

23<sup>rd</sup> August, 2022

  
**TAJGVK**

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

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

Dear Sir,

**Sub: Notice of 27<sup>th</sup> Annual General Meeting (AGM) and Annual Report for the Financial Year 2021-22.**

**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 **27<sup>th</sup> Annual General Meeting (AGM)** of the Company to be held on **Thursday, the 15<sup>th</sup> September, 2022 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 2021-22 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 2021-22 is available on the website of the company at [www.tajgvk.in/investors/Annual Report section](http://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., 5<sup>th</sup> September, 2022**, 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 **6<sup>th</sup> September, 2022 to 15<sup>th</sup> September, 2022** (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. 4<sup>th</sup> 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, 17<sup>th</sup> 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](mailto:tajgvkshares.hyd@tajhotels.com) Website: [www.tajgvk.in](http://www.tajgvk.in)





  
**TAJGVK**

TAJGVK Hotels & Resorts Limited

27<sup>TH</sup>  
**ANNUAL REPORT**  
2021-22





**TAJ KRISHNA**  
HYDERABAD



**TAJ BANJARA**  
HYDERABAD



**TAJ CLUB HOUSE**  
CHENNAI



**VIVANTA BY TAJ**  
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, the COVID-19 pandemic has left on the 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 and profits.

## General Economic Environment

### Global Economy:

Global economy grew by 6.1% in CY 2021, after declining 3.1% in CY 2020. Global economy is expected to grow at 3.2% in CY2022, below the long-term trend of 3.5%, primarily due to coordinated global monetary policy tightening along with the geopolitical tensions. Advanced Economies' (AEs) universe grew at a robust pace of 5.2% in CY 2021 and is expected to moderate in CY 2022 at 2.5%, with US and Euro Area growth expected at 2.3% and 2.6% respectively, supported by inventory restocking, universal immunisation, and strong pent-up demand from consumption and businesses. China grew by 8.1% in CY 2021 but is expected to slow to 3.3% in CY 2022 due to zero-tolerance COVID-19 policy, stringent restrictions on polluting industries and financial stress among major property developers. Global trade volume growth was robust in CY 2021 at 10.1%, and is expected to grow at a strong pace of 4.1% in CY 2022. Strong demand along with persistent supply-chain issues and high energy prices, have resulted in firming up of global inflationary pressures.

### Indian Economy:

After witnessing a sharp decline of 6.6% in FY 2020-21, the Indian economy recorded a growth of 8.7% in FY2021-22 as per the provisional estimates by National Statistical Office. This is the strongest pace among major economies. The economic expansion has been supported by a strong national vaccination drive that enabled easing of COVID-19 related restrictions. India administered more than 177 crore doses of vaccine during the financial year, thereby fully vaccinating more than 60% of its population. The economic impact of the Omicron COVID-19 variant was relatively mild with most high-frequency indicators above pre-pandemic level. Urban demand remains strong with improved mobility and debit and credit card spending. Overall fuel consumption grew by 4% in FY 2021-22. Debit and credit card spending increased by 26% Y-o-Y in March 2022.

As per IMF India is expected to remain the fastest growing economy in FY 2022-23, growing at 7.4% led by expected improvement in credit growth, investment and consumption growth. Several high frequency indicators viz. railway freight, GST collections, electricity demand, import of capital goods, etc. have displayed robust growth during February and March 2022. There has been a significant rise in consumer optimism on the back of improved sentiments of the general economic situation. According to 'The Economist' - May 14, 2022 edition, India is expected to be the fastest growing big economy in the world. While the economy has been looking up in the fourth quarter of FY 2021-22, escalating geopolitical tensions in the Black Sea region resulting in significant hardening of international crude oil and other commodity prices, the loss of momentum in global trade and risk of future waves of COVID-19 infections pose downside risks to the outlook for India in line with the global economy.





### **Global Travel and Tourism Industry:**

The global travel and tourism industry has historically been sensitive to macro and micro economic developments as well as socio economic and political influences. The financial year was significantly impacted by the uncertainty and volatility of the pandemic. In spite of high expectations, the post pandemic recovery did not develop as quickly as was hoped. Whilst the second and third COVID-19 waves prevented a strong return to travel, geo-political tensions, global trade disruptions and multiple supply side economic events created uncertainty for the global economy. The current year is likely to see the industry attain a value of US\$8.4 trillion and an expected return to its pre-pandemic levels of US\$9.6 trillion in 2023. The industry is fast adapting and continues to be proactive and agile in its response with traditional hospitality models also remaining resilient and strong. In India, tourism and hospitality remains one of the largest service industries, contributing an average 7% of GDP across the last decade. Increased business activity, a rise in domestic tourism, better road and airport infrastructure across the country are spurring a growth in travel. Whilst the pandemic did affect the first half of the year, we started seeing green shoots in the third quarter, culminating in strong growth in the final three months, aided by extended holidays and positive consumer sentiment.

### **Indian Hospitality Sector**

The Indian hotel industry has been recovered very well during the fiscal 2021-22. Lifting of restrictions of international travel, wedding, social events and also increase in foreign tourist arrivals during the calendar year 2021 have increased the business activity.

Your Company witnessed a growth in revenue with the removal of all restrictions on inter-state and foreign travel, relaxations by various State Governments and the increase vaccination drive across the country. The company achieved higher revenues across the business segments viz, rooms, Banquets and restaurants compared to previous financial year.

We are committed towards operating in an environmentally responsible manner while catering to the interests of our diverse stakeholders. The detailed performance of the company and its joint venture partner i.e. Greenwoods Palaces and Resorts Private Limited forms part of this Annual Report.

### **Acknowledgments**

My sincere thanks to members of the Board for their guidance and invaluable advice 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 27th Annual Report of your company.

I am writing to you when the entire world is slowly coming back to pre-pandemic levels. I hope that this finds you and your loved ones safe and healthy. The past few years have perhaps changed the way the business is carried on and the entire business environment altered the idea of normal way of carrying on business. The world has started to gain respite from the pandemic and there are clear signs of seeing light at the end of the tunnel. The results of the past year are testament to the resilience and strength showcased by the company's operations and people. On the one hand, it has underscored new and unique challenges that we now have to solve and on the other hand, the pace of change has thrown up unprecedented opportunities. To leverage these challenges and opportunities, organisations need to demonstrate quick thinking, sharp strategy and innovative business model.

I am happy to inform you that, we at TAJGVK remained committed to the safety, well-being and health of our guests and colleagues was made possible as a result of a courageous and determined response to challenges from our employees and all stakeholders. The hospitality industry was severely impacted during the Covid-19 years. However, the industry has been able to demonstrate remarkable resilience to bounce back from this period of unprecedented disruption. This recovery was aided by large-scale vaccination initiatives and corresponding easing of travel restrictions. This resulted in significant demand for domestic leisure tourism. For the first time in two years, nationwide hotel occupancies crossed 60% during the fourth quarter of the financial year under review. Increased economic activity, celebrations and events and a rebound in tourism provided stimulus to the sector, aided by improved consumer sentiment. We also believe that the Government's Incredible India campaign and extension of e-tourist visas to 171 countries will drive recovery in inbound global tourism.

The company has taken steps to enhance the liquidity and availed the ECLGS 3.0 working capital term loan from Banks. This scheme announced by the Ministry of Finance, Government of India was part of the stimulus package announced by the Government of India during Covid -19 pandemic disruptions.

## Standalone Financials

During the year the company achieved Revenue of Rs.228.25 Crore as compared to Rs.96.82 Crore of the previous year and EBITDA was registered an increase of Rs.52.39 Crore to Rs.52.86 Crore in 2021-22 from Rs.0.47 Crore in the previous year. The company reported a Profit After Tax of Rs.9.71 Crore as compared to a Loss After Tax of Rs.26.13 Crore in the previous year.

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

The company achieved Revenue of Rs.90.10 Crore as compared to Rs.48.43 Crore and EBITDA of Rs. 20.98 Crore as compared to Rs.10.33 Crore and Loss After Tax of Rs.15.97 Crore as against Loss After Tax of Rs.27.65 Crore of the previous year.

My sincere thanks to members of the Board for their guidance and invaluable advice and to our colleagues for their dedication and commitment to excellence. Finally, my thanks to all the shareholders for your unwavering and continuous support. I am confident that we shall continue to lead the way with outstanding hotels and services that have been the hallmark of our Company.

I also take this opportunity to thank 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**  
Non-Executive Chairman



**G Indira Krishna Reddy**  
Managing Director



**Shalini Bhupal**  
Joint Managing Director



**Krishna R Bhupal**  
Non-Executive Director



**Anoop Vrajlal Mehta**  
Non-Executive Director



**Puneet Chhatwal**  
Non-Executive Director



**D R Kaarthikeyan**  
Independent Director



**M B N Rao**  
Independent Director



**A Rajasekhar**  
Independent Director



**N Anil Kumar Reddy**  
Independent Director



**N Sandeep Reddy**  
Independent Director



**L V Subrahmanyam**  
Independent Director



**Dinaz Noria**  
Independent Director



# Corporate Information

## Board of Directors

(As on 03.08.2022)

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. Anoop Vrajlal Mehta	: Non-Executive & Non-Independent Director Additional Director (w.e.f. 03.08.2022)
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. L V Subrahmanyam	: Independent Director Additional Director (w.e.f. 03.08.2022)
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
Mrs. Dinaz Noria	: 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

<b>Company Bankers</b>	: AXIS Bank Limited HDFC Bank Limited IDBI Bank Limited
<b>Stock Exchanges where Company's Securities are listed</b>	: Bombay Stock Exchange Ltd. (Scrip Code:532390) National Stock Exchange of India Ltd. (Scrip Code:TJGVK)
<b>Registered Office</b>	: <b>TJGVK Hotels &amp; Resorts Limited</b> (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
<b>Registrars &amp; Share Transfer Agents</b>	: <b>Venture Capital and Corporate Investments Pvt. Ltd.</b> #12-10-167, Bharat Nagar Hyderabad - 500 018. Tel: 040-23818475, 040-23818476 Fax: 040-23868024 E-mail: info@vccipl.com www.vccipl.com
<b>Statutory Auditors</b>	: <b>M/s. M. Bhaskara Rao &amp; Co.</b> (Firm Regn. No.000459S) Chartered Accountants 5-D, 5th Floor, Kautilya, 6-3-652, Somajiguda, Hyderabad - 500 082
<b>Internal Auditors</b>	: <b>Protiviti India Member Pvt Ltd</b> (CIN:U93000HR2009PTCo57389) 15th Floor, Tower A, DLF Building No.5, DLF Phase III, DLF Cyber City, Gurgaon - 122002.  <b>SNB Associates</b> No.12, 3rd Floor, Gemini Parson Complex, 121, Anna Salai, Chennai - 600 006
<b>Secretarial Auditors</b>	: <b>M/s. Narender &amp; Associates</b> (M.No.FCS4898) Company Secretaries 403, Naina Residency, Srinivasa Nagar (East) Ameerpet, Hyderabad - 500 038



# Financial Highlights

(Rs. in crores)

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
<b>Total Revenue</b>	<b>228.25</b>	96.82	313.84	324.09	290.88
<b>Profit Before Tax</b>	<b>18.73</b>	(36.00)	35.94	38.13	32.01
<b>Profit After Tax (after extraordinary/prior period items)</b>	<b>9.71</b>	(26.13)	23.31	24.24	21.19
<b>Shareholders' Funds</b>	<b>394.73</b>	385.02	411.15	400.55	380.73
<b>Borrowings</b>	<b>170.19</b>	178.53	165.62	197.87	228.62
<b>Debt Equity ratio</b>	<b>0.43:1</b>	0.46:1	0.40:1	0.49:1	0.60:1
<b>Book value per share (Rs)</b>	<b>62.95</b>	61.41	65.57	63.88	60.72
<b>Earnings per share (Rs)</b>	<b>1.55</b>	(4.17)	3.72	3.87	3.38
<b>Dividend %</b>	<b>-</b>	-	-	30%	30%

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# Notice of the 27th Annual General Meeting (AGM)

Notice is hereby given that the **TWENTY SEVENTH ANNUAL GENERAL MEETING** of **TAJGVK HOTELS & RESORTS LIMITED** will be held on **Thursday, the 15th September, 2022 at 11.00 A.M.** through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business. The venue of the meeting shall be deemed to be the registered office of the Company at Taj Krishna, Road No.1, Banjara Hills, Hyderabad – 500 034.

## ORDINARY BUSINESS

To consider and if thought fit, to pass with or without modification(s), the following resolution(s) as 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, 2022 and the Balance Sheet and Cash Flow Statement as on 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 appoint a Director in place of Mr. Puneet Chhatwal (DIN: 07624616) who retires by rotation and being eligible, offers himself for re-appointment as Director liable to retire by rotation.
- 4) To re-appoint of M/s. M Bhaskara Rao & Co, Chartered Accountants, as Statutory Auditors of the Company and fix their remuneration.

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable as amended from time to time and based on the recommendations of the Audit Committee and the Board of Directors, approval of Members be and is hereby accorded to the re-appointment of M/s.M Bhaskara Rao & Co, Chartered Accountants (Firm Registration No.000459S) as Statutory Auditors of the Company, from the financial year 2022-23 onwards, for a second term of 5 years, to hold office from the conclusion of 27th Annual General Meeting (AGM) until the conclusion of the 32nd AGM to be held in 2027, to examine and audit the accounts of the company at such remuneration and reimbursement of out of pocket expenses, as may be decided and approved by the Audit Committee for each year and approved by the Board of Directors of the Company.”

## SPECIAL BUSINESS

- 5) 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 Requirements) Regulations, 2015, Mr. Anoop Vrajlal Mehta (DIN:00107044), 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(1) 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”.

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

“**RESOLVED THAT** Mr. L V Subrahmanyam (DIN: 03524693), who was appointed as an Additional Director of the Company with effect from August 3, 2022, by the Board of Directors and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 (‘the Act’) and Article 99 of the Articles of Association of the Company and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company;

**“RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any of the Act (including any statutory modifications or re-enactments thereof for the time being in force) read with Schedule IV to the Act, and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended and Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), the appointment of Mr. L V Subrahmanyam, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and who is eligible for appointment, as an Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing from August 3, 2022 to August 2, 2027 (both days inclusive), be and is hereby approved.”

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

Place : Hyderabad  
Date : 03.08.2022

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



# Notes

- 1) In view of the circumstances due to outbreak of COVID-19 pandemic, 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 read with 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, had permitted sending of the Notice of AGM along with Annual Report only through electronic mode to those Members whose e-mail addresses were registered with the Company / Depositories as well as conducting the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM).

