30
Less: Dividends	-	376.21
Less: Dividend tax	-	88.92
Total Retained Earnings	23,515.05	26,213.75
Reserves and Surplus	37,216.35	39,915.05
Other Comprehensive Income	31.91	(53.89)
Total Other Equity	37,248.26	39,861.16

Note 10 - Borrowings

Particulars	As at March 31, 2021	As at March 31, 2020
A) Long term borrowings		
Term Loan from Banks		
Secured	17,853.03	16,562.48
Less: Unamortized Borrowing Cost	60.67	80.90
	17,792.36	16,481.58
Less: Current maturities of Long term borrowings (shown under Other current financial liabilities)	4,125.00	2,437.50
Total Long term borrowings	13,667.36	14,044.08
B) Short term borrowings		
Loans repayable on demand from Banks		
Secured	301.14	66.20
Total Short term borrowings	301.14	66.20
Total Borrowings	13,968.50	14,110.28

i) **Term Loans from Banks:**

- Rs.75.00 crores (2020: Rs.84.38 crores) from HDFC Bank Ltd at an interest rate of 1 year MCLR + spread of 115 bps.viz. 8.45% p.a is secured by first charge on all assets of Taj Chandigarh, Chandigarh repayable in 32 equal instalments starting from 1st Nov 2016. The loan is sanctioned with a moratorium of 2 years from the date of first disbursement. ie. Aug 2014.
- Rs.4.03 crs (2020: Nil) represents interest on long term loan due for the period Mar'2020 to Aug'2020 converted to term loan by HDFC Bank Ltd at an interest rate of 1 year MCLR + spread of 115 bps.viz. 8.45% p.a is secured by first charge on all assets of Taj Chandigarh, and repayable as bullet payment on 01st February 2025.

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

- c) The Company availed Rs.16.87 crores of short term loan from HDFC Bank under the Emergency Credit Line Guarantee Scheme notified by the Government of India, to meet the deficit in working capital cash flows repayable in 48 equated instalments after a 12 month moratorium from the date of disbursement, at an interest rate of 8.20% p.a.
- d) Rs.66.25 (2020: Rs.81.25 crores) crores from AXIS Bank Ltd at an interest rate of 1 year MCLR + spread of 80 bps.viz. 8.50% p.a is secured by first charge on all assets of Taj Club House, Chennai repayable in 26 structured instalments starting from 31st March 2017. The loan is sanctioned with a moratorium of 2.5 years from the date of first disbursement. ie. July 2014.
- e) The Company availed Rs.16.38 crores of short term loan from AXIS Bank under the Emergency Credit Line Guarantee Scheme notified by the Government of India, to meet the deficit in working capital cash flows repayable in 48 equated instalments after a 12 month moratorium from the date of disbursement, at an interest rate of 8.45% p.a.

ii) Loans repayable on demand from Banks

- a) Bank Overdraft from AXIS BAnk Ltd Rs.0.86 crs (2020 : Rs.0.66 crores) at an interest rate of 1 month MCLR + spread of 145 bps. viz. 8.85% per annum is secured by first charge on current assets of the Company, ranking pari passu with IDBI Bank Ltd, further secured by second charge on fixed assets of Taj Club House.
- b) Bank Overdraft from IDBI Bank Ltd Rs.2.15 crs (2020 : Nil) at an interest rate of 8.50% per annum is secured by first charge on current assets of the Company, ranking pari passu with AXIS Bank Ltd.

Note 11 - Trade Payables

Particulars	As at March 31, 2021	As at March 31, 2020
Dues to Micro and Small Enterprises (Refer Note (i))	-	60.17
Others	3,800.49	3,391.86
Accrued expenses and others	1,130.53	1,015.88
	4,931.02	4,467.91

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

Particulars	As at March 31, 2021	As at March 31, 2020
a) The principal amount remaining unpaid to supplier as at the end of the accounting year	-	59.96
b) The interest due thereon remaining unpaid to supplier as at the end of the accounting year	-	-
c) The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the year		
e) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	0.21
f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Note 12 - Other financial liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
A) Non Current financial liabilities		
Deposits refundable	171.42	147.77
Creditors for Capital goods and services	-	47.97
	171.42	195.74
B) Current financial liabilities		
Current maturities of long term borrowings	4,125.00	2,437.50
Interest accrued but not due	-	125.66
Deposits from others	7.88	7.98
Creditors for capital expenditure	82.60	190.39
Unclaimed dividend	18.79	46.97
Employee Related Liabilities	260.77	357.29
Others	24.88	41.11
	4,519.92	3,206.90

Note 13 - Provision for Employee Benefits

Particulars	As at March 31, 2021	As at March 31, 2020
Non Current		
Post-retirement compensated absences	170.93	175.35
Gratuity	221.20	217.89
	392.13	393.24

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

Note 14 - Other non financial Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Advances towards revenues	425.40	415.55
Statutory dues	87.03	159.64
	512.43	575.19

Note 15 - Deferred Tax Liabilities (Net)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax Liabilities:		
Depreciation on Fixed Assets	6,314.55	6,297.47
Amortization of finance cost	16.88	23.56
Total (A)	6,331.43	6,321.03
Deferred Tax Assets:		
Provision for Doubtful Debts	25.95	27.17
Employee Benefits	109.09	114.51
Amortization of prepaid lease payments	45.83	44.62
Loss incurred for 2020-21	988.27	-
Lease liability and right to use assets	271.54	301.13
Total (B)	1,440.68	487.43
Net Deferred Tax Liabilities (A-B)	4,890.75	5,833.60

Note 16 - Revenue from Operations

Particulars	Current Year	Previous Year
Room Revenue, Food, Restaurants and Banquet Revenue	8,784.70	29,783.25
Shop rentals	174.70	442.82
Membership fees	30.00	50.06
Export benefits	111.20	250.43
Others	316.84	734.97
Total	9,417.44	31,261.53

Note 17 - Other Income

Particulars	Current Year	Previous Year
Interest Income at amortised cost		
Deposits with banks	12.12	0.23
Others	4.38	9.86
	16.50	10.09
Interest on Income Tax Refunds	16.32	-
Total	32.82	10.09
Profit on sale of assets	9.89	6.86
Exchange Gain (Net)	0.09	2.87
Others	221.50	102.58
Total	264.30	122.40

Note 18 - Food and Beverages Consumed

Particulars	Current Year	Previous Year
Food and Beverages Consumed	1,139.37	3,327.89

Note 19 - Employee Benefit Expense

Particulars	Current Year	Previous Year
Salaries, Wages, Bonus etc.	1,828.01	4,148.76
Company's Contribution to Provident and Other Funds	176.14	317.91
Reimbursement of Expenses on Personnel Deputed to the Company	388.79	970.38
Contractor employee expenses	178.95	640.01
Staff Welfare Expenses	185.48	594.18
Total	2,757.37	6,671.25

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

Note 20 - Finance costs

Particulars	Current Year	Previous Year
Interest Expense	1,592.09	1,818.08
Interest cost on lease liability	379.06	424.45
Other borrowing costs	20.22	20.22
	1,991.37	2,262.76
Less : Interest Capitalised	-	-
Total	1,991.37	2,262.76

Note 21 - Other Operating and General Expenses

Particulars	Current Year	Previous Year
(i) Operating expenses consist of the following :		
Linen and Room Supplies	214.99	580.77
Catering Supplies	133.09	288.32
Other Supplies	30.91	26.12
Fuel, Power and Light	1,168.33	2,715.01
Repairs to Buildings	178.07	675.33
Repairs to Machinery	496.63	1,076.91
Repairs to Others	72.49	556.58
Linen and Uniform Washing and Laundry Expenses	153.94	454.30
Payment to Orchestra Staff, Artistes and Others	130.72	391.12
Guest Transportation	67.51	200.52
Travel Agents' Commission	317.46	780.35
Credit card Commission	50.24	226.70
Other Operating Expenses	204.90	706.64
Total	3,219.28	8,678.67
(ii) General expenses consist of the following :		
Rent	113.01	161.23
Licence Fees	181.58	398.15
Rates and Taxes	891.16	1,025.33
Insurance	137.51	117.21
Advertising and Publicity	331.57	683.54
Printing and Stationery	40.34	117.54
Passage and Travelling	8.35	38.30
Communication expenses	66.50	262.07
Provision for Doubtful Debts	-	0.25
Bad debts written off	-	97.81
Expenditure on Corporate Social Responsibility	69.87	59.85
Donations	-	75.00
Operating & Management Fees	294.74	951.54
Professional Fees	89.48	160.54
Outsourced Support Services	158.24	234.07
Loss on Sale of Fixed Assets	2.20	8.32
Payment made to Statutory Auditors		
i. As Auditors	13.50	27.00
ii. For Tax Audit	1.50	3.00
iii. For certification	0.05	-
Directors' Sitting Fees	16.80	11.55
Amortized expenses	-	11.25
Other Expenses	102.38	726.79
Total	2,518.78	5,170.34
	5,738.06	13,849.01

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

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

Estimated amount of contracts remaining to be executed on capital account, net of advances Rs.Nil (2020: Rs. Nil).

Contingent liabilities not provided for in respect of

Particulars	As at March 31, 2021	As at March 31, 2020
Value added tax matters (Rs.97.20 lakhs [2020: Rs.97.20 lakhs] paid under protest against the demands)	307.40	307.40
Income tax matters (Rs.102.30 lakhs [2020: Rs.102.30 lakhs] paid under protest against the demands)	259.00	259.00
Service tax matters	2527.63	2541.76
Probable customs duty payable on the Equipment Imported under Export Promotion Capital Goods Scheme	330.14	371.90
Bank Guarantees – Others	-	108.00

23. (a) Impact of Covid-19

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

Most of the hotels of the Company were shut down entirely during the lockdown phase as the Company was not part of Government denominated essential services. With the lifting of the partial lockdown restrictions the hotels restarted operations in a phased manner and all hotels were open by December 2020. The demand for its services picked up albeit at a slower pace driven by domestic leisure tourism, staycations, domestic business travel and limited international travel.

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

The Company has also assessed the potential impact of Covid-19 on the carrying value of property, plant & equipment, right to use assets, intangible assets, investments, trade receivables, inventories, and other current assets appearing in the financial statements of the Company. Following resumption of business pursuant to the relaxation of the covid related restrictions the company has increased the pace and intensity of its efforts to recover its receivables. The Company has considered internal and external sources of information and has performed sensitivity analysis on the assumptions used and based on current estimates, expects to recover the carrying amount of these assets. The impact of Covid-19 may be different from that estimated as at the date of approval of these standalone financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

(b) Going Concern

The Company is facing significant uncertainties due to COVID-19 which has impacted the operations of the Company adversely throughout the year. Management has assessed the impact of existing and anticipated effects of COVID-19 on the future cash flow projections and has prepared a range of scenarios to estimate future financing requirements. As on the reporting date, the Company has undrawn sanctioned lines of credit aggregating Rs. 27 crores which is estimated as sufficient to meet the estimated cash requirements during the next twelve months and the Company is current on all its Debt obligations. However as the COVID-19 situation still continues, as an abundant precaution, the Management is exploring means to secure additional financing to fulfill its long-term/ working capital requirements. Also refer note 23 (a) on Impact of Covid-19. Based on aforesaid assessment, management believes that as per estimates made conservatively, the Company will continue as a going concern and will be able to discharge its liabilities and realise the carrying amount of its assets as on March 31, 2021.