Further, MCA vide its Circular No.2/2022 dated 05.05.2022 and SEBI vide its Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13.05.2022 have extended the above exemptions till 31.12.2022 and accordingly in compliance with applicable provisions of the Companies Act, 2013, Notice of the 27th AGM along with Annual Report of the Financial year 2021-22 is being sent only through electronic mode to those Members whose email address are registered with the company / depositories and 27th 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 27th 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.
- 3) 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](http://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.
- 4) Pursuant to Section 113 of the Companies Act, 2013, 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](mailto:tajgvkshares.hyd@tajhotels.com) or to Venture Capital and Corporate Investments Private Limited, Registrar and Share Transfer Agents at [info@vccipl.com](mailto:info@vccipl.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- 5) In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
- 6) The Explanatory statement pursuant to section 102 of the Companies Act, 2013 and Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 setting out material facts concerning the business under Item number 4 to 6 of the Notice is annexed thereto. The relevant details pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, in respect of Director seeking reappointment at this AGM are also annexed.
- 7) 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”).
- 8) The Register of Members and Share Transfer Books of the Company will remain closed from **06.09.2022 to 15.09.2022 (both days inclusive)** for the purpose of the Annual General Meeting of the Company.

## 9) Updation of PAN and other details

SEBI vide Circular dated November 3, 2021 and December 14, 2021 has mandated furnishing of PAN, KYC details (i.e., Postal Address with PIN Code, e-mail address, mobile number, bank account details) and nomination details by holders of physical securities through Form ISR-1, Form ISR-2 and Form ISR-3 (as applicable) available at <https://www.tajgvk.in>. PAN details are to be compulsorily linked to Aadhaar by March 31, 2023 or any other date specified by Central Board of Direct Taxes. Folios wherein any of the above cited documents / details are not available, on or after April 1, 2023, shall be frozen as per the aforesaid circular. Effective from January 1, 2022, any service requests/ complaints received from a Member holding physical securities will not be processed by the Registrar till the aforesaid details/documents are provided to the Registrar.

- 10) Members are also requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registration of nomination, power of attorney registration, Bank Mandate details, etc. to their DPs in case the shares are held in electronic form and to the Registrar M/s.Venture Capital and Corporate Investments Private Limited, in case the shares are held in physical form, in the prescribed form, pursuant to the SEBI Circular dated November 3, 2021. Changes intimated to the DP will then be automatically reflected in the Company's records.
- 11) As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Share Transfer Agents, M/s.Venture Capital and Corporate Investments Private Limited for assistance in this regard.
- 12) Members may please note that SEBI vide its Circular dated January 25, 2022 has mandated Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/ folios; Transmission and Transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR - 4, the format of which is available on the Company's website under the 'Investors' section.
- 13) As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, he/she may submit the same in Form ISR-3 or Form SH-14. The said form can be downloaded from the Company's website at <https://www.tajgvk.in>. (under 'Investor Relations' section). Members are requested to submit the said form to their DP in case the shares are held by them in electronic form and to the RTA in case the shares are held in physical form, quoting your folio no.
- 14) Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change / deletion in such bank details. Further, instructions, if any, already given by them in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form. Members may, therefore, give instructions regarding bank accounts in which they wish to receive dividend to their Depository Participants ("DPs").
- 15) During the day of 27th 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](mailto:tajgvkshares.hyd@tajhotels.com).
- 16) The Notice of AGM along with Annual Report for FY 2021-22, is available on the website of the Company at [www.tajgvk.in](http://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](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- 17) In accordance with the provisions of Regulation 39(4) and Schedule VI of the SEBI (LODR) Regulations, the Company maintains a demat account namely 'Unclaimed Suspense Shares Demat Account' with Zen Securities and currently holds 205175 shares in this account as on 31 March, 2022.
- 18) 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](http://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:**

- 19) 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.
- 20) Members are requested to join the Meeting through Desktops/Laptops for better experience and will be required to switch on 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.
- 21) 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.
- 22) Members who need assistance before or during the AGM, can contact NSDL on [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)/ 1800-222-990 or contact Mr. Swapneel Puppala, Assistant Manager, NSDL at [swapneelp@nsdl.co.in](mailto:swapneelp@nsdl.co.in)/+91 8951022700.

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

- 23) 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](mailto:tajgvkshares.hyd@tajhotels.com) to enable smooth conduct of proceedings at the AGM. Questions / Queries received by the Company on or before 12.09.2022 on the aforementioned e-mail id shall only be considered and responded to during the AGM.
- 24) 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](mailto:tajgvkshares.hyd@tajhotels.com) on or before 12.09.2022. 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.
- 25) 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:**

- 26) 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.
- 27) The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 05.09.2022, 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.
- 28) The remote e-voting period commences on **12.09.2022 (9:00 A.M. IST) and ends on 14.09.2022 (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., 05.09.2022**, 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.
- 29) 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: <a href="https://eservices.nsd.com/">https://eservices.nsd.com/</a> 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-Voting period.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com/">https://eservices.nsd.com</a>. Select “Register Online for IDeAS” Portal or click at <a href="https://eservices.nsd.com/SecureWeb/Ideas Direct Reg.jsp">https://eservices.nsd.com/SecureWeb/Ideas Direct Reg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> 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="790 1478 1061 1646" style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>



Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>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 <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>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.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; 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.</li> </ol>
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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> 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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> 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\*\*\*\*\*).

- b) For Members who hold shares in demat account with CDSL: 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12\*\*\*\*\* then your user ID is 12\*\*\*\*\*).
  - c) For Members holding shares in Physical Form: EVEN Number followed by Folio Number registered with the company (For example if folio number is 001\*\*\* and EVEN is 120842 then user ID is 101456001\*\*\*)
5. Your password details are given below:
- a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you by NSDL. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - ii. If your email ID is not registered, 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.nsdl.com](http://www.evoting.nsdl.com).
  - b. "Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c. If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number / folio number, your PAN, your name and your registered address.
  - d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, click on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-voting will open.

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

1. After successful login at Step 1, you will be able to see the Home page of e-voting. Click on e-voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of the Company is 120842.
4. Now you are ready for e-voting as the Voting page opens
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

28. 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](mailto:narenderg99@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)



- 30) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on <https://www.evoting.nsdl.com> to reset the password.
- 31) In case of any queries, you may refer to the FAQs for Shareholders and e-voting user manual for Shareholders available at the download section of <https://www.evoting.nsdl.com> or call on toll free no.: 1800-1020990 and 1800-224430 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### 32) Other Instructions

- a. The e-voting period commences on **12.09.2022 (9:00 a.m. IST) and ends on 14.09.2022 (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., 05.09.2022**, 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](mailto: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.com](http://www.tajgvk.com) 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 : 03.08.2022

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

# Explanatory Statement

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

In respect of the Special Business Pursuant to section 102(1) of the Companies Act, 2013 (the Act) and also additional disclosures on re-appointment of Statutory Auditors for a second term of 5 years.

## Item No. 4:

In accordance with section 139 and 142 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, as amended, M/s. M Bhaskara Rao & Co, Chartered Accountants (Firm Registration No.000459S), were appointed as the Statutory Auditors of the company to hold office for a period of five consecutive years to examine and audit the accounts of the company from the conclusion of the 22nd AGM till the conclusion of the 27th AGM of the Company.

Pursuant to the provisions of Section 139(2) of the Act, a listed company can appoint / re-appoint an audit firm for a period of not more than two terms of five consecutive years. As such, M/s. M Bhaskara Rao & Co, the existing Statutory Auditors of the Company will complete their first term as Statutory Auditors of the Company at the conclusion of the ensuing 27th AGM and are eligible to be re-appointed as the Statutory Auditors of the Company for another term of five years.

After evaluating various factors such as independence, industry experience, technical skills, geographical presence, audit team, audit quality reports etc., the Board of Directors of the Company, based on the recommendations of the Audit Committee at their respective meetings held on 10.05.2022 approved the re-appointment of M/s. M Bhaskara Rao & Co, as the Statutory Auditors of the Company to hold office for a second term of five consecutive years from the conclusion of the 27th AGM till the conclusion of the 32nd AGM of the Company to be held in the year 2027 to examine and audit the accounts of the Company. The Board of Directors are authorised to fix the remuneration for the said years as may be determined by the Board of Directors from time to time based on the recommendations of the Audit Committee and in consultation with the Statutory Auditor.

### Brief Profile of Statutory Auditors given below:

M/s. M Bhaskara Rao & Co (MBRC) is a reputed firm of Chartered Accountants in Southern India, offering a wide range of professional services, with a strong accent on Audit and Assurance, Taxation and Business Advisory services set up in 1961 by Late Mr. M Bhaskara Rao, MBRC currently has 11 partners and employees around 150 people in various capacities and competencies to deliver services consistent with the vision and mission statement of MBRC. MBRC operates in two States through three offices - its head office located in Hyderabad and branches in Kakinada, and Vishakhapatnam (AP). MBRC is managed by a Governance Board. The Board lays down the policies, oversees service delivery and manages client relationships. The firm's policies, performance and other professional matters are periodically reviewed by all the partners at their review meetings.

M/s. M Bhaskara Rao & Co, vide their letter dated 09.05.2022 have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the sections 139(2), 141(2) and 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014. As required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the firm holds a valid certificate issued by the Peer Review Board of ICAI.

Your Directors recommend the Resolution set out at Item No. 4 for approval by the Members by way of an Ordinary Resolution.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise, in the Resolution.

## Item No. 5:

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company appointed Mr. Anoop Vrajlal Mehta (DIN:00107044), as an Additional Director of the Company under Non-Executive & Non-Independent Director category with effect from 03.08.2022. In terms of the provisions of Section 161(1) of the Companies Act, 2013, Mr. Anoop Vrajlal Mehta, would hold office up to the date of the ensuing Annual General Meeting. The Company has received notice in writing from member under Section 160(1) of the Companies Act, 2013, proposing the candidature of Mr. Anoop Vrajlal Mehta (DIN:00107044) 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. Anoop Vrajlal Mehta that he is not disqualified from being appointed as Director. Mr. Anoop Vrajlal Mehta has also confirmed that he is not debarred from holding the office of a Director by virtue of any Order passed by Securities and Exchange Board of India or any other such authority.

**The brief profile of Mr. Anoop Vrajlal Mehta is as follows:**

Mr. Anoop Vrajlal Mehta, Chairman and Managing Director of Mohit Diamonds Private Limited part of the Mohit Group, well known in Diamond Industry and one of the pioneers of Diamond business in India. Mr. Mehta joined the Gem and Jewellery Industry at a young age through the family business and has 50 years experience and has worked to foster the growth of the Industry through various endeavors, promoting and developing the diamond trade for more than 50 years.

Mr. Mehta is the President of Bharat Diamond Bourse (BDB), an Executive Committee Member of the World Federation of Diamond Bourses and associated with the Gem & Jewellery Export Promotion Council for several years and is on the Board of National Gems and Jewellery Councils of India.

In September 2014 Mr. Mehta was honored “**Lifetime Achievement Award**” for his strong growth oriented vision and commitment to set up, lead and steer Bharat Diamond Bourse project in India.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Anoop Vrajlal Mehta is appointed as a Non-Executive and Non-Independent Director.

Save and except Mr. Anoop Vrajlal Mehta and his relatives and also Dr. GVK Reddy, Chairman, Mrs. G Indira Krishna Reddy, Managing Director, Mrs. Shalini Bhupal, Joint Managing Director and Mr. Krishna R Bhupal, Director are interested in the resolution, to the extent of their shareholding. None of the other Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.5 of the Notice.

The Board recommends the Special Business set out at Item No.5 of the Notice for the approval of the shareholders as Ordinary Resolution.

**Item No. 6:**

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company (‘Board’) appointed Mr. L V Subrahmanyam (DIN: 03524693), as an Additional Director of the Company under the category of Non Executive and Independent Director, not liable to retire by rotation, for a term of five years i.e. from August 3, 2022 up to August 2, 2027 (both days inclusive), subject to approval of the Members at the Annual General Meeting.

Pursuant to Section 161(1) of the Companies Act, 2013 (‘Act’) and Article 99 of the Articles of Association of the Company, Mr. L V Subrahmanyam shall hold office only up to the date of this Annual General Meeting (‘AGM’) and he is eligible to be appointed as Director. The Company has, in terms of Section 160(1) of the Act received in writing a notice from a Member, proposing his candidature for the office of Director.

The Company has received a declaration from Mr. L V Subrahmanyam to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’). In terms of Regulation 25(8) of the SEBI Listing Regulations, Mr. L V Subrahmanyam has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. Mr. L V Subrahmanyam has also confirmed that he is not debarred from holding the office of a Director by virtue of any Order passed by Securities and Exchange Board of India or any other such authority.

Mr. L V Subrahmanyam has also confirmed that he is in compliance with Section 150 of the Act read with Rules 6(1) and 6(2) of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended, with respect to the registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

In the opinion of the Board, Mr. L V Subrahmanyam is a person of integrity and fulfils the criteria specified in the Act, Rules and SEBI Listing Regulations for appointment as Independent Director and he is independent of the management of the Company. Having regard to his qualification, vast experience, skill set and knowledge, the Board considers that Mr. L V Subrahmanyam’s tenure as Independent Director would be of immense benefit and interest to the Company and it is desirable to avail his services as Independent Director.



**The brief profile of Mr. L V Subrahmanyam is given below:**

Mr. Subrahmanyam is a Retired Indian Administrative Service (IAS) officer of 1983 batch. He has more than 38 years of experience in Public Policy making, Finance and Administration. His educational qualifications are as follows:

S No	Qualification / University
1	Diploma I.L.O, Turin, Italy
2	P.G. in National Development and Project Planning, University of Bradford (UK)
3	Post Graduate in Political Science, University of Bangalore
4	Graduation, Sathya Sai College

He worked in various capacities as Chief Secretary, Additional Chief Secretary, Principal Secretary, Joint Secretary etc., in the Government of Andhra Pradesh.

Further details and current directorships of Mr. L V Subrahmanyam are provided in the Annexure to this Notice.

In compliance with the provisions of Section 149 read with Schedule IV to the Act, Regulation 17 of the SEBI Listing Regulations and other applicable regulations, the appointment of Mr. L V Subrahmanyam as Independent Director is being placed for approval of the Members of the Company.

The Board recommends the Special Business set out at Item No.6 of the Notice for the approval of the shareholders as Special Resolution.

Mr. L V Subrahmanyam is not related to any other Director or Key Managerial Personnel of the Company. Except Mr. L V Subrahmanyam and/or his relatives, none of the other Directors or Key Managerial Personnel of the Company and their relatives are, in any way, concerned and interested, in the Resolution set out at the Item No. 6 of the Notice.

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

Place : Hyderabad  
Date : 03.08.2022

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

# Profile of Directors

Details of Directors Seeking Re-appointment at the 27th Annual General Meeting of the Company (Pursuant to Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings issued by the Institute of Company Secretaries of India).

Name of the Director	Mr. Krishna R Bhupal	Mr. Puneet Chhatwal
DIN	00005442	07624616
Date of Birth and Age	16.03.1983 (39 Years)	16.04.1964 (58 Years)
Date of first Appointment in the Board	24.10.2009	02.02.2018
Qualifications	Graduate in Finance & Accounting	MBA in Hospitality from ESSEC, Paris, Advanced Management Program from INSEAD, Graduation from Delhi University and Institute of Hotel Management, Delhi
Expertise in specific functional areas	Finance & Accounting and Project development	Wide experience in Hospitality Industry and Business Management
Relationship with other Directors and other Key Managerial Personnel of the Company	Dr. GVK Reddy, Mrs. G Indira Krishna Reddy, Mrs. Shalini Bhupal and Mr. Anoop Vrajlal Mehta	Not related to Directors, Manager and other Key Managerial Personnel of the Company
Nature of appointment (appointment/reappointment)	Retires by rotation and offers himself for re-appointment.	Retires by rotation and offers himself for re-appointment.
Terms and Conditions of appointment/ reappointment	Appointment as a Non-Executive Non-Independent Director and liable to retirement by rotation	Appointment as a Non-Executive Non-Independent Director and liable to retirement by rotation
Remuneration last drawn by such person, if applicable and remuneration sought to be paid	Sitting fees paid to Mr. Krishna R Bhupal the details are given in Director's Report	Nil
Shareholding in the Company	Nil	Nil
The number of Meetings of the Board attended during the year	4 out of 5	5 out of 5
List of Companies in which outside Directorship held as on 31.03.2022 (Companies registered in India)	1) GVK Power & Infrastructure Ltd.	1) The Indian Hotels Company Ltd
	2) GVK Energy Ltd.	2) Benares Hotels Ltd
	3) Green Woods Palaces & Resorts Pvt Ltd	3) PIEM Hotels Ltd
	4) GVK Technical and Consultancy Services Pvt Ltd.	4) TAJ SATS Air Catering Ltd
	5) Som Krishna Bhupal Real Estate Pvt Ltd	5) Oriental Hotels Ltd
Chairman/Member of the *Committees of other Companies on which he is a Director as on 31.03.2022	Nil	Nil

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

Details of Directors Seeking Appointment at the 27th 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)

<b>Name of the Director</b>	<b>Mr. Anoop Vrajlal Mehta</b>	<b>Mr. L V Subrahmanyam</b>
DIN	00107044	03524693
Date of Birth and Age	08.11.1956 (66 Years)	22-04-1960 (62 Years)
Date of first Appointment in the Board	03.08.2022	03.08.2022
Qualifications	Graduate	IAS Retired
Expertise in specific functional areas	Promoting and developing Diamond Trade	Wide experience in Public Policy making, Finance and Administration
Relationship with other Directors and other Key Managerial Personnel of the Company	Mr. Anoop Vrajlal Mehta is related to Mr. Krishna R Bhupal, Director, Dr. GVK Reddy, Chairman, Mrs. G Indira Krishna Reddy, Managing Director and Mrs. Shalini Bhupal, Joint Managing Director of the Company are considered to be interested in the resolution to the extent of their shareholding.	Not related to Directors, Manager and other Key Managerial Personnel of the Company
Nature of appointment (appointment/reappointment)	Appointment	Appointment as Independent Director for the 1st term of 5 years
Terms and Conditions of appointment/ reappointment	Appointment as a Non-Executive & Non-Independent Director subject to retirement by rotation	Terms and conditions of appointment as per resolution at Item No.6 of the Notice convening AGM read with explanatory statement thereto
Remuneration last drawn by such person, if applicable and remuneration sought to be paid	Nil	Nil
Shareholding in the Company	Nil	Nil
The number of Meetings of the Board attended during the year	Nil	Nil
List of Companies in which outside Directorship held as on 03.08.2022 (Companies registered in India)	1) Mohit Diamonds Pvt. Ltd. 2) Emaar Diamonds Pvt. Ltd. 3) Dimetz Agrofarms Pvt. Ltd. 4) Dia Precious Jewellery Pvt. Ltd. 5) Desai Equipment Finance Pvt. Ltd. 6) Desai Auto Credits Pvt. Ltd. 7) Desai Trade Credits Pvt. Ltd. 8) Desai Home Finance Pvt. Ltd. 9) Desai Built-In Finance Pvt. Ltd. 10) Morce Trading Co. Pvt. Ltd. 11) Mohira Jewellery Pvt. Ltd. 12) Nyati Retreat Pvt. Ltd.	1) NSE IFSC Ltd. 2) Green Woods Palaces and Resorts Pvt. Ltd.
Chairman/Member of the *Committees of other Companies on which he is a Director as on 03.08.2022	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 Seventh Annual Report of the Company together with the Standalone and Consolidated Audited Accounts for the year ended March 31, 2022.

## 1) FINANCIAL RESULTS

The performance of the Company for the financial year ended March 31, 2022 is as given below:

(Rs. In Crores)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Total Revenue	<b>228.25</b>	96.81	<b>228.25</b>	96.81
Operating expenses	<b>175.40</b>	96.35	<b>175.40</b>	96.35
Depreciation	<b>15.53</b>	16.55	<b>15.53</b>	16.55
Finance cost	<b>18.59</b>	19.91	<b>18.59</b>	19.91
Profit Before Tax	<b>18.73</b>	(36.00)	<b>18.73</b>	(36.00)
Tax expense:				
Current tax	<b>3.44</b>	-	<b>3.44</b>	-
Deferred tax	<b>5.39</b>	(9.55)	<b>5.39</b>	(9.55)
Profit After Tax	<b>9.90</b>	(26.45)	<b>9.90</b>	(26.45)
Total Comprehensive Income for the year	<b>9.71</b>	(26.13)	<b>9.71</b>	(26.13)
Share of profit / (loss) from joint venture	-	-	<b>(7.80)</b>	(13.52)
Profit brought forward from previous year	<b>235.47</b>	261.60	<b>217.50</b>	257.15
Profit available for appropriation	<b>245.18</b>	235.47	<b>218.79</b>	217.50
Less: Dividend paid	-	-	-	-
Less: Dividend tax	-	-	-	-
Profit carried forward to Balance Sheet	<b>245.18</b>	235.47	<b>218.79</b>	217.50
Earnings per share (Rs.)	<b>1.55</b>	(4.17)	<b>0.30</b>	(6.32)

## 2) COMPANY'S PERFORMANCE

On a standalone basis, the total revenue of the company for the year 2021-22 stood at Rs.228.25 crores as compared to Rs.96.81 crores in the previous financial year, showing an increase of Rs.131.44 crores i.e. 135% over previous year. The business improved during the year under review with removal of all restrictions on inter-state and foreign travel, relaxations by various State Governments and the increased vaccination drive across the country. The company achieved higher revenues across the business segments viz, rooms, Banquets and restaurants compared to previous financial year. Consequently, the company reported a Profit After Tax for the year was Rs.9.90 crores as compared to Loss After Tax of Rs. 26.45 crores in the previous year.

## 3) DEPRECIATION AND FINANCE COSTS

Depreciation for the year was lower at Rs.15.53 crores as compared to Rs.16.55 crores for the previous year. Finance costs for the year ended March 31, 2022 was Rs.18.59 crores, which is lower by Rs.1.32 crores than previous year, on account of repayment of term loans, reduction in interest costs of the term loan and better working capital management.

#### 4) FINANCIAL RESULTS OF JOINT VENTURE (JV) COMPANY

The performance of Green Woods Palaces and Resorts Private Limited, the JV Company for the financial year ended March 31, 2022 is as given below:

(Rs. In Crores)

Particulars	2021-22	2020-21
Total Revenue	90.10	48.43
Operating expenses	69.34	38.10
Depreciation	25.38	25.41
Finance cost	19.48	21.48
Profit / (Loss) Before Tax	(24.10)	(36.56)
Exceptional Item	2.56	-
Profit / (Loss) Before Tax after exceptional items	(21.54)	(36.56)
Tax expense:		
Current tax	-	-
Deferred tax	(5.57)	(8.91)
Profit / (Loss) After Tax	(15.97)	(27.65)
Earnings per share (Rs.)	(2.13)	(3.69)

On Consolidated basis, after considering the proportionate loss of the JV Company, the loss after tax for the year 2021-22 was Rs.7.80 crores as compared to the loss after tax of Rs.13.52 crores of the previous year.

#### 5) FINANCIAL STATEMENT

The audited Standalone and Consolidated Financial Statements of the Company, which forms part of this Annual Report, have been prepared in accordance with the provisions of the Companies Act, 2013 ("Act"), Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Indian Accounting Standards.

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.

#### 6) SUBSIDIARY / ASSOCIATE COMPANIES / JOINT VENTURE COMPANIES

As of March 31, 2022, the Company has Joint Venture Company viz. Green Woods Palaces and Resorts Private Limited (CIN: U91990TG2001PTC036666).

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

#### 7) TRANSFER OF AMOUNT TO RESERVES

The company does not propose to transfer any amount to reserves during the year.

#### 8) DIVIDEND

In spite of revival of business during the year, the Company is setting aside surplus cash generated during the year under review. The Board of Directors decided not to declare any dividend for the Financial year 2021-22.

#### 9) 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 (LODR) Regulations and the same is uploaded on website of the Company at [www.tajgvk.in](http://www.tajgvk.in) / investor relations under corporate policies.

#### 10) BORROWINGS / INDEBTNESS

The total long term borrowings of the company stood at Rs.170.19 crores for the year ended March 31, 2022 as compared to Rs.178.53 crores as at March 31, 2021. During the financial year under review, the company repaid term loans of Rs.41.59 crores.

During the year company availed working capital term loan facility from Axis Bank Ltd Rs.16.38 crores and from HDFC Bank Ltd Rs.16.87 crores under the Emergency Credit Line Guarantee Scheme (ECLGS) 3.0, Operational Guidelines issued by the National Credit Guarantee Trustee Company Limited ("NCGTCL"), a wholly owned Trustee Company of Government of India.

### **11) CREDIT RATING**

During the year under review, your Company's credit ratings are as below:

ICRA: Long Term Rating - [ICRA] BBB+ and Short Term Rating [ICRA] A2 by ICRA Ltd

India Ratings: ECLGS loans - IND A-/Stable by India Ratings

### **12) PUBLIC DEPOSITS**

During the year under review, the Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014. Hence, the requirement for furnishing of details relating to deposits covered under Chapter V of the Act or the details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

### **13) 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 Financial Year 2021-22, 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 enclosed as **Annexure-2**.

### **14) RELATED PARTY TRANSACTIONS**

To comply with the provisions of Section 188 of the Act 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 2021-22 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.

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 Act 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](http://www.tajgvk.in) / investor relations 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 during the Financial Year 2021-22 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 2021-22, hence no details are 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.

### **15) BENGALURU HOTEL PROJECT**

The Company has been allotted around 7.5 acres land in Yellahanka, Bengaluru for the hotel project as explained in our previous Director Reports. Your company received the final building approval from KIADB during December 2021. With this approval, all requisite approvals viz Fire Approval, Environmental Clearance, Pollution Control Board approval, Height Clearance from Airports Authority of India, Ministry of Defense Clearance, HAL height clearance were received by the company. Your company also received the approval from Karnataka Udyog Mitra (KUM), Government of Karnataka for completion of the project by May 2024. The company finalized the BOQ's for Civil works and will start the construction activities during this Financial Year. The project consists of 255 room hotel along with large Banquet Areas spread in an area of around 2.5 Acres land and the initial estimate of the project cost is around Rs.325 crores.

### **16) RENOVATION / REFURBISHMENT OF HOTELS:**

Your company continues to take up the renovation and refurbishment of hotels to align with the current market trends to offer international quality offerings to guests. As explained in our earlier Director Reports, more than 80% of the rooms in Taj Krishna are renovated and the balance rooms will be taken up for renovation. Due to covid Pandemic and losses suffered by the company in the last couple of years, the company has not continued with the renovations in Taj Deccan and Taj Chandigarh hotels and during the current year the company planned to do phase wise renovation in these properties.



## 17) STATUS ON TAJ BANJARA LICENSE AGREEMENT

Your company has been assigned the License agreement of Taj Banjara Hotel with M/s Hotel Banjara Limited, (HBL) New Delhi by Indian Hotels Company Limited (IHCL) during 2000. The existing License agreement expired on 18th February, 2022 and your company is negotiating the renewal commercial terms with HBL. Your company expects to finalize the revised terms at the earliest. As per the expired Licence Agreement both the parties have one year time to finalise the revised commercial terms.

## 18) MEETINGS OF THE BOARD OF DIRECTORS

During the year, Five Board Meetings were held, the details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Act, Secretarial Standards - 1 (SS-1) issued by the Institute of Company Secretaries of India and Listing Regulations.

## 19) DIRECTORS

### Re-appointments and Key Managerial Personnel:

In accordance with the provisions of Section 152 of the Act and in terms of the Articles of Association of the Company, Mr. Krishna R Bhupal (DIN:00005442) and Mr. Puneet Chhatwal (DIN:07624616), Non-Executive & Non-Independent Directors are liable to retire by rotation at the ensuing AGM and being eligible, offered themselves for re-appointment. The Board of Directors, on the recommendation of Nomination and Remuneration Committee, recommended their re-appointment. Relevant resolutions seeking shareholders approval forms part of the Notice.

### Appointments:

The Board its meeting held on 06.08.2021 appointed Mr. Rajeshkumar Harshadrai Parekh (DIN:01942405) as the Additional Director and his appointment was regularized in 26th Annual General Meeting held on 24.09.2021.

The Board at its meeting held on 03.08.2022 appointed Mr. Anoop Vrajlal Mehta (DIN:00107044) as the Additional Director and he shall hold office upto the date of ensuing AGM. Your Company is in receipt of notice in writing under section 160(1) 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, who is liable to retire by rotation.

The Board at its meeting held on 03.08.2022 appointed Mr. L V Subrahmanyam (DIN:03524693) as the Additional Director and he shall hold office upto the date of ensuing AGM. Your Company is in receipt of notice in writing under section 160(1) of the Act, from a Shareholder proposing his candidature for appointment as Director under the category of Non-Executive Independent Director of the Company for a term of five years commencing from 03.08.2022 to 02.08.2027. The Board on the recommendation of Nomination and Remuneration Committee, recommended his appointment as Director and who is not liable to retire by rotation.