24. Capital Work in Progress includes

- Bangalore hotel project – The Company was allotted 7.22 acres of land at Shivanahalli village, Yelahanka, Bangalore North for construction of a 5-star hotel. The company has spent Rs.82.87 crs till date on the land acquisition, construction of approach bridges from the National Highway and other incidental project related expenditure. The land is under a sale-cum-lease agreement with KIADB, Bangalore and upon completion of the project as per the terms of allotment, the sale deed will be registered by KIADB.

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

(b) Ginger hotel project - The Company was allotted 4255 sq.yds of land at Survey No.1/1, Hardware Park at Kancha Imarat Village, Maheshwaram mandal, RR District, Telangana for construction of a Ginger brand hotel. The company has spent Rs.3.07 crs till date on the payment to TSIIC (Telangana State Industrial Infrastructure Corporation) and the excavation works and incidental expenditure at the site. The land is under agreement for sale with TSIIC, Hyderabad and upon completion of the project as per the terms of allotment, the sale deed will be registered by TSIIC.

25. Demand from TSSPDCL (Telangana State Southern Power Distribution Company Limited): During the year under review, the Company received demand notices pertaining to FY 2002-2003 to FY 2018-2019 at Taj Krishna, Taj Deccan and Taj Banjara. During the year 2001-2002, the respective hotels entered into power purchase agreements with a third party i.e. Ind- Barath Energies Limited (Power Producer) for procuring electricity, as there was some price benefit compared to the Transco Tariff as per the extant regulations. The Power Producer signed the PPA with TSSPDCL and the payment of wheeling charges obligation is on the Power Producer. TSSPDCL approached APERC for imposing wheeling charges/ grid support charges for the third party purchases done by the end consumers. APERC approved a rate of Rs.1/- per KWH towards wheeling charges.

Thereafter, Certain Private Power Producers approached the Hon'ble High Court of Andhra Pradesh (erstwhile combined High Court) on the ground that APERC does not have the authority/ power under the Andhra Pradesh Electricity Reforms Act 1998 to approve wheeling charges and Hon'ble High Court Andhra Pradesh has set aside the said order of the APERC and confirmed that the wheeling charges are payable as per the PPA signed by Private Power producer with TRANSCO. The wheeling charges are payable by the Developer i.e. Ind-Barath Energies Limited as per the PPA signed with TRANSCO. The Government of Andhra Pradesh filed appeal in Hon'ble Supreme Court in May 2003 and recently the Hon'ble Supreme Court set aside the order of the High Court and confirmed that APERC has authority/ power to fix the Wheeling charges and grid support charges.

Based on the above order, TSSPDCL issued demand notice to Taj Krishna, Taj Deccan and Taj Banjara for recovery of wheeling charges on the portion of the electricity units procured by these hotels from the Power Producer along with applicable interest for the FY2002-2003 to 2018-2019. i.e. for 17 years. The demand is as follows:

Taj Krishna:

Particular	Remarks
Period coverage	FY 2002-03 to FY 2012-13
Demand along with Interest	Rs.4,64,35,972/-

Taj Deccan:

Particular	Remarks
Period coverage	FY2002-03 to FY2018-19
Demand along with Interest	Rs.916,26,946/-

Taj Banjara:

Particular	Remarks
Period coverage	FY 2002-03 to FY 2012-13
Demand along with Interest	Rs.749,34,671/-

TOTAL DEMAND ALONG WITH INTEREST: Rs. 21,29,97,589/=

The Company approached the Honourable High Court of Telangana for a stay on the recovery of the demand. The Honourable High Court vide Order dated 17/08/2020 granted stay on recovery and also directed TSSPDCL to not take any coercive action including that of disconnection of the power supply pending disposal of the writ petitions of the company.

- 26.** In accordance with the provisions of section 197 of the Companies Act, 2013 read with Schedule V thereto, the remuneration paid to the Managing Director and the Joint Managing Director for the financial year 2020-21 was within the limits specified under section 197 and also under schedule V of the Companies Act, 2013, aggregating to Rs.10.47 and Rs.193.51 lakhs respectively.
- 27.** Disclosure of Trade Payables under Current Liabilities is based on the information furnished by the vendors and available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development (MSMED) Act, 2006".

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

28. Disclosure as per Ind AS 24 on Related Party transactions

a. Key Managerial personnel:

Whole Time Directors:	
Name of the Related Party	Relationship
Mrs. G. Indira Krishna Reddy	Managing Director
Mrs. Shalini Bhupal	Joint Managing Director
Non-Whole Time Directors:	
Name of the Related Party	Relationship
Dr. G.V.K Reddy	Promoter & Non-Executive Chairman
Mr. Krishna R Bhupal	Promoter & Non-Executive Director
Mr. Puneet Chhatwal	Non-Executive & Non-Independent Director
Mr. D R Kaarthikeyan	Independent Director
Mr. M B N Rao	Independent Director
Mr. A Rajasekhar	Independent Director
Mr. N Sandeep Reddy	Independent Director
Mr. N Anil Kumar Reddy	Independent Director
Mrs. Dinaz Noria	Independent Director
Mr. Rajendra Misra	Non-Executive & Non-Independent Director
Mr. Giridhar Sanjeevi *	Non-Executive & Non-Independent Director
Mr. K Jayabharath Reddy *	Independent Director
Mr. Ch G Krishna Murthy *	Independent Director
Mr. S Anwar *	Independent Director
Mr. Dilip Cherian *	Independent Director
Chief Financial Officer and Company Secretary:	
Mr. J. Srinivasa Murthy	Chief Financial Officer & Company Secretary

Note: * Were Directors for part of the year.

b. Other related parties:

Name of the Related Party	Relationship
Green Woods Palaces and Resorts Pvt Ltd	Jointly controlled entity
The Indian Hotels Company Limited	Joint Venturer
Shriya Som Fashions International LLP	Lessee
Oriental Hotels Limited	Common Directors
PIEM Hotels Limited	Common Directors
Benares Hotels Limited	Common Directors

c. Companies/Firms/Trust in which the key management and their relatives are interested:

GVK Power & Infrastructure Ltd	Orbit Travel & Tours (P) Ltd
GVK Industries Ltd	GVK Jaipur Expressway Private Ltd
GVK Gautami Power Ltd	Mumbai International Airport Ltd
GVK Airport Developers Ltd	GVK Technical & Consultancy Services (P) Ltd
GVK Deoli Kota Expressway Ltd.	GVK EMRI
Argen Biosciences (P) Ltd	Alakananda Hydro Power Co Ltd
GVK Foundation	GVK Power Goindwal Sahib Ltd
GVK Energy Ltd	GVK Ratle Hydro Electrical Projects Ltd
Crescent EPC Projects & Technical Services Ltd	Navi Mumbai International Airport Pvt. Ltd

Transactions during the year

Name of the related party	Current Year	Previous Year
Key Management Personnel:		
Salaries and other employee benefits to Whole Time Directors and Chief Financial Officer & Company Secretary	281.80	774.36
Sitting fees to other non executive / Independent Directors	16.80	11.55
Joint Venturer:		
Indian Hotels Company Limited		
Management fee	288.91	951.53
Reimbursement of advertisement expenses	195.00	364.20
Deputed Staff In expenses	582.46	831.57
Deputed Staff Out reimbursements	326.95	315.96

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

Name of the related party	Current Year	Previous Year
Enterprises with common directors:		
Oriental Hotels Limited		
Deputed Staff In expenses	35.01	15.67
Deputed Staff Out reimbursements	91.16	28.95
PIEM Hotels Limited		
Deputed Staff In expenses	27.02	34.59
Deputed Staff Out reimbursements	18.19	16.87
Benares Hotels Limited		
Deputed Staff In expenses	3.82	6.21
Enterprises in which key management personnel and / or their relatives have significant influence:		
Orbit Tours and Travels (P) Ltd - Purchase of travel tickets	-	13.99
GVK Foundation – Donation	-	75.00
Income from sale of rooms and food & beverages:		
- GVK Gautami Power Ltd	0.50	4.72
- Mumbai International Airport Pvt Ltd	-	8.51
- Argen Biosciences Pvt Ltd	0.33	12.91
- GVK Industries Ltd	-	0.48
- GVK Jaipur Expressway Pvt Ltd	-	0.18
- GVK Power and Infrastructure Ltd	-	4.08
- GVK Energy Ltd	-	0.64
- GVK EMRI	-	0.44
- GVK Airport Developers Ltd	-	0.01
- Crescent EPC Projects & Technical Services Ltd	-	2.68
- Navi Mumbai International Airport Pvt. Ltd	-	0.83
Shop Rentals		
- Shriya Som Fashions International LLP	4.18	6.00

Balances Outstanding as of 31 March, 2021:

Name of the related party	As at March 31, 2021	As at March 31, 2020
Joint Venturer:		
Indian Hotels Company Limited	1554.35	1105.31
Operating fee, reimbursable expenses and current account dues payable (net)		
Jointly controlled entity:		
Green Woods Palaces & Resorts (P) Ltd	11025.00	11025.00
Investment in Equity Shares		
Enterprises with common directors:		
Oriental Hotels Limited payable / (receivable) net	(37.80)	12.77
PIEM Hotels Limited payable / (receivable) net	(4.93)	4.56
Benares Hotels Limited payable / (receivable) net	(3.82)	(1.91)
Enterprises in which key management personnel and / or their relatives have significant influence:		
Amount receivable for sale of rooms and food & beverages:		
Mumbai International Airport Ltd	5.65	5.73
Argen Biosciences Pvt Ltd	-	0.13
GVK Industries Ltd	0.64	1.30
GVK Jaipur Expressway Pvt Ltd	-	0.02
GVK Power and Infrastructure Ltd	0.96	4.64
GVK Energy Ltd	0.86	-
GVK EMRI	-	0.58
Crescent EPC Projects & Technical Services Ltd	-	0.72
Navi Mumbai International Airport Pvt. Ltd	2.24	2.23
Alakananda Hydro Power Co Ltd	0.48	0.28
GVK Power (Goindwal Sahib) Ltd	3.57	5.19
GVK Ratle Hydro Electrical Projects Ltd	-	0.22
Current account dues receivable (net)		
Oriental Hotels Limited	37.80	(12.77)

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

Name of the related party	As at March 31, 2021	As at March 31, 2020
Amount payable for Purchase of travel tickets:		
Orbit Tours and Travels (P) Ltd	-	0.43
Shop Rental receivable		
Shriya Som Fashions International LLP	-	2.00

29. The Company has given certain assets on operating lease, on which the minimum future lease rentals receivable, are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Not later than one year	560.13	653.58
Later than one year but not later than five years	798.59	289.97
Later than 5 years	-	-

The Company has taken certain assets on operating lease, on which the minimum future lease rentals payable, are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Not later than one year	412.21	412.21
Later than one year but not later than five years	2160.77	2114.98
Later than 5 years	17490.23	17948.23

30. Employee benefits

Defined contribution plan:

Amount recognized as an expense in statement of profit and loss Rs.62.00 lakhs (2020: Rs. 119.21 lakhs) on account of provident fund and Rs.20.20 lakhs (2020: Rs. 46.91 lakhs) on account of Employee State Insurance.

Defined benefit plan:

Gratuity:

The Company has a funded defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on separation at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act,1972 with total ceiling on gratuity of Rs.2,000,000/-

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

a. Statement of Profit and Loss and Statement of Other Comprehensive Income

Particulars	Current Year	Previous Year
Current Service Cost	36.36	31.51
Past Service Cost	-	-
Interest on Net Defined Benefit liability / (asset)	11.16	4.24
Changes in financial assumptions	1.80	32.26
Changes in demographic assumptions	-	-
Experience adjustments	2.79	35.83
Actuarial return on plan assets less interest on plan assets	(48.80)	7.94
Net charge to Profit & Loss and OCI	3.31	111.78

b. Reconciliation of Defined Benefit Obligation

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Defined benefit Obligation	694.56	581.77
Current Service Cost	36.36	31.51
Past Service Cost	-	-
Interest Cost	36.24	37.33
Actuarial Losses / (Gain)	4.59	68.09
Benefits Paid	(48.17)	(24.14)
Closing Defined Benefit Obligation	723.58	694.56

c. Change in Fair Value of Plan Assets

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Fair Value of Plan Assets	476.66	475.65
Employer Contributions	-	-
Interest on Plan Assets	25.08	33.09
Actuarial gain / (Losses)	48.80	(7.94)
Benefits Paid	(48.17)	(24.14)
Closing Fair Value of Plan Assets	502.37	476.66

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

d. Amount recognized in Balance Sheet

Particulars	As at March 31, 2021	As at March 31, 2020
Opening net defined benefit liability / (asset)	217.88	106.11
Expense charged to profit and loss account	47.53	35.74
Amount recognized outside profit and loss account	(44.21)	76.03
Employer Contributions	-	-
Net Liability recognized in the Balance Sheet	221.20	217.88

e. Description of Plan Assets

Particulars	As at March 31, 2021	As at March 31, 2020
Insurer Managed Funds	100%	100%

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

Particulars	Current Year	Previous Year
Discount Rate	6.60%	6.65%
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ult	Indian Assured Lives Mortality (2012-14) Ult
Salary Escalation rate	5.00%	5.00%

Sensitivity Analysis:

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

	Period Ended	
	March 31, 2021	March 31, 2020
Discount rate (p.a)	6.60%	6.65%
Salary Escalation rate (p.a)	5.00%	5.00%

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

Compensated Absences:

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

The Defined Benefit Obligation of compensated absence in respect of the employees of the Company as at 31 March 2021 works out to Rs.2,55,53,740/- (2020: Rs. 2,57,81,794/-)

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

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

31. Corporate Social Responsibility Expenditure

The Company has an ongoing CSR project of rejuvenation of Shivanahalli lake, Yelahanka, Bengaluru in terms of the MOU signed with Bengaluru Development Authority. During the FY 2020-21 an amount required to be spent was Rs.69.87 lakhs. Due to the Covid pandemic situation, the Company deferred the CSR activity to the next year. In terms of the amendments notified by the Government of India to the Companies (Corporate Social Responsibility) Rules, 2014 and Section 135 of the Companies Act, 2013 on January 22nd, 2021, the company transferred the unspent amount aggregating to Rs.69.87 lakhs on the ongoing project to a separate unspent Corporate Social Responsibility Account. As required as per para 17(a) of Ind AS 37, the company has provided the unspent CSR amount for the year as expenditure.

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

32. A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before tax is summarized below:

Particulars	Current Year	Previous Year
Profit before tax	(3,579.49)	3,594.30
Income tax rate as applicable	27.82%	29.12%
Calculated taxes based on above, without any adjustments for deductions	(995.81)	1,046.66
Permanent tax differences due to:		
Effect of income that is exempt from taxation	(102.21)	(131.25)
Income considered as capital in nature under tax and tax provisions	(2.75)	(2.00)
Effect of expenses that are not deductible in determining taxable profit	117.59	154.74
Expense considered to be capital in nature under tax and tax provisions	0.61	2.42
Others	-	-
Income tax expense recognized in the Statement of Profit and Loss	-	1,070.57
Rounded off to	-	1,088.00

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

34. Segmental Reporting

The Company's only business being hoteliering, disclosure of segment-wise information under Accounting Standard (AS) 108 "Segmental Information" notified by the Companies (Accounting Standards) Rules, 2006 (as amended) does not arise. There is no geographical segment to be reported since all the operations are undertaken in India.

35. Risk Management, Objectives and Policies

Risks and Concerns

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

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

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

Business interruption risk on account of unprecedented events like a pandemic: A pandemic like the Covid-19 outbreak confronts the hospitality industry with an unprecedented challenge. It causes a severe downturn in all streams of business. With lockdowns and resultant travel and mobility restrictions, all corporate and leisure travel comes to a halt. With the fear of pandemic spread in enclosed spaces, stay-at-home orders, social distancing and community lockdowns, all restaurants and banquet business gets severely affected with restaurants resorting to business from take-outs and banquet functions being conducted with limited attendance. Hygiene standards and pandemic protocols need to be strictly implemented to instil confidence into the customer and recover from any such incidence.

Company-specific Risks

Heavy Dependence on India

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

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

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

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

36. Capital management

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

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

The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The table below shows the Gearing ratio for FY 2020-21 and FY 2019-20.

Particulars	March 31, 2021	March 31, 2020
Borrowings	17,853.03	16,562.48
Trade Payables	4,931.02	4,467.91
Less: Cash & Cash Equivalents	1,072.60	730.10
	21,711.45	20,300.29
Equity Capital	38,502.29	41,115.19
Equity Capital and Net Debt	60,213.74	61,415.48
Gearing Ratio	36%	33%

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2021 and 31 March 2020.

37. Fair Values

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

Particulars	Carrying Values		Fair Values	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Financial Assets				
Investments	11,026.80	11,026.80	11,026.80	11,026.80
Other financial assets	390.95	379.62	390.95	379.62
Tax Assets (Net)	2,300.42	2,345.53	2,300.42	2,345.53
Trade Receivables	945.23	1,565.45	945.23	1,565.45
Cash and Cash Equivalents	1,072.60	730.10	1,072.60	730.10
Bank balances other than cash and cash equivalents	18.79	46.97	18.79	46.97
Other financial assets	1,006.63	504.27	1,006.63	504.27
Total	16,761.42	16,598.74	16,761.42	16,598.74
Financial Liabilities				
Non-current Borrowings	13,667.35	14,044.08	13,667.35	14,044.08
Other non-current financial Liabilities	171.42	195.74	171.42	195.74
Current Borrowings	301.14	66.20	301.14	66.20
Trade Payables	4,931.02	4,407.73	4,931.02	4,407.73
Other current financial Liabilities	4,519.92	3,206.90	4,519.92	3,206.90
Total	23,590.85	21,920.65	23,590.85	21,920.65

The management assessed that fair value of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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

38. Fair values hierarchy

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

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2021:

Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fair value of financial assets disclosed					
Investments	31-Mar-21	11,026.80	-	11,026.80	-
Other financial assets	31-Mar-21	390.95	-	390.95	-
Tax Assets (Net)	31-Mar-21	2,300.42	-	2,300.42	-
Trade Receivables	31-Mar-21	945.23	-	945.23	-
Cash and Cash Equivalents	31-Mar-21	1,072.60	-	1,072.60	-
Bank balances other than cash and cash equivalents	31-Mar-21	18.79	-	18.79	-
Other financial assets	31-Mar-21	1,006.63	-	1,006.63	-
Total		16,761.42	-	16,761.42	-

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

Quantitative disclosures fair value measurement hierarchy for liabilities as at 31 March, 2021:

Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fair value of financial liabilities disclosed					
Non-current Borrowings	31-Mar-21	13,667.35	-	13,667.35	-
Other non-current financial Liabilities	31-Mar-21	171.42	-	171.42	-
Current Borrowings	31-Mar-21	301.14	-	301.14	-
Trade Payables	31-Mar-21	4,931.02	-	4,931.02	-
Other current financial Liabilities	31-Mar-21	4,519.92	-	4,519.92	-
Total		23,590.85	-	23,590.85	-

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

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

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

Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fair value of financial assets disclosed					
Investments	31-Mar-20	11,026.80	-	11,026.80	-
Other financial assets	31-Mar-20	379.62	-	379.62	-
Tax Assets (Net)	31-Mar-20	2,345.53	-	2,345.53	-
Trade Receivables	31-Mar-20	1,565.45	-	1,565.45	-
Cash and Cash Equivalents	31-Mar-20	730.10	-	730.10	-
Bank balances other than cash and cash equivalents	31-Mar-20	46.97	-	46.97	-
Other financial assets	31-Mar-20	504.27	-	504.27	-
Total		16,598.74	-	16,598.74	-

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

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

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

Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fair value of financial liabilities disclosed					
Non-current Borrowings	31-Mar-20	14,044.08	-	14,044.08	-
Other non-current financial Liabilities	31-Mar-20	195.74	-	195.74	-
Current Borrowings	31-Mar-20	66.20	-	66.20	-
Trade Payables	31-Mar-20	4,467.91	-	4,467.91	-
Other current financial Liabilities	31-Mar-20	3,206.90	-	3,206.90	-
Total		21,980.83	-	21,980.83	-

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

39. Financial risk management objectives and policies

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

Market risk

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

The sensitivity analysis in the following sections relate to the position as at 31 March 2021 and 31 March 2020.

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

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

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2021 and 31 March 2020.

Interest rate risk

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

Interest rate sensitivity

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

	Increase / (decrease) in Interest Rate	Increase / (decrease) in profit before tax
March 31, 2021		
INR	0.5% p. a.	(82.81)
INR	(0.5%) p. a.	82.81
March 31, 2020		
INR	0.5% p. a.	(98.93)
INR	(0.5)% p. a.	98.93

Price risk

Price risk is the risk of fluctuations in the change in prices of equity Investments. The Company's investment in JV company is of strategic in nature rather than for trading purpose.

Credit risk

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

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

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

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

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments held by the Company are in the nature of investment in jointly controlled entity and also an investment in an alternate energy supply company as required under the respective State energy policy. Both the categories are unquoted non-trade equity.

Liquidity risk

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

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

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

Particulars	On demand	Less than 1 Year	1 to 5 years	5 years and above	Total
Year ended 31/3/2021					
Borrowings	301.14	4,125.00	13,728.03	-	18,154.17
Other financial liabilities	-	394.92	171.42	-	566.34
Trade and other payables	-	-	-	-	-
Total	301.14	4,519.92	13,899.45	-	18,720.51
Particulars	On demand	Less than 1 Year	1 to 5 years	5 years and above	Total
Year ended 31/3/2020					
Borrowings	66.20	2,437.50	14,124.98	-	16,628.68
Other financial liabilities	-	769.40	195.74	-	965.14
Trade and other payables	-	-	-	-	-
Total	66.20	3,206.90	14,320.72	-	17,593.82

40. Balances in the accounts of various parties are subject to confirmation and reconciliation.

41. Previous Year's figures have been regrouped / rearranged, wherever necessary. Figures in brackets indicate those for previous year.

Per our report of even date
For **M.BHASKARA RAO & CO.**,
Chartered Accountants
Firm Regn No.000459S

D. Bapu Raghavendra
Partner
Membership No.213274
Place : Hyderabad
Date : June 25, 2021

For and on behalf of the Board

G Indira Krishna Reddy
Managing Director
DIN:00005230

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

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



**CONSOLIDATED
FINANCIAL
STATEMENTS**

Independent Auditor's Report

To The Members of

TAJGVK Hotels & Resorts Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated financial statements of TAJGVK Hotels & Resorts Limited ("the Holding Company") and its Joint Venture company which is incorporated in India (the Holding Company and its said Joint Venture together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated state of affairs of the Company as at March 31, 2021, the Consolidated net loss and Consolidated total comprehensive income, Consolidated changes in equity and its Consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of matter

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

Note 23

Regarding the management's assessment of the impact of COVID-19 on its business including but not limited to liquidity and going concern assumptions, recoverable values of its financial and non-financial assets and its increased efforts for their recovery and impact on revenues and costs for the year ended 31st March 2021, and based on its internal and external sources of information, sensitivity analysis of the assumptions used and its current estimates, the company's expectation to recover its carrying amount of the aforesaid assets.