### Resignation:

During the year Mr. Rajendra Misra (DIN: 07493059) has resigned from the Board on 06.08.2021 and Mr. Rajeshkumar Harshadrai Parekh (DIN:01942405) has resigned from the Board with effect from 30.06.2022 and the Board of Directors have taken on record their valuable contributions / guidance during their tenures as Directors of the company.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses, if any incurred by them for the purpose of attending meetings of the Board/Committee of the Company.

## 20) KEY MANAGERIAL PERSONNEL (KMP)

Pursuant to provisions of section 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Key Managerial Personnel of the Company as on March 31, 2022 are as follows :

Mrs. G Indira Krishna Reddy, Managing Director,

Mrs. Shalini Bhupal, Joint Managing Director

Mr. J Srinivasa Murthy, CFO & Company Secretary

## 21) PERFORMANCE EVALUATION CRITERIA FOR DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 read with Regulation 17 (10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Director has carried out Performance Evaluation of Directors individually including the Independent Directors, Board as a whole and as well as the evaluation of the working of its

Committees namely Audit Committee, Nomination & Remuneration Committee, Stakeholder Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee.

Further, to comply with Regulation 25(4) of SEBI (LODR) Regulations, in a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated. The same was discussed in the Board meeting at which the performance of the Board, its Committees and individual directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

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

## **22) MEETING OF INDEPENDENT DIRECTORS**

A separate meeting of Independent Directors as required under the Schedule IV of the Companies Act, 2013 was held on March 28, 2022, without presence of Non-Executive & 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.

## **23) 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.

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declarations that each of them meet the criteria of Independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). In terms of Regulation 25(8) of SEBI Listing Regulations they have confirmed that they are not aware of any circumstances or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. The Board of Directors of the Company has taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the veracity of the same. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

The Independent Directors of the Company have confirmed that they have registered names in the data bank of Independent Directors maintained with the Indian Institute of Corporate affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

## **24) POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION AND OTHER DETAILS**

The Company policy on Director Appointment and Remuneration and other matters provided in the section 178(3) of the Companies Act, 2013 has been disclosed in Corporate Governance Report, which is part of the report and is also available on [www.tajgvk.in/](http://www.tajgvk.in/) investor relations under corporate policies.

## **25) BOARD AND COMMITTEES OF THE BOARD**

As on the date of approval of Directors' Report, following are the Committees of Board of Directors of the Company constituted under Companies Act, 2013 and applicable of SEBI (LODR) Regulations.

- a. Audit Committee
- b. Nomination and Remuneration Committee
- c. Corporate Social Responsibility Committee
- d. Risk Management Committee
- e. Stakeholders' Relationship Committee

During the year under review, all recommendations of the Committees were approved by 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.

## 26) 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](http://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.

## 27) 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 composition of 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.

The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management policy has been covered in the Management Discussion and Analysis which forms part of the Annual Report.

## 28) 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 [www.tajgvk.in](http://www.tajgvk.in) / investor relations under corporate policies.

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

## 29) STATUTORY AUDITORS

M/s. M. Bhaskara Rao & Co., Chartered Accountants (Firm Registration No.000459S) were appointed as Statutory Auditors of the Company for a term of five years, 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 Accountant will complete their first term as the Statutory Auditors of the Company at the conclusion of 27th AGM and are eligible to be re-appointed as the Statutory Auditors of the Company for another term of five years.

The Board of Directors, based on the recommendation of the Audit Committee, at its meeting held on 10.05.2022, approved the re-appointment of M/s.M. Bhaskara Rao & Co., as the Statutory Auditors of the company for a second term of five consecutive years, they hold office from the conclusion of 27th AGM until the conclusion of 32nd AGM, subject to approval of the Members.

Accordingly, 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.

The necessary resolution for the re-appointment of M/s. M. Bhaskara Rao & Co., forms part of the Notice.

### Auditors Report

The Statutory Auditors have issued unmodified opinion in their Consolidated and Standalone Auditor's Report for the financial year ended 31st March, 2022 and there are no qualifications, reservations or adverse remarks in the Auditor's Report.

## 30) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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



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

### **31) 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 2021-22 and the Internal Auditors have presented the observations to the Audit Committee at their meeting held on 10.05.2022. The Internal Auditors directly report to the Audit Committee of the Board.

### **32) 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.

### **33) SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Directors have appointed M/s. Narender & Associates, Practicing Company Secretaries, (Certificate of Practice No.5024), Hyderabad to undertake the Secretarial Audit of your Company for the financial year 2021-22.

The Secretarial Audit Report does not contain any qualifications, reservation or adverse remarks. The Report in Form MR-3 is enclosed as **Annexure-4**.

### **34) COMPLIANCE WITH SECRETARIAL STANDARDS**

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

### **35) INSURANCE**

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

### **36) CHANGE IN THE NATURE OF BUSINESS**

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

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

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

### **38) MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

The ongoing impact of COVID-19 on the Company's financial statements has been given in Note 23 of the notes to financial statements for the year ended March 31, 2022 and the Company's response to the situation arising from the pandemic has been explained in the Management Discussion and Analysis, which forms a part of the Annual Report.

### **39) 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. March 31, 2022 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 March 31, 2022 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.

### **40) 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.

### **41) PARTICULARS OF EMPLOYEES**

The information required under Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as Annexure to this report.

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate Annexure forming part of this report. Further, the report and the accounts are being sent to the Members excluding the aforesaid Annexure. In terms of Section 136 of the Act, the said annexure is open for inspection and any Member interested in obtaining a copy of the same may write to the Company.

### **42) VIGIL MECHANISM**

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

### **43) 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 2021-2022 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).

### **44) VALUATION**

During the year under review, there were no instances of one time settlement with any Banks or Financial Institutions.

#### **45) DISCLOSURE REQUIREMENTS:**

As per SEBI Listing Regulations, the Corporate Governance Report along with the Auditors' Certificate thereon, and the Management Discussion and Analysis are attached, which forms part of this report. As per Regulation 34 of the SEBI Listing Regulations, a Business Responsibility Report is attached and is a part of this Annual Report. Your Company has formulated and adopted a Dividend Distribution Policy as envisaged under Regulation 43A of the SEBI (Listing Obligations and Disclosures) Regulations, 2015 as part of its corporate governance practices. The policy is available on the Company's website at [www.tajgvk.in](http://www.tajgvk.in) / investor relations under corporate policies.

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

#### **46) PROCEEDINGS UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016**

During the year under review, there were no proceedings that were filed by the Company or against the Company, which are pending under the Insolvency and Bankruptcy Code, 2016 as amended, before National Company Law Tribunal or other Courts.

#### **47) COST AUDITORS:**

Maintenance of cost records as specified by the Central Government under Section 148 (1) of the Act is not applicable to the Company.

#### **48) DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 (POSH ACT):**

The Company has always believed in providing a safe and harassment-free workplace for every individual working in the Company. The Company has complied with the applicable provisions of the POSH Act, and the rules framed thereunder, including constitution of the Internal Complaints Committee. The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the POSH Act and the same is available on the Company's website at [www.tajgvk.in](http://www.tajgvk.in) / investor relations under corporate policies.

The following is a summary of sexual harassment complaints received and disposed off during the year 2021-22 :

Number of complaints received : 1 (One)

Number of complaints dispose off : 1 (One)

#### **49) OTHER INFORMATION**

##### **i) MANAGEMENT DISCUSSION AND ANALYSIS**

Management Discussion & Analysis Report for the year under review, as stipulated under Regulation 34(2)(e) of SEBI (LODR) Regulations, forms part of the Annual Report.

##### **ii) 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.

##### **iii) 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.

##### **iv) ECONOMY AND MARKETS**

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

The Audit Committee of the Company reviewed the Consolidated and Standalone Financial statements for the year under review at its meeting held on 10th May, 2022 and recommended the same for the approval of the Board of Directors.



## **v) 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.

## **vi) 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 1063 which includes 365 permanent employees and 698 contractual employees on FTC and outsourced.

## **vii) QUALITY**

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

## **viii) 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 2022-23.

## **50) 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, 2022	March 31, 2021
Earned	1625.45	644.23
Used	148.44	46.47

### 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 : 03.08.2022

**Dr. GVK Reddy**  
Non Executive Chairman  
DIN:00005212

**Annexure-1****Part “B”: Associates and Joint Ventures**

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

1.	Name of Joint Venture	Green Woods Palaces and Resorts Pvt Ltd
2.	Latest audited Balance Sheet Date	31.03.2022
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 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.(2639.31) lakhs
9.	Profit / Loss for the year	
	i. Profit considered in Consolidation	Rs.(780.16) lakhs
	ii. Not considered in Consolidation	Not applicable

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

Place : Hyderabad  
Date : 03.08.2022

**Dr. GVK Reddy**  
Non Executive Chairman  
DIN:00005212



**Annexure-2****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 March 31, 2022

(Rs. In Lakhs)

Particulars	FY2021-22	FY2020-21
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 : 03.08.2022

**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 (Contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 which are at arms length basis):

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

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

Place : Hyderabad  
Date : 03.08.2022

**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 31.03.2022

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 company also took the approval of CSR Committee during the year under review, to spent the CSR amount towards the COVID 19 Pandemic activities viz. vaccinations, ambulance services, oxygen cylinders, the company has taken up these activities through GVK EMRI, which has taken the lead during the pandemic time and supported the people.

3. 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)	2	2
2	Mrs. Shalini Bhupal	Member (Joint Managing Director)	2	2
3	Mrs. Dinaz Noria	Member (Independent)	2	2

4. 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: [www.tajgvk.in/](http://www.tajgvk.in/) investor relations under corporate policies.

5. 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

6. 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

7. Average net profit of the company as per section 135(5): Rs.1223.61 lakhs

8. (a) Two percent of average net profit of the company as per section 135(5): Rs. 24.47 lakhs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Not Applicable

(c) Amount required to be set off for the financial year, if any: Not Applicable

(d) Total CSR obligation for the financial year (8a+8b-8c): Rs.24.47 lakhs

9. (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
131.25	Nil	Not Applicable	Not Applicable	Nil	Not Applicable

- (b) Details of CSR amount spent against ongoing projects for the financial year : Not applicable

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

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	Supply of vaccines, oxygen cylinders and ambulance services during 2nd wave of COVID-19 pandemic	Promoting healthcare including preventive health	No	Karnataka	Bengaluru	131.25 lakhs	No	GVK EMRI	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 (9b+9c+9d+9e) : Rs. 131.25 lakhs

(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)	24.47
(ii)	Total amount spent for the financial year	131.25
(iii)	Excess amount spent for the financial year [(ii)-(i)]	106.78
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	69.87
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	36.91

Note: The company during FY 2020 - 21 has not spent any amount towards CSR activities due to losses incurred by the company due to COVID 19 pandemic and the same was transferred to "**TAJGVK Hotels & Resorts Limited - Unspent Corporate Social Responsibility account**". The unspent amount of Rs. 69.87 lakhs was spent in the FY 2021-22 towards activities as detailed above.

10 (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								

11. 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 names 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

12. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):  
Not Applicable.

**A Rajasekhar**  
Chairman, CSR Committee

**Mrs. Shalini Bhupal**  
Member, Joint Managing Director

Date: 03.08.2022

## SECRETARIAL AUDIT REPORT (as per Form No MR – 3)

For the Financial year ended 31.03.2022

(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 March 31, 2022, 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 March 31, 2022 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 Security exchange Board of India (Listing Obligations and Disclosure Requirement), 2015, except the following.

#### **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 composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board 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 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 : 10.05.2022

**G Narender**  
Proprietor  
FCS:4898, CoP:5024



**FORM NO.MGT-9**  
**EXTRACT OF ANNUAL RETURN**

**as on the financial year ended on March 31, 2022**

[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	L40109TG1995PLCo19349
ii.	Registration Date	2nd February, 1995
iii.	Name of the Company	TAJGVK Hotels & Resorts Limited
iv.	Category / Sub-Category of the Company	Company Limited by Shares / Public Company
v.	Address of the Registered office and contact details	Taj Krishna, Road No.1, Banjara Hills, Hyderabad - 500 034, Telangana Ph No.040-66662323, Fax No.040-66625364 Email: tajgvkshares.hyd@tajhotels.com Website: www.tajgvk.in
vi.	Whether listed company	Yes Bombay Stock Exchange Limited (BSE) National Stock Exchange of India Limited (NSE)
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Venture Capital and Corporate Investments Pvt Ltd #12-10-167, Bharat Nagar, Hyderabad - 500 018, Telangana Ph No.040-2381 8475, Email id: info@vccipl.com

**II). PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

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

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Rooms	55101	45.32%
2	Restaurants & Bars (F&B)	56301	45.19%
3	Banquets & other income	56210	9.49%