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

Key Audit Matters

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

S. No	Key Audit Matter	Auditor's Response
1	<p>Impact of COVID-19 pandemic and Going Concern - Refer Note 23:</p> <p>During the year, the business of the Company was significantly impacted due to COVID-19. Significant number of hotels were not operating for the first six months on account of restrictions imposed due to lockdowns; with lifting of lockdown restrictions all the hotels started operating from second half of the year.</p> <p>The Company has assessed the potential impact of Covid-19 on its capital and financial resources, profitability, liquidity position, ability to service debt and other financing arrangements, supply chain and demand for its services.</p> <p>The Company has also assessed the potential impact of Covid-19 on the carrying value of property, plant & equipment, right to use assets, intangible assets, investments, trade receivables, inventories, and other current assets appearing in the financial statements of the Company and expects to recover the carrying amounts of these assets.</p> <p>Presently, various state Governments have imposed restrictions due to the resurgence of COVID-19 cases, which has significantly impacted business of the Company.</p> <p>In view of the above, we identified impact of COVID-19 on going concern as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none">• Obtained an understanding of key assumptions adopted by the Company in assessing the Impact based on our understanding of the Company's business• Performed the following procedures.• Reviewed the status of long-term borrowings and company's availment of moratorium to the repayment;• Reviewed the receivables position as at 31st March 2021 on the date of report• Obtained understanding of new borrowing facilities availed including additional credit pronounced under government scheme.• Assessed Government's efforts to counter the impact of resurgence in COVID-19 cases and the impact of the same on future projections;• Assessed disclosures made in the consolidated financial statements with regard to the above. Refer to note 23(a) & (b)

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

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

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

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

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

Management's Responsibility for the Consolidated Financial Statements

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

In preparing the Consolidated financial statements, the respective Boards of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its said joint venture have an adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue the going concern assumption in preparing these Consolidated Financial Statements. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up

to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

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

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

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

Other Matter

- i. The consolidated financial statements include the Holding Company's share of net loss of Rs. 1352 Lakhs for the year ended March 31, 2021, as considered in the consolidated financial statements, in respect of its said Joint Venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of the said Joint Venture is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
- d) In our opinion, the aforesaid Consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rules made thereunder and in force for the time being.
- e) On the basis of the written representations received from the Directors as on March 31, 2021 taken on record by the Board of Directors of the Company and its Joint Venture Company incorporated in India and the report of the statutory auditors of the said Joint Venture company, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, We report that the excess over minimum remuneration paid to the Managerial Personnel for the year 2019-20 is being presented to the ensuing AGM for its approval in accordance with the provisions of the Section 197 (16) of Companies Act 2013.

- g) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Company and its said Joint Venture Company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. (Refer Note 22)
 - ii. The Company and its Joint Venture 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 its said Joint Venture Company.

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

D. BAPU RAGHAVENDRA
Partner
(Membership No.213274)
UDIN: 21213274AAAAMP2245

Place: Hyderabad,
Date: June 25, 2021

Annexure “A”

to the Independent Auditor’s Report

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

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

We have audited the internal financial controls over financial reporting of **TAJGVK Hotels & Resorts Limited** (“the Company”) and its Joint Venture Company which is incorporated in India as of March 31, 2021 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company and its said Joint Venture have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to its said Joint Venture Company, is based on the corresponding report of the auditors of the said Joint Venture Company.

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

D. BAPU RAGHAVENDRA
Partner
(Membership No.213274)
UDIN: 21213274AAAAMP2245

Place: Hyderabad
Date: June 25, 2021

Consolidated Balance Sheet as at March 31, 2021

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

Particulars	Note	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	1	39,194.96	40,327.91
Right to Use Assets		3,023.73	3,117.21
Capital work-in-progress		8,748.66	9,054.95
Intangible Assets	1	82.56	117.82
		51,049.91	52,617.89
Financial Assets			
Investments	2	9,230.34	10,582.25
Other financial assets	3	390.95	379.62
Tax Assets (Net)		2,300.42	2,345.53
Other non current assets	4	2,971.14	2,990.97
		14,892.85	16,298.36
Total Non-Current Assets		65,942.76	68,916.25
Current Assets			
Inventories	5	710.74	815.89
Financial Assets			
Trade Receivables	6	945.23	1,565.45
Cash and Cash Equivalents	7	1,072.60	730.10
Bank balances other than cash and cash equivalents	7	18.79	46.97
Other financial assets	3	1,006.63	504.27
Other Current assets	4	766.59	1,233.07
Total Non-Current Assets		4,520.57	4,895.75
Total Assets		70,463.33	73,812.00
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	8	1,254.03	1,254.03
Other Equity	9	35,451.78	39,416.60
Total Equity		36,705.81	40,670.63
Non-Current Liabilities			
Financial Liabilities			
Borrowings	10	13,667.36	14,044.08
Other financial Liabilities	12	171.42	195.74
Lease Liabilities		4,371.35	4,358.51
Provision for Employee benefits	13	392.13	393.24
Deferred Tax Liabilities (net)	15	4,890.75	5,833.60
Total Non-Current Liabilities		23,493.01	24,825.17
CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	10	301.14	66.20
Trade Payables			
- Micro and Small Enterprises	11	-	60.17
- Others	11	4,931.02	4,407.74
Other financial Liabilities	12	4,519.92	3,206.90
Other current liabilities	14	512.43	575.19
		10,264.51	8,316.20
Total Equity And Liabilities		70,463.33	73,812.00
Summary of Significant Accounting Policies			
The accompanying notes form an integral part of the Financial Statements			

Per our report of even date
For **M.BHASKARA RAO & CO.**,
Chartered Accountants
Firm Regn No.000459S

D. Bapu Raghavendra
Partner
Membership No.213274
Place : Hyderabad
Date : June 25, 2021

For and on behalf of the Board

G Indira Krishna Reddy
Managing Director
DIN:00005230

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

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

Consolidated Statement of Profit and Loss for the year ended March 31, 2021

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

Particulars	Note	Current Year	Previous year
Revenue from Operations	16	9,417.44	31,261.53
Other Income	17	264.30	122.40
Total Income		9,681.74	31,383.93
Expenses			
Food and Beverages Consumed	18	1,139.37	3,327.89
Employee Benefit Expense and Payment to Contractors	19	2,757.37	6,671.25
Finance Costs	20	1,991.37	2,262.76
Depreciation and Amortisation	1	1,562.05	1,598.68
Amortization of right to use assets		93.48	80.04
Other Operating and General Expenses	21	5,738.06	13,849.01
Total Expenses		13,281.70	27,789.63
Profit Before Exceptional Items and Tax		(3,599.96)	3,594.30
Exceptional Items		-	-
Profit Before Tax		(3,599.96)	3,594.30
Tax Expenses			
Current Tax		-	1,088.00
Deferred Tax		(955.15)	120.95
Tax relating to earlier years		-	-
Total Tax Expenses		(955.15)	1,208.95
Profit for the Period		(2,644.81)	2,385.35
Share Of Profit / (Loss) From Joint Venture		(1,351.91)	424.33
Other Comprehensive Income, Net of Tax			
Items that will not be reclassified to profit and loss			
Actuarial gain / (loss) on employee gratuity (net of tax)		31.91	(53.89)
Total Comprehensive Income for the period		(3,964.81)	2,755.79
Earnings Per Share			
No.of equity shares of Rs.2/-each		62,701,495	62,701,495
1) Basic		(6.32)	4.40
2) Diluted		(6.32)	4.40
Summary of Significant Accounting Policies			
The accompanying notes form an integral part of the Financial Statements			

Per our report of even date
For **M.BHASKARA RAO & CO.,**
Chartered Accountants
Firm Regn No.000459S

D. Babu Raghavendra
Partner
Membership No.213274
Place : Hyderabad
Date : June 25, 2021

For and on behalf of the Board

G Indira Krishna Reddy
Managing Director
DIN:00005230

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

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

Consolidated Cash Flow Statement for the year ended March 31, 2021

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

Particulars	Current Year	Previous Year
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	(3,599.96)	3,594.30
Add: Share of profit / (loss) before tax from Joint Venture	(1,788.46)	567.37
Consolidated profit before tax	(5,388.42)	4,161.67
Adjustments for :		
Consolidation of proportionate share of joint venture	1,351.91	(424.33)
Depreciation	1,562.05	1,598.68
Amortization expense on Right-To-Use assets	93.48	80.04
Miscellaneous Expenditure Written off	-	11.25
Loss on sale of assets	2.20	8.32
Profit on sale of assets	(9.88)	(6.86)
Bad debts written off	-	97.81
Provision for Bad & Doubtful Debts	-	0.25
Provision for bad & doubtful debts credited back	-	(44.55)
Finance Costs	1,991.37	2,262.76
Interest earned	(32.82)	(10.10)
	4,958.31	3,573.27
Operating Profit before working capital changes	(430.11)	7,734.94
Adjustments for :		
Trade Receivables	620.23	247.09
Inventories	105.13	(64.70)
Non-current and current financial assets	(512.89)	(7.71)
Other Non-current and current assets	486.32	(344.38)
Non-current and current financial liabilities	(527.22)	162.43
Other Current Liabilities	(62.77)	(191.11)
Employee benefit obligations	(1.10)	116.03
Trade payables	463.09	147.74
	570.79	65.39
Cash generated from operations	140.68	7,800.33
Less: Taxes paid / (refund received)	45.10	195.56
Less: Tax adjustment on account of share of Joint Venture	(436.55)	144.05
Net Cash in Flow from Operating Activities	532.13	7,460.72
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets /addition to CWIP	(93.80)	(310.20)
Interest Received	32.02	14.18
Sale of Fixed Assets	13.94	10.04
Net Cash Out flow from Investing Activities	(47.84)	(285.98)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Long term loans raised	-	0.00
Long term loans (repaid)	(2,437.50)	(3,225.00)
Term loans raised / (repaid)	3,728.05	0.00
Working capital borrowings	234.94	66.20
Long term deposits raised/(paid back)	(24.32)	(17.52)
Interest paid	(1,592.09)	(1,818.08)
Interest costs on lease liability	(379.05)	(424.45)
Fixed deposits created	300.00	(700.00)
Dividend paid	-	(376.21)
Taxes on dividend paid	-	(88.93)
Net Cash Out flow from Financing Activities	(169.97)	(6,583.99)
Net increase in cash and cash equivalent	314.32	590.75
Cash and Cash equivalents as at beginning of the year	777.07	186.32
Cash and Cash equivalents as at end of the year	1,091.39	777.07

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

Per our report of even date
For **M.BHASKARA RAO & CO.,**
Chartered Accountants
Firm Regn No.000459S

D. Babu Raghavendra
Partner
Membership No.213274
Place : Hyderabad
Date : June 25, 2021

For and on behalf of the Board

G Indira Krishna Reddy
Managing Director
DIN:00005230

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

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

Financial Liability Statement

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

Particulars	Current Year	Previous Year
1) Net debt		
Cash and cash equivalents	1,091.39	777.07
Current Investment	-	-
Total Liquid Investment - (a)	1,091.39	777.07
Long term Borrowings (Including Current portion)	17,853.03	16,562.48
Short Term Borrowings	301.14	66.20
Gross Debt - (b)	18,154.17	16,628.68
Net Debt (b) - (a)	17,062.78	15,851.61
2) Other financial Liabilities		
Derivatives	-	-
Interest Accrued but not due	-	125.66
Total Other financial Liabilities	-	125.66
Grand Total	17,062.78	15,977.27

Particulars	Other assets		Liabilities from financing activities				Total
	Cash and cash equivalents	Current Investment	Gross Debt	Net Debt	Derivatives	Interest Accrued but not due	
As at 1 April 2020	777.07	-	16,628.68	15,851.61	-	125.66	15,977.27
Cash flows	314.32	-	1,525.48	1,211.17	-	(125.66)	1,085.51
As at 31 March 2021	1,091.39	-	18,154.16	17,062.78	-	-	17,062.78

Statement of Changes in Equity as at Mar 31, 2021

Particulars	Equity Share Capital Subscribed	Reserves and Surplus				Total
		Capital Reserve	Securities Premium Account	Retained Earning		
				General Reserve	Profit & Loss B/fd	
Balance at the beginning of the year (April 1, 2020)	1,254.03	3,469.30	3,132.00	7,100.00	25,715.29	40,670.62
Add:						
Profit for the year	-	-	-	-	(3,996.72)	(3,996.72)
Other Comprehensive Income for the period, net of taxes, excluding actuarial gain/ (losses)	-	-	-	-	31.91	31.91
Balance at the end of the year (Mar 31, 2021)	1,254.03	3,469.30	3,132.00	7,100.00	21,750.48	36,705.82

Per our report of even date
For **M.BHASKARA RAO & CO.,**
Chartered Accountants
Firm Regn No.000459S

D. Babu Raghavendra
Partner
Membership No.213274
Place : Hyderabad
Date : June 25, 2021

For and on behalf of the Board

G Indira Krishna Reddy
Managing Director
DIN:00005230

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

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

1. General information

TAJGVK Hotels & Resorts Limited (“TAJGVK” / “the Company”) was incorporated on 02nd February, 1995 in the erstwhile state of Andhra Pradesh, India. The Company is a joint venture between the GVK Group and Indian Hotels Company Limited. The Company is primarily engaged in the business of owning, operating & managing hotels, palaces and resorts with the brand name of “TAJ”.

2. These financial statements were authorized for issue by a resolution of the Board of Directors passed on June 25, 2021.

3. Principles of Consolidation

i) The Consolidated financial statements have been prepared on the following basis:

The Consolidated financial statements comprise of the financial statement of TAJGVK Hotels and Resorts Ltd (herein after referred to as “the Company” and a Joint Venture Company (herein after referred to as “the JV”).

Names of the Joint Venture	Country of incorporation	As at March 31, 2021	As at March 31, 2020
Greenwoods Palaces and Resorts Pvt Ltd	India	48.99%	48.99%

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

The investment in the jointly controlled entity is accounted for using the equity method from the date on which the investee became a joint venture. Under the equity method, a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group’s share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually. Share of losses incurred in the joint venture are reduced, to the extent, from the carrying amount of the investment.

The statement of profit and loss reflects the Group’s share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group’s OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognizes its share of any changes, when applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

4. Summary of Significant Accounting Policies

i. Statement of compliance:

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

ii. Basis of preparation of financial statements:

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

iii. Use of estimates:

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

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

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

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is treated as current when it is :

- Expected to be settled in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be settled within twelve months after the reporting period; or

d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current

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

v. Exceptional Items

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

vi. Revenue Recognition:

- a. Income from guest accommodation is recognised on a day to day basis after the guest checks into the Hotels. Income from Food and Beverages are recognised at the point of serving these items to the guests. Income stated is exclusive of taxes collected. Rebates and discounts granted to customers are reduced from revenue.
- b. Shop rentals are recognized on accrual basis.
- c. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- d. Insurance claims are recognized as and when they are settled / admitted.

vii. Inventories:

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

viii. Property Plant and equipment:

- a. Property Plant and equipment are stated at cost, net of credit availed in respect of any taxes, duties less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Financing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for intended use are also included to the extent they relate to the period up to such assets are ready for their intended use. Expenditure directly relating to construction/erection activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the construction cost to the extent such expenditure is related to construction or is incidental thereto. Direct expenditure during construction period attributable to the cost of assets under construction is considered as capital work in progress and indirect expenditure is included under expenditure during construction period pending allocation.
- b. Subsequent expenditure incurred on existing fixed assets is added to their book value only if such expenditure increases the future benefits from the existing assets beyond their previously assessed standard of performance.
- c. In the transition to Ind-AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

ix. Intangible assets:

- a. Intangible assets are carried at cost, net of credit availed in respect of any taxes and duties, less accumulated amortization. Computer software is classified under “Intangible Assets”.
- b. In the transition to Ind-AS, the Company has elected to continue with the carrying value of all of its intangible assets recognized as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

x. Depreciation and Amortisation:

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

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

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

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

Computer Software : 6 years

xi. Leases:

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

Lessee:

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

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

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

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

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

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

Lessor:

Rental income from operating lease is recognised on a straight line basis over the lease term unless payments to the Company are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increase. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned. No change in recognition or disclosure is made to lease rentals earned by the company in the capacity as a lessor, pursuant to adoption of Ind AS 116.

xii. Foreign Exchange Transactions:

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

- a. **Initial recognition:** Transactions in foreign currencies are initially recorded at the exchange rates (INR spot rate) prevailing on the date of the transaction.
- b. **Conversion:** Foreign currency monetary items are reported at the exchange rates (INR spot rate) on Balance Sheet date.
- c. **Exchange Difference:** Exchange differences arising on the settlement of monetary items, on reporting of such monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or expense in the year in which they arise. Foreign currency assets / liabilities are restated at the rates prevailing at the year end and the gain / loss arising out of such restatement is taken to revenue.

xiii. Retirement Benefits:**a. Defined Contribution Plan:**

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

b. Defined Benefit Plan:

Gratuity:

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

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

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

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

The Company recognises the following changes in the net defined benefit obligation as an expense in its statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

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

Compensated Absences

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

xiv. Borrowing Costs:

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

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

xv. Taxes on income:

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

- a. Current tax:** Provision for current tax is made for Income-tax liability estimated to arise on the profit for the year at the current rate of tax in accordance with the Income-tax Act, 1961.
- b. Deferred Tax:** Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

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

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

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

xvi. Earnings per share:

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

xvii. Impairment of non-financial assets:

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account.

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

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

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

xviii. Provisions:

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

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

xix. Contingent Liabilities and Contingent Assets:

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

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

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

xx. Cash and cash equivalents

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

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

xxi. Investment in subsidiaries, associates and joint ventures

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

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

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

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

xxii. Financial assets

Initial recognition and measurement:

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

Subsequent measurement:

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

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

De-recognition:

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

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

Financial liabilities

Initial recognition and measurement:

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

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

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

Subsequent measurement:

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

Financial liabilities at fair value through profit or loss.

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

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

Loans and borrowings

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

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

De-recognition :

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

xxiii. Significant accounting judgements, estimates and assumptions

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

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

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

Taxes

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

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

Defined benefit plans (gratuity benefits)

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

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

Allowance for uncollectible trade receivables

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

Notes to Financial Statement for the year ended March 31, 2021

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

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

Particulars	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Total	Capital Work in Progress	Intangible Assets
Gross Block at Cost									
At April 1, 2020	4,244.11	30,994.02	10,873.28	1,969.61	334.35	189.63	48,605.00	9,054.95	382.20
Additions	-	365.23	21.61	1.64	11.62	-	400.10	47.20	-
Disposals	-	-	19.60	0.04	7.63	-	27.27	353.49	3.02
As At Mar 31, 2021	4,244.11	31,359.25	10,875.29	1,971.21	338.34	189.63	48,977.83	8,748.66	379.18
Depreciation									
At April 1, 2020	1.83	2,705.23	4,495.48	791.50	244.92	38.13	8,277.09	-	264.38
Charge for the period	-	546.75	790.15	131.46	40.03	19.54	1,527.93	-	34.12
Disposals	-	-	14.75	-	7.40	-	22.15	-	1.88
As At Mar 31, 2021	1.83	3,251.98	5,270.88	922.96	277.55	57.67	9,782.87	-	296.62
Net Block									
As At Mar 31, 2021	4,242.28	28,107.27	5,604.41	1,048.25	60.79	131.96	39,194.96	8,748.66	82.56
As at Mar 31, 2020	4,242.27	28,288.79	6,377.81	1,178.11	89.44	151.49	40,327.91	9,054.95	117.83

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

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

3) Rs.326 lakhs of banqueting space adjacent to gardenia lawns was capitalized in Taj Krishna during the year

Note 2 - Investments

Particulars	Face Value Rs.	As at March 31, 2021		As at March 31, 2020	
		No. of shares	Rs.lakhs	No. of shares	Rs.lakhs
Non-Current Investments - Unquoted					
(i) Investment in Joint Venture	10/-	3,67,50,000	11,025.00	3,67,50,000	11,025.00
Green Woods Palaces and Resorts Pvt Ltd (fully paid Equity shares)					
Less: Share of loss from Joint Venture			(1,796.46)		(444.55)
			9,228.54		10,580.45
(ii) Others	10/-	18,000	1.80	18,000	1.80
Green Infra Windfarms Limited (fully paid Equity shares)					
Total Non-current Investments			9,230.34		10,582.25

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

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

Note 3 - Other Financial Assets

Particulars	As at March 31, 2021	As at March 31, 2020
A) Non Current		
Deposits with Public Bodies and Others	390.95	379.62
	390.95	379.62
B) Current		
Deposit with public bodies and others	3.74	3.74
Other advances	416.89	394.87
Claims Receivable	1.38	1.38
Interest accrued	4.17	3.38
Other receivables	580.45	100.91
	1,006.63	504.27

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

Note 4 - Other assets

Particulars	As at March 31, 2021	As at March 31, 2020
A) Non current (Unsecured considered good)		
Other advances recoverable	2,213.31	2,213.31
Advance lease payments	708.30	720.94
Deposits for tax and other statutory dues	49.53	56.71
	2,971.14	2,990.97
B) Current (Unsecured considered good)		
Prepaid Expenses	184.50	262.50
Indirect tax recoverable	20.22	51.21
Advance to Suppliers	150.07	151.49
Advance to Employees	10.40	16.29
Excess of GST input credit over liability	246.49	308.98
Export benefit receivable	154.91	442.60
	766.59	1,233.07

Note 5 - Inventories

Particulars	As at March 31, 2021	As at March 31, 2020
Food and Beverages	455.24	523.90
Stores and Operating Supplies	255.50	291.99
	710.74	815.89

Note 6 - Trade receivables

Particulars	As at March 31, 2021	As at March 31, 2020
Considered good - Unsecured	945.23	1,565.45
Credit impaired	93.29	93.29
	1,038.52	1,658.74
Less : Provision for Trade Receivables which are credit impaired	93.29	93.29
	945.23	1,565.45

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

Note 7 - Cash and bank balances

Particulars	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalents		
Cash on hand	13.81	24.70
Balances with banks in current account	58.79	-
Margin money deposits	-	5.40
Other deposit with bank	1,000.00	700.00
	1,072.60	730.10
Bank balances other than cash and cash equivalents		
Earmarked balances with banks on account of unclaimed dividends	18.79	46.97
	18.79	46.97

Note 8 - Equity Share Capital

Particulars	As at March 31, 2021	As at March 31, 2020
Authorised Share Capital 170500000 (170500000) Equity Shares of Rs.2/- each	3,410.00	3,410.00
	3,410.00	3,410.00
Issued Share Capital 62701495 (62701495) Equity Shares of Rs.2/- each fully paid-up	1,254.03	1,254.03
	1,254.03	1,254.03
Subscribed and Paid Up Share Capital 62701495 (62701495) Equity Shares of Rs.2/- each fully paid-up	1,254.03	1,254.03
	1,254.03	1,254.03