**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	U61660TG2001PTCo36666	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	
<b>A. Promoter</b>										
<b>1) Indian</b>										
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	-	-	-	-	-	-	-	-	-
	<b>Sub-Total(A)(1)</b>	<b>47018206</b>	<b>-</b>	<b>47018206</b>	<b>74.99</b>	<b>47018206</b>	<b>-</b>	<b>47018206</b>	<b>74.99</b>	<b>-</b>
<b>2) Foreign</b>										
a)	NRIs-Individuals	-	-	-	-	-	-	-	-	-
b)	Other-Individuals	-	-	-	-	-	-	-	-	-
c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
d)	Banks / FI	-	-	-	-	-	-	-	-	-
e)	Any Other	-	-	-	-	-	-	-	-	-
	<b>Sub-Total(A)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	<b>47018206</b>	<b>-</b>	<b>47018206</b>	<b>74.99</b>	<b>47018206</b>	<b>-</b>	<b>47018206</b>	<b>74.99</b>	<b>-</b>
<b>B. Public Shareholding</b>										
<b>1. Institutions</b>										
a)	Mutual Funds/Alternate investment Funds	3123693	80	3123773	4.98	1110608	80	1110688	1.77	3.21
b)	Banks / FI	230052	585	230637	0.37	471932	585	472517	0.75	(0.38)
c)	Central Government	-	-	-	-	-	-	-	-	-
d)	State Government(s)	-	-	-	-	-	-	-	-	-
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	-	-	-	-	-	-	-	-	-
g)	FII's (Foreign Portfolio Investors)	-	-	-	-	-	-	-	-	-
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)	Others (Foreign Nation)	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (B)(1)</b>	<b>3353745</b>	<b>665</b>	<b>3354410</b>	<b>5.35</b>	<b>1582540</b>	<b>665</b>	<b>1583205</b>	<b>2.52</b>	<b>2.83</b>
<b>2. Non Institutions</b>										
a)	Bodies Corp	2236286	9110	2245396	3.58	2443858	8930	2452788	3.91	(0.33)
(i)	Indian	-	-	-	-	-	-	-	-	-
(ii)	Overseas (OCB)	-	-	-	-	-	-	-	-	-
b)	Individuals	-	-	-	-	-	-	-	-	-
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh	7811170	480773	8291943	13.22	9372885	422566	9795451	15.62	(2.40)
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	711000	-	711000	1.13	455155	-	455155	0.73	0.40
c)	Others(Specify)	-	-	-	-	-	-	-	-	-
(i)	HUF	-	-	-	-	-	-	-	-	-
(ii)	Non Resident Individuals	289351	-	289351	0.46	359108	-	359108	0.57	(0.11)
(iii)	Trusts	391	-	391	-	191	-	191	-	-
(iv)	Clearing Members	153304	-	153304	0.24	308882	-	308882	0.49	(0.25)
(v)	IEPF Authority	637494	-	637494	1.02	728509	-	728509	1.16	(0.14)
	<b>Sub-Total (B)(2)</b>	<b>11838996</b>	<b>489883</b>	<b>12328879</b>	<b>19.66</b>	<b>13668588</b>	<b>431496</b>	<b>14100084</b>	<b>22.49</b>	<b>(2.83)</b>
	<b>Total Public shareholding (B)=(B)(1)+(B)(2)</b>	<b>15192741</b>	<b>490548</b>	<b>15683289</b>	<b>25.01</b>	<b>15251128</b>	<b>432161</b>	<b>15683289</b>	<b>25.01</b>	<b>-</b>
<b>C. Shares held by custodian for GDR&amp;ADRs</b>										
	<b>Grand Total (A+B+C)</b>	<b>62210947</b>	<b>490548</b>	<b>62701495</b>	<b>100.00</b>	<b>62269334</b>	<b>432161</b>	<b>62701495</b>	<b>100.00</b>	<b>-</b>

**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	-	-
	<b>Total</b>	<b>47018206</b>	<b>74.99</b>	<b>-</b>	<b>47018206</b>	<b>74.99</b>	<b>-</b>	<b>-</b>

**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
	At the beginning of the year	There is no change in Promoter's Shareholding between 01.04.2021 to 31.03.2022			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the end of the year				

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

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Increase / decrease in shareholding during the year	Cumulative shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company		No. of Shares	% of total Shares of the Company
1	Damani Estate Finance Pvt Ltd	1491299	2.38	-	1491299	2.38
2	IDFC Hybrid Equity Fund	-	-	534828	534828	0.85
3	Vaibhav Doshi	-	-	300066	300066	0.48
4	Bright Star Investments Pvt Ltd	174506	0.28	-	174506	0.28
5	ITI Small Cap Fund	242589	0.39	(70858.00)	171731	0.27
6	BNS Asia Ltd	-	-	161313	161313	0.26
7	Gaurav Doshi	-	-	155089	155089	0.25
8	Indiafirst Life Insurance Company Ltd	-	-	143527	143527	0.23
9	ICICI Securities Ltd	17365	0.03	82449	99814	0.16
10	A Tenzing	-	-	92137	92137	0.15

**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 H 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	-	-	-	-	-
13.	Mr. Anoop Vrajlal Mehta **	-	-	-	-	-
14.	Mr. L V Subrahmanyam **	-	-	-	-	-
15.	Mr. Rajendra Mishra ***	-	-	-	-	-
	KMP	-	-	-	-	-
1.	Mr. J Srinivasa Murthy	-	-	-	-	-

Note: 1) § Mr. Rajeshkumar Harshadrai Parekh appointed on 24.09.2021 and has resigned on 30.06.2022

2) \*\* Mr. Anoop Vrajlal Mehta and Mr. L V Subrahmanyam appointed as Directors on 03.08.2022

3) \*\*\* Mr. Rajendra Mishra resigned on 06.08.2021

**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	17853.03	-	-	<b>17853.03</b>
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>17853.03</b>	-	-	<b>17853.03</b>
Change in Indebtedness during the financial year				
Addition	3325.36	-	-	<b>3325.36</b>
Reduction	4159.12	-	-	<b>4159.12</b>
Net change	(833.76)	-	-	<b>(833.76)</b>
Indebtedness at the end of the financial year				
i) Principal Amount	17019.27	-	-	<b>17019.27</b>
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>17019.27</b>	-	-	<b>17019.27</b>



## 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	340.45	300.37	640.82
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	2.41	2.41
	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 (contribution to PF & Superannuation fund)	48.39	41.44	89.83
	<b>Total (A)</b>	<b>388.84</b>	<b>344.22</b>	<b>733.06</b>
	Ceiling as per Schedule V of the Companies Act, 2013	121.53	121.53	<b>243.06</b>

### 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	Mrs. Dinaz Noria	Total Amount (Rs)
1.	Independent Directors (ID) Fee for attending Board / Committee meetings	125000	165000	130000	165000	165000	125000	875000
	Commission	-	-	-	-	-	-	-
	Others, Please Specify	-	-	-	-	-	-	-
	Total (1)	125000	165000	130000	165000	165000	125000	875000
2.	Other Non-Executive Directors	Dr. GVK Reddy	Mr. Krishna R Bhupal	Mr. Puneet Chhatwal	Mr. Rajendra Mishra	Mr. Rahesh Kumar H Parekh		
	Fee for attending Board / Committee meetings	125000	130000	-	-	-	-	255000
	Commission	-	-	-	-	-	-	-
	Others, Please Specify	-	-	-	-	-	-	-
	Total (2)	125000	130000	-	-	-	-	255000
	Total (B)=(1+2)	250000	295000	130000	165000	165000	125000	1130000
	Total Managerial Remuneration (Rs in lakhs) (A+B)							<b>744.36</b>
	Ceiling as per Schedule V of the Companies Act, 2013							<b>243.06</b>

## 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	97.02
	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 (contribution to PF & Superannuation fund)	4.70
	<b>Total</b>	<b>101.72</b>

**VII) PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :**

## A. Company

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

## B. Directors

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

## C. Other Officers in Default

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

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

Place : Hyderabad

Date : 03.08.2022

**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 March 31, 2022 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 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22 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 2021-22	% increase in Remuneration in the Financial year 2021-22	Ratio of remuneration of each Director / to median remuneration of employees
1	Mrs. G Indira Krishna Reddy Managing Director	388.84	Not Comparable *	60.16
2	Mrs. Shalini Bhupal Joint Managing Director	344.22	\$ 107%	53.25
3	Mr. J Srinivasa Murthy CFO & Company Secretary	101.72	\$ 46%	15.74

\* The Managing Director opted not to take any remuneration for the FY 2020-21 due to COVID-19 Pandemic.

\$ The increase is also not comparable because the Company during FY 2020-21 implemented the cost cutting measures and paid only 50% of the salary.

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 2021-22 was Rs.6.46 lakhs.
- iii) In the financial year, there was an increase of 83% in the median remuneration of employees;
- iv) The total employees of the company during the year 1063 which includes 365 permanent employees and 698 contractual employees on FTC and outsourced.
- v) Price Earnings ratio of the Company was 99 as at March 31, 2022 and was 26 as at March 31, 2021.
- vi) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2021-22 was 83% whereas the increase in the managerial remuneration for the financial year was 89%.
- 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](http://www.tajgvk.in) under corporate policies..

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

Place : Hyderabad  
Date : 03.08.2022

**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 2021-22. 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.

## GLOBAL ECONOMY

Global economy grew by 6.1% in CY 2021, after declining 3.1% in CY 2020. Global economy is expected to grow at 3.2% in CY2022, below the long-term trend of 3.5%, primarily due to coordinated global monetary policy tightening along with the geopolitical tensions. Advanced Economies' (AEs) universe grew at a robust pace of 5.2% in CY 2021 and is expected to moderate in CY 2022 at 2.5%, with US and Euro Area growth expected at 2.3% and 2.6% respectively, supported by inventory restocking, universal immunisation, and strong pent-up demand from consumption and businesses. China grew by 8.1% in CY 2021, but is expected to slow to 3.3% in CY 2022 due to zero-tolerance COVID-19 policy, stringent restrictions on polluting industries and financial stress among major property developers. Global trade volume growth was robust in CY 2021 at 10.1%, and is expected to grow at a strong pace of 4.1% in CY 2022. Strong demand along with persistent supply-chain issues and high energy prices, have resulted in firming up of global inflationary pressures. Recent geopolitical tensions have further exacerbated the global inflation scenario. US inflation has continued to inch up and recorded June 2022 CPI inflation at 9.1%, highest since CY 1981, with broad-based rise in price pressures, while Euro-Area inflation climbed to a record 8.6% in June, primarily led by energy components. Crude oil averaged at \$ 75/bbl in Apr'21 - Jan'22 period and above \$100/bbl during Feb'22 - June'22 with outbreak of conflict in Europe. Disruption in trade flows, high energy prices and tightening of crude and refining demand-supply, along with strengthening of refining margins to historical highs could impact near-term demand growth. Rise in inflationary pressures has led global central banks to begin reversal of their accommodative monetary stance, with the US Federal Reserve beginning the taper of asset purchase program in November 2021 and subsequently raising interest rates by 225 bps cumulatively since March. Even though post-pandemic reopening of the global economy is expected to provide further impetus to the demand, global monetary policy tightening in the face of rising inflationary pressures and geopolitical uncertainties could impact the near-term demand outlook. IMF expects inflation to remain elevated in the near-term averaging 6.6% in Advanced Economies and 9.5% in Emerging Market and Developing Economies (EMDEs) in CY 2022, before subsiding in CY 2023 as supply chain disruptions ease and demand rebalances take place.

## INDIAN ECONOMY

After witnessing a sharp decline of 6.6% in FY 2020-21, the Indian economy recorded a growth of 8.7% in FY2021-22 as per the provisional estimates by National Statistical Office. This is the strongest pace among major economies. The economic expansion has been supported by a strong national vaccination drive that enabled easing of COVID-19 related restrictions. India administered more than 177 crore doses of vaccine during the financial year, thereby fully vaccinating more than 60% of its population. The economic impact of the Omicron COVID-19 variant was relatively mild with most high-frequency indicators above pre-pandemic level. Urban demand remains strong with improved mobility and debit and credit card spending. Overall fuel consumption grew by 4% in FY 2021-22. Debit and credit card spending increased by 26% Y-o-Y in March 2022. However, overall auto sales have been weak on the back of persistent supply chain shortages around the world. Industrial indicators continued to remain robust, with manufacturing and services PMI in expansion zone for most of the year. Electricity demand for FY 2021-22 grew by 8% Y-o-Y, even after the economy witnessed coal shortages in early part of October 2021. Government revenue generation remained robust with GST collections averaging more than Rs.1.2 lakh crore per month, increasing 31% Y-o-Y. Digital adoption gathered further pace with growth in UPI payments during FY 2021-22 rising more than 100% Y-o-Y. RBI maintained its accommodative monetary stance, keeping reference rates unchanged during FY 2021-22. Subsequently, with rising inflationary pressure, RBI raised repo rate by 90 bps, withdrawing its accommodative stance and very likely to raise the repo rate further in order to curtail inflation. India's merchandise exports crossed US\$400 billion during the year, growing at more than 40% Y-o-Y led by engineering goods, petroleum products and gems & jewellery. India's foreign exchange reserves remained above \$600 billion by the end of FY 2021-22, providing a cushion against external shocks. Indian government's financial policy is centred around growth and gradual fiscal consolidation. With a budgeted fiscal deficit of 6.4% for FY 2022-23, focus remains on capital expenditure. Major policy initiatives during the year included continuation of COVID19-related relief measures and a focus on Production Linked Incentive (PLI) schemes in various key sectors to provide impetus to investment, growth and employment. As per IMF India is expected to remain the fastest growing economy in FY 2022- 23, growing at 7.4% led



by expected improvement in credit growth, investment and consumption growth. Several high frequency indicators viz. railway freight, GST collections, electricity demand, import of capital goods, etc. have displayed robust growth during February and March 2022. There has been a significant rise in consumer optimism on the back of improved sentiments of the general economic situation. According to 'The Economist' - May 14, 2022 edition, India is expected to be the fastest growing big economy in the world. While the economy has been looking up in the fourth quarter of FY 2021-22, escalating geopolitical tensions in the Black Sea region resulting in significant hardening of international crude oil and other commodity prices, the loss of momentum in global trade and risk of future waves of COVID-19 infections pose downside risks to the outlook for India in line with the global economy.

### **GLOBAL HOSPITALITY AND TOURISM INDUSTRY**

Global tourism continued to be impacted in 2021 by repeated waves of the pandemic and consequent reintroduction of travel restrictions. International tourist arrivals across the world in 2021 were 421 Million, 4.6% over that of 2020 but lower by 71.3% compared to 2019 according to data from the United Nations World Tourism Organisation (UNWTO). In absolute numbers, international arrivals at destinations worldwide were still far less by a billion travellers in 2021 than the pre-pandemic levels of 2019. Asia and the Pacific registered an absolute decline in international arrivals in 2021 over 2020 by 64.7%. International tourist arrivals in South Asia were at 5.7 Million, lower by 42.9% from 2020 and 83.1% from 2019. In 2019, South Asia had 33.7 Million international tourist arrivals. Amongst other regions, international tourist arrivals in 2021 over 2020 to North America and Africa grew by 22.2% and 13.9% respectively while the Middle East declined by 8.3%. All these regions are trailing their pre-pandemic levels by large margins.

International tourist arrivals increased by 130% in January 2022, higher by 18 Million. Even though the increase in arrivals during January 2022 was the same as that for the entire 2021 over 2020, it was 67.1% lower than the pre-pandemic level of January 2019. South Asia recorded an increase of 135.3% in arrivals in January 2022 over the same month in 2021. The encouraging results were impacted by the Omicron variant of COVID-19 virus and re-introduction of travel restrictions across several countries.