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

i) Reconciliation of equity shares outstanding :

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	Rs.lakhs	No. of shares	Rs.lakhs
Shares outstanding at the beginning of the year	6,27,01,495	1,254.03	6,27,01,495	1,254.03
Add : Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	6,27,01,495	1,254.03	6,27,01,495	1,254.03

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

Name of Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mrs. G. Indira Krishna Reddy	75,68,947	12.07	75,68,947	12.07
Mrs. Shalini Bhupal	2,34,48,859	37.40	2,34,48,859	37.40
The Indian Hotels Company Limited	1,60,00,400	25.52	1,60,00,400	25.52

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

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

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

Note 9 - Other Equity

Particulars	As at March 31, 2021	As at March 31, 2020
Capital Reserve	3,469.30	3,469.30
Securities Premium Account	3,132.00	3,132.00
General Reserve	7,100.00	7,100.00
Retained Earnings		
Surplus in the Profit And Loss	25,715.29	24,231.04
Add: Current period profits	(3,996.72)	2,809.68
Less: Transition adjustment on adoption of Ind AS 116	-	1,137.70
Add: Transitional adjustment for deferred tax recognition of lease liability and RTU assets	-	331.30
Less: Dividends	-	376.21
Less: Dividend tax	-	88.92
Total Retained Earnings	21,718.57	25,769.19
Reserves and Surplus	35,419.87	39,470.49
Other Comprehensive Income	31.91	(53.89)
Total Other Equity	35,451.78	39,416.60

Note 10 - Borrowings

Particulars	As at March 31, 2021	As at March 31, 2020
A) Long term borrowings		
Term Loan from Banks		
Secured	17,853.03	16,562.48
Less: Unamortized Borrowing Cost	60.67	80.90
	17,792.36	16,481.58
Less: Current maturities of Long term borrowings (shown under Other current financial liabilities)	4,125.00	2,437.50
Total Long term borrowings	13,667.36	14,044.08
B) Short term borrowings		
Loans repayable on demand from Banks		
Secured	301.14	66.20
Total Short term borrowings	301.14	66.20
Total Borrowings	13,968.50	14,110.28

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

i) Term Loans from Banks:

- a) Rs.75.00 crores (2020: Rs.84.38 crores) from HDFC Bank Ltd at an interest rate of 1 year MCLR + spread of 115 bps.viz. 8.45% p.a is secured by first charge on all assets of Taj Chandigarh and repayable in 32 equal instalments starting from 1st Nov 2016. The loan is sanctioned with a moratorium of 2 years from the date of first disbursement. ie. Aug 2014.
- b) Rs.4.03 crs (2020: Nil) represents interest on long term loan due for the period Mar'2020 to Aug'2020 converted to term loan by HDFC Bank Ltd at an interest rate of 1 year MCLR + spread of 115 bps.viz. 8.45% p.a is secured by first charge on all assets of Taj Chandigarh, Chandigarh repayable as bullet payment on 01st February 2025
- c) The Company availed Rs.16.87 crores of short term loan from HDFC Bank under the Emergency Credit Line Guarantee Scheme notified by the Government of India, to meet the deficit in working capital cash flows repayable in 48 equated instalments after a 12 month moratorium from the date of disbursement, at an interest rate of 8.20% p.a
- d) Rs.66.25 (2020: Rs.81.25 crores) crores from AXIS Bank Ltd at an interest rate of 1 year MCLR + spread of 80 bps.viz. 8.50% p.a is secured by first charge on all assets of Taj Club House, Chennai repayable in 26 structured instalments starting from 31st March 2017. The loan is sanctioned with a moratorium of 2.5 years from the date of first disbursement. ie. July 2014.
- e) The Company availed Rs.16.38 crores of short term loan from AXIS Bank under the Emergency Credit Line Guarantee Scheme notified by the Government of India, to meet the deficit in working capital cash flows repayable in 48 equated instalments after a 12 month moratorium from the date of disbursement, at an interest rate of 8.45% p.a.

ii) Loans repayable on demand from Banks

- a) Bank Overdraft from AXIS BAnk Ltd Rs.0.86 crs (2020 : Rs.0.66 crores) at an interest rate of 1 month MCLR + spread of 145 bps. viz. 8.85% per annum is secured by first charge on current assets of the Company, ranking pari passu with IDBI Bank Ltd, further secured by second charge on fixed assets of Taj Club House.
- b) Bank Overdraft from IDBI Bank Ltd Rs.2.15 crs (2020 : Nil) at an interest rate of 8.50% per annum is secured by first charge on current assets of the Company, ranking pari passu with AXIS Bank Ltd.

Note 11 - Trade Payables

Particulars	As at March 31, 2021	As at March 31, 2020
Dues to Micro and Small Enterprises (Refer Note (i))	-	60.17
Others	3,800.49	3,391.86
Accrued expenses and others	1,130.53	1,015.88
	4,931.02	4,467.91

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

Particulars	As at March 31, 2021	As at March 31, 2020
a) The principal amount remaining unpaid to supplier as at the end of the accounting year	-	59.96
b) The interest due thereon remaining unpaid to supplier as at the end of the accounting year	-	-
c) The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the year		
e) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	0.21
f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Note 12 - Other financial liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
A) Non Current financial liabilities		
Deposits refundable	171.42	147.77
Creditors for Capital goods and services	-	47.97
	171.42	195.74
B) Current financial liabilities		
Current maturities of long term borrowings	4,125.00	2,437.50
Interest accrued but not due	-	125.66
Deposits from others	7.88	7.98
Creditors for capital expenditure	82.60	190.39
Unclaimed dividend	18.79	46.97
Employee Related Liabilities	260.77	357.29
Others	24.88	41.11
	4,519.92	3,206.90

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

Note 13 - Provision for Employee Benefits

Particulars	As at March 31, 2021	As at March 31, 2020
Non Current		
Post-retirement compensated absences	170.93	175.35
Gratuity	221.20	217.89
	392.13	393.24

Note 14 - Other non financial Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Advances towards revenues	425.40	415.55
Statutory dues	87.03	159.64
	512.43	575.19

Note 15 - Deferred Tax Liabilities (Net)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax Liabilities:		
Depreciation on Fixed Assets	6,314.55	6,297.47
Amortization of finance cost	16.88	23.56
Total (A)	6,331.43	6,321.03
Deferred Tax Assets:		
Provision for Doubtful Debts	25.95	27.17
Employee Benefits	109.09	114.51
Amortization of prepaid lease payments	45.83	44.62
Loss incurred for 2020-21	988.27	-
Lease liability and right to use assets	271.54	301.13
Total (B)	1,440.68	487.43
Net Deferred Tax Liabilities (A-B)	4,890.75	5,833.60

Note 16 - Revenue from Operations

Particulars	Current Year	Previous Year
Room Revenue, Food, Restaurants and Banquet Revenue	8,784.70	29,783.25
Shop rentals	174.70	442.82
Membership fees	30.00	50.06
Export benefits	111.20	250.43
Others	316.84	734.97
Total	9,417.44	31,261.53

Note 17 - Other Income

Particulars	Current Year	Previous Year
Interest Income at amortised cost		
Deposits with banks	12.12	0.23
Others	4.38	9.86
	16.50	10.09
Interest on Income Tax Refunds	16.32	-
Total	32.82	10.09
Profit on sale of assets	9.89	6.86
Exchange Gain (Net)	0.09	2.87
Others	221.50	102.58
Total	264.30	122.40

Note 18 - Food and Beverages Consumed

Particulars	Current Year	Previous Year
Food and Beverages Consumed	1,139.37	3,327.89

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

Note 19 - Employee Benefit Expense

Particulars	Current Year	Previous Year
Salaries, Wages, Bonus etc.	1,828.01	4,148.76
Company's Contribution to Provident and Other Funds	176.14	317.91
Reimbursement of Expenses on Personnel Deputed to the Company	388.79	970.38
Contractor employee expenses	178.95	640.01
Staff Welfare Expenses	185.48	594.19
Total	2,757.37	6,671.25

Note 20 - Finance costs

Particulars	Current Year	Previous Year
Interest Expense	1,592.09	1,818.08
Interest cost on lease liability	379.06	424.46
Other borrowing costs	20.22	20.22
Total	1,991.37	2,262.76

Note 21 - Other Operating and General Expenses

Particulars	Current Year	Previous Year
(i) Operating expenses consist of the following :		
Linen and Room Supplies	214.99	580.77
Catering Supplies	133.09	288.32
Other Supplies	30.91	26.12
Fuel, Power and Light	1,168.33	2,715.01
Repairs to Buildings	178.07	675.33
Repairs to Machinery	496.63	1,076.91
Repairs to Others	72.49	556.58
Linen and Uniform Washing and Laundry Expenses	153.94	454.30
Payment to Orchestra Staff, Artistes and Others	130.72	391.12
Guest Transportation	67.51	200.52
Travel Agents' Commission	317.46	780.35
Credit card Commission	50.22	226.70
Other Operating Expenses	204.90	706.64
Total	3,219.28	8,678.67
(ii) General expenses consist of the following :		
Rent	113.01	161.23
Licence Fees	181.58	398.15
Rates and Taxes	891.16	1,025.33
Insurance	137.51	117.21
Advertising and Publicity	331.57	683.54
Printing and Stationery	40.34	117.54
Passage and Travelling	8.35	38.30
Communication expenses	66.50	262.07
Provision for Doubtful Debts	-	0.25
Bad debts written off	-	97.81
Expenditure on Corporate Social Responsibility	69.87	59.85
Donations	-	75.00
Operating & Management Fees	294.74	951.54
Professional Fees	89.48	160.54
Outsourced Support Services	158.24	234.07
Loss on Sale of Fixed Assets	2.20	8.32
Payment made to Statutory Auditors		
i. As Auditors	13.50	27.00
ii. For Tax Audit	1.50	3.00
iii. For certification	0.05	-
Directors' Sitting Fees	16.80	11.55
Amortized expenses	-	11.25
Other Expenses	102.38	726.79
Total	2,518.78	5,170.34
	5,738.06	13,849.01

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

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

Estimated amount of contracts remaining to be executed on capital account, net of advances Rs.Nil (2020: Rs. Nil).

Contingent liabilities not provided for in respect of

Particulars	As at March 31, 2021	As at March 31, 2020
Value added tax matters (Rs.97.20 lakhs [2020: Rs.97.20 lakhs] paid under protest against the demands)	307.40	307.40
Income tax matters (Rs.102.30 lakhs [2020: Rs.102.30 lakhs] paid under protest against the demands)	259.00	259.00
Service tax matters	2527.63	2541.76
Probable customs duty payable on the Equipment Imported under Export Promotion Capital Goods Scheme	330.14	371.90
Bank Guarantees – Others	-	108.00

23. (a) Impact of Covid-19

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

Most of the hotels of the Company were shut down entirely during the lockdown phase as the Company was not part of Government denominated essential services. With the lifting of the partial lockdown restrictions the hotels restarted operations in a phased manner and all hotels were open by December 2020. The demand for its services picked up albeit at a slower pace driven by domestic leisure tourism, staycations, domestic business travel and limited international travel.