### **INDIAN HOSPITALITY AND TOURISM INDUSTRY**

FY 2021-22 has been a year of strong recovery in the Indian travel and tourism industry. While flight restrictions continued for most part of the year subduing international travel, demand was largely from pent-up domestic leisure travel, extended stays, wedding, social events and a partial resumption of business travel in the country. Total air passenger traffic within India in 2021 was 182 Million, higher than 2020 by 27% but lower than 2019 by 48%. Of this, 164 Million or 90% constituted domestic air passenger traffic. (HVS Anarock - India Hospitality Industry Overview 2021 and Airports Authority of India data). In contrast, foreign tourist arrivals were 1.41 Million for the calendar year 2021 in comparison with 2.74 Million in 2020 and 10.93 Million in 2019 (Government of India, Ministry of Tourism Annual Report - 2021-22).

As per Horwath HTL Market Report: India Hotel Market Review 2021, calendar year occupancy for 2021 was 43.5% in comparison with 32.0% in 2020 and 24.9% during the initial pandemic period of March to December 2020. The recovery from the 'second wave' of COVID-19 was quicker and demand during the period July to September 2021 was particularly strong.

### **OUTLOOK**

Subsequent waves of the COVID-19 virus have resulted in a quicker of economic activity and mobility with comparatively lower disruption in livelihoods. This was also strengthened by higher vaccinated population, low-fatality-quick recovery rate of the Omicron variant and better healthcare preparedness in the country. These factors have resulted in higher consumer confidence which is expected to improve the prospects for travel and tourism within the country. While various State Governments have eased regional travel restrictions, the Government of India recently ended its COVID-19 containment measures under the Disaster Management Act and resumed regular international flights, thus paving the way for greater inflow of international tourist arrivals to India. The Indian tourism industry achieved peak occupancies of 90% without international inbound travel and with lower levels of business travel. With these segments beginning to rebound demand forecast is expected to be robust. Corporate business travel is more likely to resume for purposes of client acquisitions, relationship building, industry conferences, exhibitions and tradeshows. Increase in international travellers to leisure destinations as well as inbound travel for weddings, conferences and events along with pent-up demand among domestic travellers are expected to further increase occupancies. Increasing demand for rooms coupled with a favourable demand-supply equation in branded accommodations should progressively improve average room rates. This is substantiated by the business performance for April 2022 which was better than that of April 2019. Finally, large scale development of infrastructure by the Government, including roads, railways, metro-railways, airports and ports will aid long term growth of tourism and hospitality sector in India. These investments, coupled with coordinated

efforts of Government ministries along with the industry should provide major stimulus for growth of Indian travel and tourism going forward.

### **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
- 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.

### **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, internal audit department facilitates identification of risks and mitigants.

### **COMPANY OVERVIEW**

Your Company witnessed a growth in revenue with the removal of all restrictions on inter-state and foreign travel, relaxations by various State Governments and the increase vaccination drive across the country. The company achieved higher revenues across the business segments viz, rooms, Banquets and restaurants compared to previous financial year.

### **FINANCIALS**

Revenue from operations for FY 2021-22 was Rs.228.25 crores, which was higher by Rs.131.43 crores as compared to Rs. 96.82 crores in the previous year. The room revenues were at Rs.103.44 crores and the food and beverage income was Rs.113.94 crores. The business improved during the year under review with removal of all restrictions on inter-state and foreign travel, relaxations by various State Governments and the increase vaccination drive across the country. The company achieved higher revenues across the business segments viz, rooms, Banquets and restaurants compared to previous financial year.

### **EXPENDITURE:**

- The total expenditure for FY 2021-22 was Rs.175.39 crores as against Rs.96.35 crores in the previous year due to ramping up of operations post reopening of all hotels and increase in staffing to close to the pre-covid levels.
- Payroll cost was Rs.50.15 crores as compared to Rs.27.57 crores in previous year. The payroll cost in the previous year was lower on account of the salary cuts which the employees had taken on account of the Covid-19 pandemic and shut down of most of the hotels in the portfolio.
- Earnings before Interest, Depreciation, Tax and Amortisation (EBITDA), registered a decrease of Rs.52.39 crores to Rs.52.86 crores in 2021-22 from Rs.0.47 crores in the previous year.

### **PROFIT BEFORE TAX**

The company reported a Profit Before Tax of Rs.18.73 crores as compared to Loss Before Tax of Rs.36 crores in the previous year.

### **PROFIT AFTER TAX**

The company reported a Profit After Tax of Rs.9.71 crores as compared to a Loss After Tax of Rs.26.13 crores in the previous year.

## FINANCIAL POSITION

The Company's interest coverage ratio for the year ended 31st March, 2022 is 2.84 times as compared to 0.02 times in the previous year and the debt service coverage ratio is 0.88 times for the year ended 31st March 2022 as compared to 0.01 times in the previous year.

As at 31st March, 2022 the Company had Rs.33.85 crores of cash and bank balance and Rs.30 crores as undrawn credit facilities, which provide the Company financial flexibility. During the year company availed working capital term loan facility of Rs.16.38 crores from Axis Bank Ltd and Rs.16.87 crores from HDFC Bank Ltd. under Emergency Credit Line Guarantee Scheme (ECLGS) Operational Guidelines 3.0 issued by the National Credit Guarantee Trustee Company Limited ("NCGTCL"), a wholly owned Trustee Company of Government of India.

As at 31st March, 2022 the Company's Net debt amounted to Rs. 170.19 crores as compared to Rs. 178.52 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 carry out audit of the transactions of the Company periodically, in order to ensure that recording and reporting are adequate and proper. 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.



# Corporate Governance

## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

TAJGVK Hotels & Resorts Limited ("TAJGVK"/ "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.

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 fulfil its responsibilities towards its stakeholders.

Your company presents this report for the year ended March 31, 2022, in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of Regulation 46 (2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as applicable, with regard to corporate governance.

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

Your Company's governance structure broadly comprises of its Board of Directors, Board's designated Committees and the Executive Management.

### 1. Board of Directors

The Board of Directors along with its Committees provides leadership and guidance to the Company's management and supervises the Company's performance. As on 3rd August, 2022, the Board of Directors ("Board") comprised of Thirteen (13) Directors which includes One Non-Executive Chairman, One Managing Director, One Joint Managing Director, Three Non-Executive Promoter Directors and Seven Non-Executive Independent Directors including Woman Director.

The maximum tenure of Independent Directors is in compliance with the Companies Act, 2013 ("the Act") and the Listing Regulations. All Independent Directors have confirmed that they meet the criteria as mentioned in Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act. The Independent Directors provide an annual confirmation that they meet the criteria of independence.

Based on the confirmations / disclosures received from the Independent Directors, the Board is of the opinion that the Independent Directors fulfil the conditions specified in the Listing Regulations and are Independent of the Management. The Directors on the Board are professionals, having expertise in their respective functional areas and bring an extensive range of skills and experience to the Board. The Board plays a primary role to protect the interest of the Company and enhance value of all the stakeholders.

The Board has an unfettered and complete access to any information within your Company. Members of the Board have complete freedom to express their views on agenda items and can discuss any matter at the Meeting with the permission of the Chairperson.

The Chairman of the Company is Non-Executive & Non-Independent Director. None of the Directors on the Board is a Member of more than 10 Committees and Chairperson of more than 5 Committees (as specified in Regulation 26 of the Listing Regulations), across all the Indian public limited Companies in which he / she is a Director. Brief Profile of the Directors, nature of their expertise in specific functional areas and names of companies in which they hold Directorship of the Board are furnished hereunder:

**Dr. GVK Reddy, Chairman, Non Executive & Non Independent Director :**

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 details of directorship held in other companies of Dr GVK Reddy as on March 31, 2022 is as follows:

S.No.	Name of the Company	Category of Director
1	GVK Power & Infrastructure Ltd	Chairman, Non Executive Director
2	GVK Natural Resources Pvt Ltd	Chairman, Non Executive Director
3	CYGNUS Real Estates Pvt Ltd	Chairman, Non Executive Director
4	GVK Davix Technologies Pvt Ltd	Chairman, Non Executive Director
5	Green Woods Palaces and Resorts Pvt Ltd	Chairman, Non Executive Director
6	GVK City Pvt Ltd	Chairman, Non Executive Director

**Mrs. 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 22 years and under her able guidance, the Company expanded business to other cities viz: Chennai, Chandigarh and Mumbai. The details of directorship held in other companies of Mrs. G Indira Krishna Reddy as on March 31, 2022 is as follows:

S.No.	Name of the Company	Category of Director
1	GVK Properties and Management Company Pvt Ltd	Director, Non Executive Director
2	GVK City Pvt Ltd	Director, Non Executive Director
3	GVK Davix Technologies Pvt Ltd	Director, Non Executive Director
4	Aragen Life Sciences Pvt Ltd	Director, Non Executive Director
5	Green Woods Palaces and Resorts Pvt Ltd	Director, Non Executive Director

**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.

The details of directorship held in other companies of Mrs. Shalini Bhupal as on March 31, 2022 is as follows:

S.No.	Name of the Company	Category of Director
1	Pinakini Share and Stock Brokers Ltd	Director, Non Executive Director
2	Orbit Travel and Tours Pvt Ltd	Director, Non Executive Director

**Mr. Krishna R Bhupal, Non-Executive & Non Independent 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.

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. The details of directorship held in other companies of Mr. Krishna R Bhupal as on March 31, 2022 is as follows:

S.No.	Name of the Company	Category of Director
1	GVK Power & Infrastructure Ltd	Director, Non Executive Director
2	GVK Energy Ltd	Director, Non Executive Director
3	GVK Technical & Consultancy Services Pvt Ltd	Director, Non Executive Director
4	Som Krishna Bhupal Real Estate Pvt Ltd	Director, Non Executive Director
5	Green Woods Palaces and Resorts Pvt Ltd	Managing Director

**Mr. Puneet Chhatwal, Non-Executive & Non Independent 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 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 wards 2014. He was also the First Alumni included in the ESSEC-IMHI Hall of Honor 2014. The details of directorship held in other companies of Mr. Chhatwal as on March 31, 2022 is as follows:

S.No.	Name of the Company	Category of Director
1	The Indian Hotels Company Ltd	Managing Director
2	Oriental Hotels Ltd	Chairman, Non Executive Director
3	PIEM Hotels Ltd	Chairman and Managing Director
4	TAJ SATS Air Catering Ltd	Chairman, Non Executive Director
5	Benares Hotels Ltd	Director, Non Executive Director

**Mr. Anoop Vrajlal Mehta, Non-Executive & Non Independent Director**

Mr. Anoop Vrajlal Mehta, Chairman and Managing Director of Mohit Diamonds Private Limited part of the Mohit Group, well known in Diamond Industry and one of the pioneers of Diamond business in India. Mr. Mehta joined the Gem and Jewellery Industry at a young age through the family business and has 50 years experience and has worked to foster the growth of the Industry through various endeavors, promoting and developing the diamond trade for more than 50 years.

Mr. Mehta is the President of Bharat Diamond Bourse (BDB), an Executive Committee Member of the World Federation of Diamond Bourses and associated with the Gem & Jewellery Export Promotion Council for several years and is on the Board of National Gems and Jewellery Councils of India.

In September 2014 Mr. Mehta was honored “**Lifetime Achievement Award**” for his strong growth oriented vision and commitment to set up, lead and steer Bharat Diamond Bourse project in India. The details of directorship held in other companies is as follows:

S.No.	Name of the Company	Category of Director
1	Mohit Diamonds Pvt. Ltd	Managing Director
2	Emaar Diamonds Pvt. Ltd	Managing Director
3	Dimetz Agrofarms Pvt. Ltd	Director
4	Dia Precious Jewellery Pvt. Ltd	Director
5	Desai Equipment Finance Pvt. Ltd	Director
6	Desai Auto Credits Pvt. Ltd	Director
7	Desai Trade Credits Pvt. Ltd	Director
8	Desai Home Finance Pvt. Ltd	Director
9	Desai Built-In Finance Pvt. Ltd	Director
10	Morce Trading Co. Pvt. Ltd	Director
11	Mohira Jewellery Pvt. Ltd	Director
12	Nyati Retreat Pvt. Ltd	Director

**Mr. D R Kaarthikeyan, Non-Executive Independent Director**

He is a retired IPS officer, 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. The details of directorship held in other companies of Mr. Kaarthikeyan, as on March 31, 2022 is as follows:

S.No.	Name of the Company	Category of Director
1	Texmaco Infrastructure & Holdings Limited	Director, Non Executive Independent Director
2	Texmaco Rail & Engineering Limited	Director, Non Executive Independent Director
3	Lotus Eye Hospital and Institute Limited	Director, Non Executive Independent Director
4	Star Health and Allied Insurance Company Limited	Director, Non Executive Director
5	Life Positive Private Limited	Director, Non Executive Director
6	Roots Auto Products Private Limited	Director, Non Executive Director

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

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)

The details of directorship held in other companies of Mr. M B N Rao, as on March 31, 2022 is as follows:

S.No.	Name of the Company	Category of Director
1	The Ramco Cements Limited	Director, Non Executive Independent Director
2	K G Denim Limited	Director, Non Executive Independent Director
3	Apollo Hospitals Enterprise Limited	Director, Non Executive Independent Director
4	Nuziveedu Seeds Limited	Director, Non Executive Director
5	Apollo Health and Lifestyle Limited	Director, Non Executive Director
6	CRISIL Ratings Limited	Director, Non Executive Director
7	MMTC - PAMP India Private Limited	Director, Non Executive Director

#### **Mr. A Rajasekhar, Non-Executive Independent Director**

Mr. A Rajasekhar is a Post Graduate in Law from University of Tübingen, 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. The details of directorship held in other companies of Mr. A Rajasekhar, as on March 31, 2022 is as follows:

S.No.	Name of the Company	Category of Director
1	GVK Power & Infrastructure Ltd	Director, Non Executive Independent Director
2	International Infrastructure Consultants Pvt Ltd	Executive Director
3	Anumolu Hi-Tec Promoter Pvt Ltd	Director, Non Executive Director
4	Infrasoft Solutions Pvt Ltd	Director, Non Executive Director
5	Newgen Power Company Pvt Ltd	Director, Non Executive Director

#### **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 has over 38 years of experience in various functions of Financial Management, Company Management, Capital Market, Secretarial and other Managerial functions in Various Companies.

He was associated with Andhra Pradesh State Financial Corporation (APSFC) for 5 years in various functions including Project Appraisals and Accounting Functions. He was Managing Director of Novopan Industries Limited, a listed company for over 8 years till 2007. He had also held the positions of Managing Director of GVK Capital and Finance Limited and Executive Director of Pinakini Share and Stock Brokers Limited till 2007. He was a director on the Board and was Chairman, Audit Committee of TAJGVK Hotels and Resorts for more than 10 years till 2007. He is currently Managing Director of M/s NR Investments and Consultants Private Limited and Greenhouse Consultants Private Limited which are engaged in Financial, Investment and allied financial services. The details of directorship held in other companies of Mr. N Anil Kumar Reddy, as on March 31, 2022 is as follows:

S.No.	Name of the Company	Category of Director
1	GVK Power & Infrastructure Ltd	Director, Non Executive Independent Director
2	Greenhouse Consultants Pvt Ltd	Managing Director
3	N.R. Investments and Consultants Pvt Ltd	Managing Director
4	LRN Securities Pvt Ltd	Director, Non Executive Director
5	Green Woods Palaces and Resorts Pvt Ltd	Director, Non Executive Director

**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. The details of directorship held in other companies of Mr. N Sandeep Reddy, as on March 31, 2022 is as follows:

S.No.	Name of the Company	Category of Director
1	Unibic Foods India Pvt Ltd	Nominee Director
2	Voylla Fashions Pvt Ltd	Nominee Director
3	Unifi Capital Pvt Ltd	Director, Non Executive Director
4	Ilabs Hyderabad Technology Centre Pvt Ltd	Director, Non Executive Director
5	Medall Healthcare Pvt Ltd	Director, Non Executive Director
6	Venture Tech Solutions Pvt Ltd	Director, Non Executive Director
7	Chembarambakkam Infrastructures Pvt Ltd	Director, Non Executive Director
8	ECR Infrastructures Pvt ltd	Director, Non Executive Director
9	Arihant Resorts Pvt Ltd	Director, Non Executive Director
10	Adyar Associates Pvt Ltd	Director, Non Executive Director
11	Founding Years Learning Solutions Pvt Ltd	Director, Non Executive Director
12	Suruli Holiday Homes Pvt Ltd	Director, Non Executive Director
13	Vishal Personal Care Pvt Ltd	Director, Non Executive Director

**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. The details of directorship held in other companies of Mrs. Dinaz, as on March 31, 2022 is as follows:

S.No.	Name of the Company	Category of Director
1	Estelle India Pvt Ltd	Managing Director

**Mr. L V Subrahmanyam Non-Executive Independent Director**

Mr. Subrahmanyam is a Retired Indian Administrative Service (IAS) officer of 1983 batch. He has more than 38 years' experience in Public Policy making, Finance and Administration. His educational qualifications are as follows:

S No	Qualification / University
1	Diploma I.L.O, Turin, Italy
2	P.G. in National Development and Project Planning, University of Bradford (UK)
3	Post Graduate in Political Science, University of Bangalore
4	Graduation, Sathya Sai College

He worked in various capacities as Chief Secretary, Additional Chief Secretary, Principal Secretary, Joint Secretary etc., in the Government of Andhra Pradesh. The details of directorship held in other companies is as follows:

S.No.	Name of the Company	Category of Director
1	NSE IFSC Ltd.	Director, Non Executive Independent Director
2	Green Woods Palaces and Resorts Pvt. Ltd.	Director, Non Executive Independent Director

**a) Composition of the Board :**

The composition of the Board is in conformity with Regulation 17 and Regulation 17A of the SEBI Listing Regulations read with Section 149 of the Act. In terms of the provisions of the Act and the SEBI Listing Regulations, the Directors of the Company submit necessary disclosures regarding the positions held by them on the Board and/ or the Committees of other companies with changes therein, if any, on a periodical basis.

The details of the Directors regarding their outside Directorships, Committee positions as well as their attendance at Board/General Meetings are as follows:

Name	Category	Directorships in companies under Section 165 as on 31st March, 2022			No. of other Committee positions held	
		Listed Public	Unlisted Public	Unlisted Private	Member	Chairman
Dr. GVK Reddy DIN 00005212	Promoter Non-Executive Chairman	2	-	6	-	-
Mrs. G Indira Krishna Reddy DIN 00005230	Promoter Managing Director	1	-	5	2	-
Mrs. Shalini Bhupal DIN 00005431	Promoter Joint Managing Director	1	1	2	3	-
Mr. Krishna R Bhupal DIN 00005442	Promoter Non-Executive Director	2	1	3	2	-
Mr. Puneet Chhatwal DIN 07624616	Promoter Non-Executive Director	3	2	-	6	1
Mr. Anoop Vrajlal Mehta* DIN 00107044	Non-Executive Director	-	-	13	-	-
Mr. D R Kaarthikeyan DIN 00327907	Non-Executive Independent Director	4	1	2	3	3
Mr. M B N Rao DIN 00287260	Non-Executive Independent Director	4	3	1	2	2
Mr. A Rajasekhar DIN 01235041	Non-Executive Independent Director	2	-	4	3	1
Mr. N Sandeep Reddy DIN 00483826	Non-Executive Independent Director	1	-	13	2	-
Mr. N Anil Kumar Reddy DIN 0017586	Non-Executive Independent Director	2	-	4	2	3
Mrs. Dinaz Noria DIN 00892342	Non-Executive Independent Director	1	-	1	2	-
Mr. L V Subrahmanyam ** DIN 03524693	Non-Executive Independent Director	-	-	2	-	-
Mr. Rajendra Misra \$ DIN 07493059	Promoter Non-Executive Director	1	-	-	-	-
Mr. Rajeshkumar Harshadrai Parekh # DIN 01942405	Promoter Non-Executive Director	1	-	3	-	-

Note : 1)\* Mr. Anoop Vrajlal Mehta appointed as Director w.e.f. 03.08.2022

2)\*\* Mr. L V Subrahmanyam appointed as Director w.e.f. 03.08.2022

3) \$ Mr. Rajendra Misra, resigned as Director w.e.f. 06.08.2021

4) # Mr. Rajeshkumar Harshadrai Parekh appointed on 24.09.2021 and resigned as Director w.e.f. 30.06.2022



## b) Board Process

A detailed Agenda, setting out the business to be transacted at the Meeting(s), supported by detailed Notes and Presentations is sent to each Director at least seven days before the date of the Board Meeting(s) and of the Committee Meeting(s). Draft agenda of Board and Committee Meeting(s) is also circulated to the Directors seeking their comments before finalisation of agenda. Audio-Visual mode facilities are provided to enable Directors who are unable to attend the meetings in person, to participate in the meeting via Audio-Visual mode. To enable the Board to discharge its responsibilities effectively and take informed decisions, the Management apprises the Board through a presentation at every Meeting on the overall performance of your Company.

The Board also, inter alia, periodically reviews strategy and business plans, annual operating and capital expenditure budget(s), investment and exposure limit(s), compliance report(s) of all laws applicable to your Company, as well as steps taken by your Company to rectify instances of non-compliances, performance of operating divisions, review of major legal issues, minutes of the Committees of the Board, approval of quarterly/ half-yearly/annual results, significant employee problems and their proposed solutions, safety and risk management, major accounting provisions and transactions that involve substantial payment towards goodwill, the steps taken by Management to limit the risks of adverse exchange rate movement. The Board sets annual performance objectives, oversees the actions and results of the management, evaluates its own performance, performance of its Committees and individual Directors on an annual basis and monitors the effectiveness of the Company's governance practices for enhancing the stakeholders' value. The Company has well-established framework for the Meetings of the Board and its Committees which seeks to systematize the decision making process at the Meetings in an informed and efficient manner. Apart from Board of Directors the Chief Financial Officer & Company Secretary, attended the Board and Committee Meetings and also attended by the Heads of various Corporate Functions wherever required by the Board.

## c. Number of Board Meetings

During the year ended March 31, 2022, Five Board Meetings were held on 25.06.2021, 06.08.2021, 27.09.2021, 20.10.2021 and 31.01.2022. Attendance details of each Director at the Board Meetings during the financial year ended March 31, 2022 and the last Annual General Meeting are given below:

Name	Number of Board Meetings		Attendance at 26th AGM held on 24th September, 2021
	Held	Attended	
Dr. GVK Reddy DIN 00005212	5	5	Yes
Mrs. G Indira Krishna Reddy DIN 00005230	5	5	Yes
Mrs. Shalini Bhupal DIN 00005431	5	5	Yes
Mr. Krishna R Bhupal DIN 00005442	5	4	No
Mr. Puneet Chhatwal DIN 07624616	5	5	Yes
Mr. Rajendra Misra * DIN 07493059	1	1	No
Mr. Rajeshkumar Harshadrai Parekh ** DIN 01942405	2	1	No
Mr. Anoop Vrajlal Mehta # DIN 00107044	-	-	NA
Mr. D R Kaarthikeyan DIN 00327907	5	5	Yes
Mr. M B N Rao DIN 00287260	5	5	Yes
Mr. A Rajasekhar DIN 01235041	5	4	Yes
Mr. N Sandeep Reddy DIN 00483826	5	5	Yes
Mr. N Anil Kumar Reddy DIN 0017586	5	5	Yes

Name	Number of Board Meetings		Attendance at 26th AGM held on 24th September, 2021
	Held	Attended	
Mrs. Dinaz Noria DIN : 00892342	5	5	Yes
Mr. L V Subrahmanyam \$ DIN: 03524693	-	-	NA

- 1) \* Mr. Rajendra Misra, resigned as Director w.e.f. 06.08.2021
- 2) \*\* Mr. Rajeshkumar Harshadrai Parekh appointed on 24.09.2021 and resigned as Director w.e.f. 30.06.2022
- 3) # Mr. Anoop Vrajlal Mehta appointed as Director w.e.f. 03.08.2022
- 4) \$ Mr. L.V Subrahmanyam appointed as Director w.e.f. 03.08.2022
- 5) Video/Tele-conferencing facility is offered to facilitate Directors to participate in the meetings.

**d) Disclosure of relationship between directors inter-se**

List of relatives of Dr GVK Reddy, Non-Executive Chairman

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

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

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

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

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

List of relatives of Mr. Krishna R Bhupal, Non Executive Director

Name and Designation	Relationship
Dr GVK Reddy, Non-Executive Chairman	Grand Father
Mrs. G Indira Krishna Reddy, Managing Director	Grand Mother
Mrs. Shalini Bhupal, Joint Managing Director	Mother
Mr. Anoop Vrajlal Mehta, Non-Executive Director	Father-in-law

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

**e) Shares held by Non-Executive Directors**

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

**f) 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.

### **g) Confirmation from the Board**

All the Independent Directors of the Company have given their respective declaration/disclosures under Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations and have confirmed that they fulfill the independence criteria as specified under section 149(6) of the Act and Regulation 16 of the Listing Regulations and have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. Further, the Board after taking these declarations /disclosures on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess the relevant expertise and experience to qualify as Independent Directors of the Company and are Independent of the Management.

No Independent Director has resigned from the Directorship of the Company before the expiry of their term of appointment during the Financial Year ended March 31, 2022.

### **COMMITTEES OF THE BOARD**

In order to enable Board to focus on specific areas and make informed decisions within the authority delegated to each of the Committees, Board has constituted following committees. Each Committee of the Board is guided by its charter, which defines the scope, powers and composition of the Committee. All decisions and recommendations of the Committees are placed before the Board for information and approval.

There are five Board Committees as on March 31, 2022, details of which are as follows:

### **2. Audit Committee**

#### **a) Brief description of terms of reference**

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations read with Section 177 of the Companies Act, 2013. The terms of reference of the Audit Committee mandated by the statutory and regulatory requirements, which are also in line with the mandate given by your Board of Directors, are:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft audit report, if any.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
7. Approval or any subsequent modification of transactions of the company with related parties;
8. Scrutiny of inter-corporate loans and investments;
9. Valuation of undertakings or assets of the company, wherever it is necessary;
10. Evaluation of internal financial controls and risk management systems;
11. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
13. Discussion with internal auditors of any significant findings and follow up there on;

14. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
15. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
16. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
17. To review the functioning of the Whistle Blower mechanism;
18. Reviewing the existing loans/ advances/ investments existing;
19. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

#### **b) Review of information by Audit Committee**

The Audit Committee reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee) submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
6. Statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - (b) annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Audit Committee is also responsible for giving guidance and directions under the SEBI (Prohibition of Insider Trading) Regulations, 2015 and to review the report of the Compliance Officer with the provisions of these regulations at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively.

#### **c) Composition, Name of Members and Chairperson of the Committee**

The Audit Committee consists of 6 Non-Executive Directors, of whom 4 are Independent Directors. The Audit Committee has met 4 times during the financial year 2021-22 on 25.06.2021, 06.08.2021, 20.10.2021 and 31.01.2022.

The constitution of the Audit Committee and attendance details during the financial year ended March 31, 2022, 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	4
Mr. Krishna R Bhupal	Member, Non-Executive Director	4	3
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.

The Managing Director and Joint Managing Director of the Company are permanent invitees to the Audit Committee meetings. The representatives of Statutory Auditors, Internal Auditors as well as Executives from Accounts department, Finance department and Secretarial department attend the Audit Committee meetings. The Internal Auditor reports directly to the Audit Committee. Mr. J Srinivasa Murthy, Chief Financial Officer & Company Secretary, acts as the Secretary to the Committee. The minutes of the meetings of the Audit Committee are circulated to all the Members of the Committee. The necessary quorum was present at all the meetings.

The Chairman of the Audit Committee was present at the last Annual General Meeting held on 24th September, 2021.



### 3. Nomination and Remuneration Committee

#### a) Brief description of terms of reference

Pursuant to Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations, Nomination and Remuneration Committee has the following principal terms of reference:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and senior employees as per Remuneration Policy;
2. formulation of criteria for evaluation of performance of independent directors and the Board of Directors;
3. devising a policy on diversity of Board of Directors;
4. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal.
5. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
6. In addition to the above, the Committee shall have such functions / role / powers, if any, as may be specified in the Act, SEBI Listing Regulations with stock exchanges or any other applicable law / regulations from time to time or as may be assigned by the Board of Directors.

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 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 of the Committee

The Nomination and Remuneration Committee consists of 6 Non-Executive Directors, of whom 4 are Independent Directors. The Nomination and Remuneration Committee has met 1 time during the financial year 2021-22 on 06.08.2021. Chairman of the Nomination and Remuneration Committee attended last Annual General Meeting of the Company held on September 24, 2021.