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

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

(b) Going Concern

The Company is facing significant uncertainties due to COVID-19 which has impacted the operations of the Company adversely throughout the year. Management has assessed the impact of existing and anticipated effects of COVID-19 on the future cash flow projections and has prepared a range of scenarios to estimate future financing requirements. As on the reporting date, the Company has undrawn sanctioned lines of credit aggregating Rs.27 crores which is estimated as sufficient to meet the estimated cash requirements during the next twelve months and the Company is current on all its Debt obligations. However as the COVID-19 situation still continues, as an abundant precaution, the Management is exploring means to secure additional financing to fulfill its long-term/ working capital requirements. Also refer note 23 (a) on Impact of Covid-19. Based on aforesaid assessment, management believes that as per estimates made conservatively, the Company will continue as a going concern and will be able to discharge its liabilities and realise the carrying amount of its assets as on March 31, 2021.

24. Capital Work in Progress includes

- (a) Bangalore hotel project – The Company was allotted 7.22 acres of land at Shivanahalli village, Yelahanka, Bangalore North for construction of a 5-star hotel. The company has spent Rs.82.87 crs till date on the land acquisition, construction of approach bridges from the National Highway and other incidental project related expenditure. The land is under a sale-cum-lease agreement with KIADB, Bangalore and upon completion of the project as per the terms of allotment, the sale deed will be registered by KIADB.

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

(b) Ginger hotel project - The Company was allotted 4255 sq.yds of land at Survey No.1/1, Hardware Park at Kancha Imarat Village, Maheshwaram mandal, RR District, Telangana for construction of a Ginger brand hotel. The company has spent Rs.3.07 crs till date on the payment to TSIIC (Telangana State Industrial Infrastructure Corporation) and the excavation works and incidental expenditure at the site. The land is under agreement for sale with TSIIC, Hyderabad and upon completion of the project as per the terms of allotment, the sale deed will be registered by TSIIC.

25. Demand from TSSPDCL (Telangana State Southern Power Distribution Company Limited): During the year under review, the Company received demand notices pertaining to FY 2002-2003 to FY 2018-2019 at Taj Krishna, Taj Deccan and Taj Banjara. During the year 2001-2002, the respective hotels entered into power purchase agreements with a third party i.e. Ind- Barath Energies Limited (Power Producer) for procuring electricity, as there was some price benefit compared to the Transco Tariff as per the extant regulations. The Power Producer signed the PPA with TSSPDCL and the payment of wheeling charges obligation is on the Power Producer. TSSPDCL approached APERC for imposing wheeling charges/ grid support charges for the third party purchases done by the end consumers. APERC approved a rate of Rs.1/- per KWH towards wheeling charges.

Thereafter, Certain Private Power Producers approached the Hon'ble High Court of Andhra Pradesh (erstwhile combined High Court) on the ground that APERC does not have the authority/ power under the Andhra Pradesh Electricity Reforms Act 1998 to approve wheeling charges and Hon'ble High Court Andhra Pradesh has set aside the said order of the APERC and confirmed that the wheeling charges are payable as per the PPA signed by Private Power producer with TRANSCO. The wheeling charges are payable by the Developer i.e. Ind-Barath Energies Limited as per the PPA signed with TRANSCO. The Government of Andhra Pradesh filed appeal in Hon'ble Supreme Court in May 2003 and recently the Hon'ble Supreme Court set aside the order of the High Court and confirmed that APERC has authority/ power to fix the Wheeling charges and grid support charges.

Based on the above order, TSSPDCL issued demand notice to Taj Krishna, Taj Deccan and Taj Banjara for recovery of wheeling charges on the portion of the electricity units procured by these hotels from the Power Producer along with applicable interest for the FY2002-2003 to 2018-2019. i.e. for 17 years. The demand is as follows:

Taj Krishna:

Particular	Remarks
Period coverage	FY 2002-03 to FY 2012-13
Demand along with Interest	Rs.4,64,35,972/-

Taj Deccan:

Particular	Remarks
Period coverage	FY2002-03 to FY2018-19
Demand along with Interest	Rs.916,26,946/-

Taj Banjara:

Particular	Remarks
Period coverage	FY 2002-03 to FY 2012-13
Demand along with Interest	Rs.749,34,671/-

TOTAL DEMAND ALONG WITH INTEREST: Rs. 21,29,97,589/=

The Company approached the Honourable High Court of Telangana for a stay on the recovery of the demand. The Honourable High Court vide Order dated 17/08/2020 granted stay on recovery and also directed TSSPDCL to not take any coercive action including that of disconnection of the power supply pending disposal of the writ petitions of the company.

26. In accordance with the provisions of section 197 of the Companies Act, 2013 read with Schedule V thereto, the remuneration paid to the Managing Director and the Joint Managing Director for the financial year 2020-21 was within the limits specified under section 197 and also under schedule V of the Companies Act, 2013, aggregating to Rs.10.47 and Rs.193.51 lakhs respectively.
27. Disclosure of Trade Payables under Current Liabilities is based on the information furnished by the vendors and available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development (MSMED) Act, 2006.

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

28. Disclosure as per Ind AS 24 on Related Party transactions

a. Key Managerial personnel:

Whole Time Directors:	
Name of the Related Party	Relationship
Mrs. G. Indira Krishna Reddy	Managing Director
Mrs. Shalini Bhupal	Joint Managing Director
Non-Whole Time Directors:	
Name of the Related Party	Relationship
Dr. G.V.K Reddy	Promoter & Non-Executive Chairman
Mr. Krishna R Bhupal	Promoter & Non-Executive Director
Mr. Puneet Chhatwal	Non-Executive & Non-Independent Director
Mr. D R Kaarthikeyan	Independent Director
Mr. M B N Rao	Independent Director
Mr. A Rajasekhar	Independent Director
Mr. N Sandeep Reddy	Independent Director
Mr. N Anil Kumar Reddy	Independent Director
Mrs. Dinaz Noria	Independent Director
Mr. Rajendra Misra	Non-Executive & Non-Independent Director
Mr. Giridhar Sanjeevi *	Non-Executive & Non-Independent Director
Mr. K Jayabharath Reddy *	Independent Director
Mr. Ch G Krishna Murthy *	Independent Director
Mr. S Anwar *	Independent Director
Mr. Dilip Cherian *	Independent Director
Chief Financial Officer and Company Secretary:	
Mr. J. Srinivasa Murthy	Chief Financial Officer & Company Secretary

Note: * Were Directors for part of the year.

b. Other related parties:

Name of the Related Party	Relationship
Green Woods Palaces and Resorts Pvt Ltd	Jointly controlled entity
The Indian Hotels Company Limited	Joint Venturer
Shriya Som Fashions International LLP	Lessee
Oriental Hotels Limited	Common Directors
PIEM Hotels Limited	Common Directors
Benares Hotels Limited	Common Directors

c. Companies/Firms/Trust in which the key management and their relatives are interested:

GVK Power & Infrastructure Ltd	Orbit Travel & Tours (P) Ltd
GVK Industries Ltd	GVK Jaipur Expressway Private Ltd
GVK Gautami Power Ltd	Mumbai International Airport Ltd
GVK Airport Developers Ltd	GVK Technical & Consultancy Services (P) Ltd
GVK Deoli Kota Expressway Ltd.	GVK EMRI
Argen Biosciences (P) Ltd	Alakananda Hydro Power Co Ltd
GVK Foundation	GVK Power Goindwal Sahib Ltd
GVK Energy Ltd	GVK Ratle Hydro Electrical Projects Ltd
Crescent EPC Projects & Technical Services Ltd	Navi Mumbai International Airport Pvt. Ltd

Transactions during the year

Name of the related party	Current Year	Previous Year
Key Management Personnel:		
Salaries and other employee benefits to Whole Time Directors and Chief Financial Officer & Company Secretary	281.80	774.36
Sitting fees to other non executive / Independent Directors	16.80	11.55
Joint Venturer:		
Indian Hotels Company Limited		
Management fee	288.91	951.53
Reimbursement of advertisement expenses	195.00	364.20
Deputed Staff In expenses	582.46	831.57
Deputed Staff Out reimbursements	326.95	315.96

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

Name of the related party	Current Year	Previous Year
Enterprises with common directors:		
Oriental Hotels Limited		
Deputed Staff In expenses	35.01	15.67
Deputed Staff Out reimbursements	91.16	28.95
PIEM Hotels Limited		
Deputed Staff In expenses	27.02	34.59
Deputed Staff Out reimbursements	18.19	16.87
Benares Hotels Limited		
Deputed Staff In expenses	3.82	6.21
Enterprises in which key management personnel and / or their relatives have significant influence:		
Orbit Tours and Travels (P) Ltd - Purchase of travel tickets	-	13.99
GVK Foundation – Donation	-	75.00
Income from sale of rooms and food & beverages:		
- GVK Gautami Power Ltd	0.50	4.72
- Mumbai International Airport Pvt Ltd	-	8.51
- Argen Biosciences Pvt Ltd	0.33	12.91
- GVK Industries Ltd	-	0.48
- GVK Jaipur Expressway Pvt Ltd	-	0.18
- GVK Power and Infrastructure Ltd	-	4.08
- GVK Energy Ltd	-	0.64
- GVK EMRI	-	0.44
- GVK Airport Developers Ltd	-	0.01
- Crescent EPC Projects & Technical Services Ltd	-	2.68
- Navi Mumbai International Airport Pvt. Ltd	-	0.83
Shop Rentals		
- Shriya Som Fashions International LLP	4.18	6.00

Balances Outstanding as of 31 March, 2021:

Name of the related party	As at March 31, 2021	As at March 31, 2020
Joint Venturer:		
Indian Hotels Company Limited	1554.35	1105.31
Operating fee, reimbursable expenses and current account dues payable (net)		
Jointly controlled entity:		
Green Woods Palaces & Resorts (P) Ltd	9230.34	10582.25
Investment in Equity Shares		
Enterprises with common directors:		
Oriental Hotels Limited payable / (receivable) net	(37.80)	12.77
PIEM Hotels Limited payable / (receivable) net	(4.93)	4.56
Benares Hotels Limited payable / (receivable) net	(3.82)	(1.91)
Enterprises in which key management personnel and / or their relatives have significant influence:		
Amount receivable for sale of rooms and food & beverages:		
Mumbai International Airport Ltd	5.65	5.73
Argen Biosciences Pvt Ltd	-	0.13
GVK Industries Ltd	0.64	1.30
GVK Jaipur Expressway Pvt Ltd	-	0.02
GVK Power and Infrastructure Ltd	0.96	4.64
GVK Energy Ltd	0.86	-
GVK EMRI	-	0.58
Crescent EPC Projects & Technical Services Ltd	-	0.72
Navi Mumbai International Airport Pvt. Ltd	2.24	2.23
Alakananda Hydro Power Co Ltd	0.48	0.28
GVK Power (Goindwal Sahib) Ltd	3.57	5.19
GVK Ratle Hydro Electrical Projects Ltd	-	0.22
Current account dues receivable (net)		
Oriental Hotels Limited	37.80	(12.77)

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

Name of the related party	As at March 31, 2021	As at March 31, 2020
Amount payable for Purchase of travel tickets:		
Orbit Tours and Travels (P) Ltd	-	0.43
Shop Rental receivable		
Shriya Som Fashions International LLP	-	2.00

29. The Company has given certain assets on operating lease, on which the minimum future lease rentals receivable, are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Not later than one year	560.13	653.58
Later than one year but not later than five years	798.59	289.97
Later than 5 years	-	-

The Company has taken certain assets on operating lease, on which the minimum future lease rentals payable, are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Not later than one year	412.21	412.21
Later than one year but not later than five years	2160.77	2114.98
Later than 5 years	17490.23	17948.23

30. Employee benefits

Defined contribution plan:

Amount recognized as an expense in statement of profit and loss Rs.62.00 lakhs (2020: Rs. 119.21 lakhs) on account of provident fund and Rs.20.20 lakhs (2020: Rs. 46.91 lakhs) on account of Employee State Insurance.

Defined benefit plan:

Gratuity:

The Company has a funded defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on separation at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act,1972 with total ceiling on gratuity of Rs.2,000,000/-

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

a. Statement of Profit and Loss and Statement of Other Comprehensive Income

Particulars	Current Year	Previous Year
Current Service Cost	36.36	31.51
Past Service Cost	-	-
Interest on Net Defined Benefit liability / (asset)	11.16	4.24
Changes in financial assumptions	1.80	32.26
Changes in demographic assumptions	-	-
Experience adjustments	2.79	35.83
Actuarial return on plan assets less interest on plan assets	(48.80)	7.94
Net charge to Profit & Loss and OCI	3.31	111.78

b. Reconciliation of Defined Benefit Obligation

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Defined benefit Obligation	694.56	581.77
Current Service Cost	36.36	31.51
Past Service Cost	-	-
Interest Cost	36.24	37.33
Actuarial Losses / (Gain)	4.59	68.09
Benefits Paid	(48.17)	(24.14)
Closing Defined Benefit Obligation	723.58	694.56

c. Change in Fair Value of Plan Assets

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Fair Value of Plan Assets	476.66	475.65
Employer Contributions	-	-
Interest on Plan Assets	25.08	33.09
Actuarial gain / (Losses)	48.80	(7.94)
Benefits Paid	(48.17)	(24.14)
Closing Fair Value of Plan Assets	502.37	476.66

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

d. Amount recognized in Balance Sheet

Particulars	As at March 31, 2021	As at March 31, 2020
Opening net defined benefit liability / (asset)	217.88	106.11
Expense charged to profit and loss account	47.53	35.74
Amount recognized outside profit and loss account	(44.21)	76.03
Employer Contributions	-	-
Net Liability recognized in the Balance Sheet	221.20	217.88

e. Description of Plan Assets

Particulars	As at March 31, 2021	As at March 31, 2020
Insurer Managed Funds	100%	100%

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

Particulars	Current Year	Previous Year
Discount Rate	6.60%	6.65%
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ult	Indian Assured Lives Mortality (2012-14) Ult
Salary Escalation rate	5.00%	5.00%

Sensitivity Analysis:

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

	Period Ended	
	March 31, 2021	March 31, 2020
Discount rate (p.a)	6.60%	6.65%
Salary Escalation rate (p.a)	5.00%	5.00%

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

Compensated Absences:

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

The Defined Benefit Obligation of compensated absence in respect of the employees of the Company as at 31 March 2021 works out to Rs.2,55,53,740/- (2020: Rs. 2,57,81,794/-)

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

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

31. Corporate Social Responsibility Expenditure

The Company has an ongoing CSR project of rejuvenation of Shivanahalli lake, Yelahanka, Bengaluru in terms of the MOU signed with Bengaluru Development Authority. During the FY 2020-21, an amount required to be spent was Rs.69.87 lakhs. Due to the Covid pandemic situation, the Company deferred the CSR activity to the next year. In terms of the amendments notified by the Government of India to the Companies (Corporate Social Responsibility) Rules, 2014 and Section 135 of the Companies Act, 2013 on January 22nd, 2021, the company transferred the unspent amount aggregating to Rs.69.87 lakhs on the ongoing project to a separate unspent Corporate Social Responsibility Account. As required as per para 17(a) of Ind AS 37, the company has provided the unspent CSR amount for the year as expenditure.

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

32. A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before tax is summarized below:

Particulars	Current Year	Previous Year
Profit before tax	(3,579.49)	3,594.30
Income tax rate as applicable	27.82%	29.12%
Calculated taxes based on above, without any adjustments for deductions	(995.81)	1,046.66
Permanent tax differences due to:		
Effect of income that is exempt from taxation	(102.21)	(131.25)
Income considered as capital in nature under tax and tax provisions	(2.75)	(2.00)
Effect of expenses that are not deductible in determining taxable profit	117.59	154.74
Expense considered to be capital in nature under tax and tax provisions	0.61	2.42
Others	-	-
Income tax expense recognized in the Statement of Profit and Loss	-	1,070.57
Rounded off to	-	1,088.00

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

34. Segmental Reporting

The Company's only business being hoteliering, disclosure of segment-wise information under Accounting Standard (AS) 108 "Segmental Information" notified by the Companies (Accounting Standards) Rules, 2006 (as amended) does not arise. **There is no geographical segment to be reported since all the operations are undertaken in India.**

35. Risk Management, Objectives and Policies

Risks and Concerns

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

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

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

Business interruption risk on account of unprecedented events like a pandemic: A pandemic like the Covid-19 outbreak confronts the hospitality industry with an unprecedented challenge. It causes a severe downturn in all streams of business. With lockdowns and resultant travel and mobility restrictions, all corporate and leisure travel comes to a halt. With the fear of pandemic spread in enclosed spaces, stay-at-home orders, social distancing and community lockdowns, all restaurants and banquet business gets severely affected with restaurants resorting to business from take-outs and banquet functions being conducted with limited attendance. Hygiene standards and pandemic protocols need to be strictly implemented to instil confidence into the customer and recover from any such incidence.

Company-specific Risks

Heavy Dependence on India

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

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

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

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

36. Capital management

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

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

The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The table below shows the Gearing ratio for FY 2020-21 and FY 2019-20.

Particulars	March 31, 2021	March 31, 2020
Borrowings	17,853.03	16,562.48
Trade Payables	4,931.02	4,467.91
Less: Cash & Cash Equivalents	1,072.60	730.10
	21,711.45	20,300.29
Equity Capital	36,705.82	40,670.62
Equity Capital and Net Debt	58,417.27	60,970.91
Gearing Ratio	37%	33%

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2021 and 31 March 2020.

37. Fair Values

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

Particulars	Carrying Values		Fair Values	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Financial Assets				
Investments	9,230.33	10,582.24	9,230.33	10,582.24
Other financial assets	390.95	379.62	390.95	379.62
Tax Assets (Net)	2,300.42	2,345.53	2,300.42	2,345.53
Trade Receivables	945.23	1,565.45	945.23	1,565.45
Cash and Cash Equivalents	1,072.60	730.10	1,072.60	730.10
Bank balances other than cash and cash equivalents	18.79	46.97	18.79	46.97
Other financial assets	1,006.63	504.27	1,006.63	504.27
Total	14,964.95	16,154.18	14,964.95	16,154.18
Financial Liabilities				
Non-current Borrowings	13,667.35	14,044.08	13,667.35	14,044.08
Other non-current financial Liabilities	171.42	195.74	171.42	195.74
Current Borrowings	301.14	66.20	301.14	66.20
Trade Payables	4,931.02	4,407.73	4,931.02	4,407.73
Other current financial Liabilities	4,519.92	3,206.90	4,519.92	3,206.90
Total	23,590.85	21,920.65	23,590.85	21,920.65

The management assessed that fair value of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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

38. Fair values hierarchy

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

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March, 2021:

Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fair value of financial assets disclosed					
Investments	31-Mar-21	9,230.33	-	9,230.33	-
Other financial assets	31-Mar-21	390.95	-	390.95	-
Tax Assets (Net)	31-Mar-21	2,300.42	-	2,300.42	-
Trade Receivables	31-Mar-21	945.23	-	945.23	-
Cash and Cash Equivalents	31-Mar-21	1,072.60	-	1,072.60	-
Bank balances other than cash and cash equivalents	31-Mar-21	18.79	-	18.79	-
Other financial assets	31-Mar-21	1,006.63	-	1,006.63	-
Total		14,964.95	-	14,964.95	-

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

Quantitative disclosures fair value measurement hierarchy for liabilities as at 31 March, 2021:

Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fair value of financial liabilities disclosed					
Non-current Borrowings	31-Mar-21	13,667.35	-	13,667.35	-
Other non-current financial Liabilities	31-Mar-21	171.42	-	171.42	-
Current Borrowings	31-Mar-21	301.14	-	301.14	-
Trade Payables	31-Mar-21	4,931.02	-	4,931.02	-
Other current financial Liabilities	31-Mar-21	4,519.92	-	4,519.92	-
Total		23,590.85	-	23,590.85	-

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

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

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

Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fair value of financial assets disclosed					
Investments	31-Mar-20	10,582.24	-	10,582.24	-
Other financial assets	31-Mar-20	379.62	-	379.62	-
Tax Assets (Net)	31-Mar-20	2,345.53	-	2,345.53	-
Trade Receivables	31-Mar-20	1,565.45	-	1,565.45	-
Cash and Cash Equivalents	31-Mar-20	730.10	-	730.10	-
Bank balances other than cash and cash equivalents	31-Mar-20	46.97	-	46.97	-
Other financial assets	31-Mar-20	504.27	-	504.27	-
Total		16,154.18	-	16,154.18	-

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

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

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

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

Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fair value of financial liabilities disclosed					
Non-current Borrowings	31-Mar-20	14,044.08	-	14,044.08	-
Other non-current financial Liabilities	31-Mar-20	195.74	-	195.74	-
Current Borrowings	31-Mar-20	66.20	-	66.20	-
Trade Payables	31-Mar-20	4,467.91	-	4,467.91	-
Other current financial Liabilities	31-Mar-20	3,206.90	-	3,206.90	-
Total		21,980.83	-	21,980.83	-

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

39. Financial risk management objectives and policies

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

Market risk

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

The sensitivity analysis in the following sections relate to the position as at 31 March 2021 and 31 March 2020.

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

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

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2021 and 31 March 2020.

Interest rate risk

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

Interest rate sensitivity

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

	Increase / (decrease) in Interest Rate	Increase / (decrease)in profit before tax
March 31, 2021		
INR	0.5% p. a.	(82.81)
INR	(0.5%) p. a.	82.81
March 31, 2020		
INR	0.5% p. a.	(98.93)
INR	(0.5)% p. a.	98.93

Price risk

Price risk is the risk of fluctuations in the change in prices of equity Investments. The Company's investment in JV company is of strategic in nature rather than for trading purpose.

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

Credit risk

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

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

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

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

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments held by the Company are in the nature of investment in jointly controlled entity and also an investment in an alternate energy supply company as required under the respective State energy policy. Both the categories are unquoted non-trade equity.

Liquidity risk

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

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

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

Particulars	On demand	Less than 1 Year	1 to 5 years	5 years and above	Total
Year ended 31/3/2021					
Borrowings	301.14	4,125.00	13,728.03	-	18,154.17
Other financial liabilities	-	394.92	171.42	-	566.34
Trade and other payables	-	-	-	-	-
Total	301.14	4,519.92	13,899.45	-	18,720.51
Particulars	On demand	Less than 1 Year	1 to 5 years	5 years and above	Total
Year ended 31/3/2020					
Borrowings	66.20	2,437.50	14,124.98	-	16,628.68
Other financial liabilities	-	769.40	195.74	-	965.14
Trade and other payables	-	-	-	-	-
Total	66.20	3,206.90	14,320.72	-	17,593.82

40. Balances in the accounts of various parties are subject to confirmation and reconciliation.

41. Previous Year's figures have been regrouped / rearranged, wherever necessary. Figures in brackets indicate those for previous year.

Per our report of even date
For **M.BHASKARA RAO & CO.**,
Chartered Accountants
Firm Regn No.000459S

D. Bapu Raghavendra
Partner
Membership No.213274
Place : Hyderabad
Date : June 25, 2021

For and on behalf of the Board

G Indira Krishna Reddy
Managing Director
DIN:00005230

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

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



TAJGVK Hotels & Resorts Limited

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