The attendance details of the Committee during the financial year ended March 31, 2022, 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
Mr. Krishna R Bhupal	Member, Non Executive Director	1	1
Mr. Puneet Chhatwal	Member, Non Executive Director	1	1
Mr. N Sandeep Reddy	Member, Independent Director	1	1
Mr. A Rajasekhar	Member, Independent Director	1	1
Mrs. Dinaz Noria *	Member, Independent Director	-	-

Note: 1) \* Mrs. Dinaz Noria, appointed as Member of the Committee w.e.f. 01.04.2022

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

#### c) Details of remuneration paid for the year ended March 31, 2022

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 Managing Director and Joint Managing Director during the year ended March 31, 2022 is as follows:

Name of the Director	Gross Salary	Value of Perquisites	Stock option	Sweat Equity	Commission	Others	Total	No. of shares held
Mrs. G Indira Krishna Reddy Managing Director	340.45	-	-	-	-	48.39	388.84	7568947
Mrs. Shalini Bhupal Joint Managing Director	300.37	2.41	-	-	-	41.44	344.22	23448859

The Board on the recommendation of the Nomination & Remuneration Committee adopted the Remuneration policy for Directors, Key Managerial Personnel (KMP) and other employees of the company. The said Policies are available at [www.tajgvk.in](http://www.tajgvk.in)

#### **d) Performance evaluation of Directors**

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

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

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

Mr N Anil Kumar Reddy, based on the evaluation done by the Directors, has prepared a report and submitted the evaluation report to Chairman.

The Chairperson, based on the report of the Mr N Anil Kumar Reddy, informed that based on the evaluation done by the Directors, the performance of Directors is satisfactory and they are recommended for continuation as Directors of the Company.

#### **4. Stakeholders Relationship Committee**

##### **a) Brief description of terms of reference:**

The Stakeholders terms of reference mandated by your Board, which is also in line with the statutory and regulatory requirements are:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

As per section 178(7) of the Act and the Secretarial Standards, the Chairman of the Committee or, in his absence, any other Member of the Committee authorised by him in this behalf shall attend the General Meetings of the Company. The Chairman of the Committee, Mr. N Anil Kumar Reddy, was present at the 26th Annual General Meeting of the Company held on September 24, 2021.

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 Redressal of all shareholders complaints and grievances.

The Committee has met 4 times during the financial year 2021-22 on 25.06.2021, 06.08.2021, 20.10.2021 and 31.01.2022. 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.

##### **b) Name and Designation of 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.

The Company has received the following communications from the shareholders during the period 1st April, 2021 to 31st March, 2022, 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	65	65
3	Non-receipt of Demat credit / Remat certificate	-	-
4	Non-receipt of Annual Report	-	-
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	15	15
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	-	-
	<b>TOTAL</b>	<b>80</b>	<b>80</b>
	Complaints received from:		
1	SEBI	-	-
2	Stock Exchange	2	2

c) Complaints/correspondences are usually dealt with within 15 days of receipt and are completely resolved, except in cases where litigation is involved. The contact details for investor grievances are as below:

**Address for correspondence:**

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  
Tel:040-66293664

**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

**5. Risk Management Committee**

The Risk Management Committee was constituted in line with the SEBI Listing Regulations. During the year ended March 31, 2022, two Committee Meeting were held on 20.10.2021 and 28.03.2022. The details of composition of the Committee and attendance of Meeting of the Members during the year ended March 31, 2022 were as follows:

Name of the Member	Designation	No. of meetings held	No. of meetings attended
Mr. N Anil Kumar Reddy	Chairman, Independent Director	2	2
Mrs. G Indira Krishna Reddy	Member, Executive Director	2	2
Mrs. Shalini Bhupal	Member, Executive Director	2	2
Mr. Srinivas Lahari Panditha	Member	2	2
Mr. Ian Dubier	Member	2	2

**Risk Management Committee has the following principal terms of reference:**

- Framing, overseeing and monitoring implementation of Risk Management Policy.
- Validating the process and procedure of Risk Management and Risk Mitigation.
- Periodically reviewing and evaluating the Risk Management Policy.
- In addition to the above, the Committee shall have such functions / role / powers, if any, as may be specified in the Companies Act, Listing Agreement with stock exchanges or any other applicable law, and/or as may be delegated by the Board of Directors of the Company, from time to time.

## 6. Corporate Social Responsibility Committee

The Board has constituted a Corporate Social Responsibility (CSR) Committee in line with the provisions of Section 135 of the Companies Act, 2013 with majority members being Independent Directors, to recommend to the Board the CSR initiatives of the Company and also to monitor the implementation of the CSR initiatives. 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.

Two Corporate Social Responsibility (CSR) Committee Meetings were held during the year 2021-22. The dates on which the Corporate Social Responsibility (CSR) Meetings held were June 25, 2021 and March 31, 2022. The Annual Report on CSR activities, carried out during the year 2021-22, is annexed to Directors' Report.

The composition, name of the members, chairperson, particulars of the meeting and attendance of the members during the year are as follows

Name of the Member	Designation	No. of meetings held	No. of meetings attended
Mr. A Rajasekhar	Chairman, Independent Director	2	2
Mrs. Shalini Bhupal	Member, Executive Director	2	2
Mrs. Dinaz Noria	Member, Independent Director	2	2

## 7. Meeting of Independent Directors

A Separate meeting of the Independent Directors was held on 28.03.2022, 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.

## 8. Lead Independent Director

Mr D R Kaarthikeyan, Chairperson of the Independent Directors Meeting as taken the role of 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.

## 9. 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.

## 10. Prevention of Insider Trading

As per the Regulation 9 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.

## 11. 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.



## 12. 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.

## 13. 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.

## 14. 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 2021-22
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

## 15. 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
2020-21	24.09.2021	11.00 A.M.	AGM	Meeting held through VC/OAVM the meeting deemed to be held at registered office of the company
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

**b) Special Resolutions passed during last three Annual General Meetings**

Year	Date	Meeting	Special business and special resolutions passed with requisite majority
2020-21	24.09.2021	AGM	1) Appointment of Dr. GVK Reddy as a Director liable to retire by rotation 2) Appointment of Mr. Rajeshkumar Harshadrai Parekh as a Non-Executive and Non-Independent Director 3) To Borrow additional funds of Rs.250 crores under Section 180(1)(c) of the Companies Act, 2013 4) To sell, mortgage, hypothecate dispose off any movable and immovable assets of the company as required under Section 180(1)(a) of the Companies Act, 2013
2019-20	24.09.2020	AGM	1) Re-appointment of Mr. D R Kaarthikeyan as a Non-Executive Independent Director 2) Re-appointment of Mr. M B N Rao as a Non-Executive Independent Director 3) Re-appointment of Mrs. G Indira Krishna Reddy as Managing Director 4) Approval of the excess remuneration paid to Mrs. G Indira Krishna Reddy, Managing Director of the company for the financial year 2019-20 5) 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

**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 2021-22.

**16. Means of Communication**

The Company recognises the importance of two-way communication with shareholders and of giving a balanced reporting of results and progress. Full and timely disclosure of information regarding the Company's financial position and performance is an important part of your Company's corporate governance ethos.

Your Company follows a robust process of communicating with its stakeholders, security holders and investors through multiple channels of communications such as dissemination of information on the website of the Company and Stock Exchanges, Annual Reports and uploading relevant information on its website. The unaudited quarterly results are announced within forty- five days of the close of each quarter, other than the last quarter. The audited annual results are announced within sixty days from the end of the financial year as required under the Listing Regulations. The aforesaid financial results are announced to the Stock Exchanges within the statutory time period from the conclusion of the Board Meeting(s) at which these are considered and approved.

Your Company discloses to the Stock Exchanges, all information required to be disclosed under Regulation 30 read with Part 'A' and Part 'B' of Schedule III of the Listing Regulations including material information having a bearing on the performance/ operations of the Company and other price sensitive information. All information is filed electronically on the online portal of BSE Limited - Corporate Compliance & Listing Centre (BSE Listing Centre) and on the online portal of National Stock Exchange of India Limited - NSE's Electronic Application Processing System (NEAPS). Other disclosures which are required to be disseminated on the Company's website under the Listing Regulations have been uploaded on the website of the Company, viz.: <https://www.tajgvk.in/investors>.

The Annual Report of the Company, the quarterly/half yearly and the audited financial statements and the official news releases of the Company are also disseminated on the Company's website. The quarterly, half-yearly and yearly results are also published in Business Standard (English daily all editions) and Andhra Prabha (Telugu daily all editions).

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](http://www.nseindia.com) and on BSE website viz.[www.bseindia.com](http://www.bseindia.com).

### 17. Shareholders Information:

<b>1. Annual General Meeting</b>	
Date, time & Venue	<b>15th September 2022, 11.00 A.M. Through VC / OAVM</b>
<b>2. Share transfer book closure dates</b>	<b>06.09.2022 to 15.09.2022 (Both days inclusive)</b>
<b>3. Financial Year Calendar 2022-23</b>	
Financial Results Reporting	
For the quarter ending June 30, 2022	3rd August, 2022
For the quarter ending September 30, 2022	October / November, 2022
For the quarter ending December 31, 2022	January / February, 2023
For the quarter ending March 31, 2023	April / May, 2023
<b>4. Listing of Stock Exchanges</b>	<b>Company's equity shares are listed at:</b>
<b>Name and Address of the Stock Exchange</b>	<b>Scrip Code</b>
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 2022-23 have been paid to the above Stock Exchanges.	
<b>5. Demat ISIN Numbers in NSDL &amp; CDSL Equity shares</b>	INE586B01026

### 18. 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

### 19. Distribution of Shareholding as on 31st March, 2022

Shareholding as on 31st March, 2022

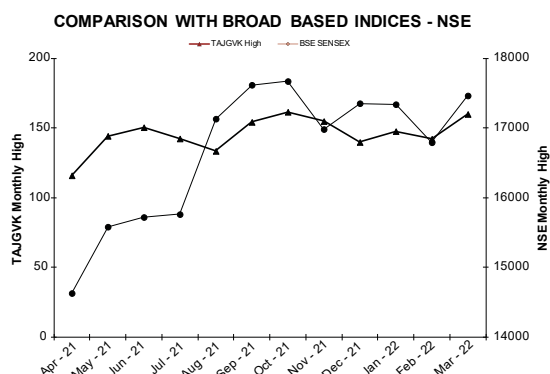
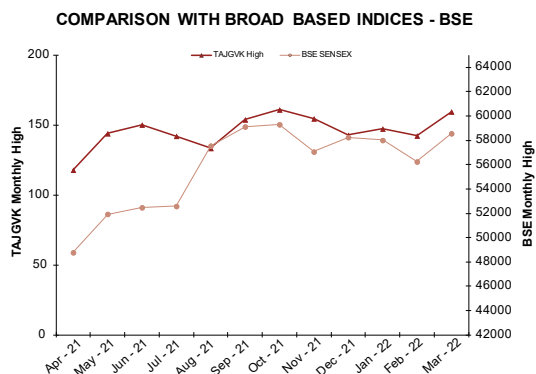
No. of shares held	No. of Share	% of Share capital	No. of Shareholders	% of total no. of shareholders
Upto - 500	58302	94.95	4835875	7.71
501 - 1000	1819	2.96	1461796	2.33
1001 - 2000	702	1.14	1077094	1.72
2001 - 3000	214	0.35	557302	0.89
3001 - 4000	98	0.16	350599	0.56
4001 - 5000	76	0.12	361073	0.58
5001 - 10000	91	0.15	696240	1.11
10001 and above	103	0.17	53361516	85.10
Total	61405	100.00	62701495	100.00

## 20. Shareholding pattern of the company as on 31st March, 2022

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	6	470823	0.75
	Mutual Funds and UTI	11	1110688	1.77
	Banks, Financial institutions, insurance companies	4	1694	-
	Foreign Institutional Investors	-	-	-
III	Others			
	Private Corporate bodies	264	2452788	3.91
	Indian Public	60283	10250606	16.35
	NRIs/ OCBs	722	359108	0.57
	Trusts	2	191	-
	Foreign National	-	-	-
	HUF	-	-	-
	IEPF Authority	109	308882	0.50
	Clearing Members	1	728509	1.16
	<b>TOTAL</b>	<b>61315</b>	<b>62701495</b>	<b>100.00</b>

## 21. 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, 2021	118.00	102.20	116.00	102.00
May, 2021	144.15	107.30	144.30	107.55
June, 2021	150.35	132.70	150.50	132.70
July, 2021	142.25	128.10	142.40	128.15
August, 2021	133.60	117.40	133.50	117.05
September, 2021	154.05	121.05	154.30	121.60
October, 2021	161.15	139.00	161.55	139.00
November, 2021	154.75	125.50	154.90	125.75
December, 2021	143.00	120.10	139.90	121.30
January, 2022	147.50	124.85	147.70	126.20
February, 2022	142.50	123.35	142.20	123.50
March, 2022	159.70	125.45	160.00	125.50





## 22. Share Transfer System

The requests received for Deletion of Name, Transmission of Shares, Split and issue of duplicate share certificates are processed and despatched to the shareholders within a maximum period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects. All the valid Deletion of Name, Transmission of Shares, Split and issue of duplicate share certificates are approved by Share Transfer Committee and are noted at Board Meetings.

The shares of the Company can be transferred / traded only in dematerialised form. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation. During the year, the Company obtained, on half-yearly basis, a certificate from a Company Secretary in Practice, certifying that all certificates for transfer, transmission, subdivision, consolidation, renewal, exchange and deletion of names, were issued as required under Regulation 40(9) of the SEBI(LODR) Regulations, 2015. These certificates were duly filed with the Stock Exchanges.

## 23. Reconciliation of Share Capital Audit

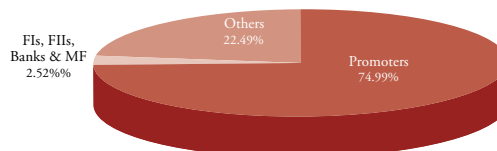
Reconciliation of Share Capital Audit is being carried out every quarter by a Practicing Company Secretary and the audit report is placed before the Board for its perusal and filed regularly with the Stock Exchanges within the stipulated time.

## 24. Dematerialization of shares & Facility of simultaneous transfer :

The Company's shares are available for dematerialisation with both the Depositories, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Total 99.32% of the shares issued by the Company have been dematerialized up to 31st March, 2022. 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	1583205	2.52%
Others	14100084	22.49%



## 25. Unit Locations

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

## 26. 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.

## 27. Credit Rating

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

ICRA	Long term rating - [ICRA] BBB+ and Short Term Rating [ICRA] A2 by ICRA Ltd
India ratings	ECLGS loans - IND A-/Stable by India Ratings

## 28. Other Disclosures

### a. Related Party Transactions

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](http://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. The Company has not entered into any transaction with any person or entity belonging to the Promoter/ Promoter Group which hold(s) 10% or more shareholding in the Company.

Further, in Financial Year 2021-22, 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. Material Related Party Transactions

During the year ended March 31, 2022, there were no materially significant related party transactions, which had potential conflict with the interests of the Company at large. The transactions with related parties are disclosed in the Note No.28 to the Annual Accounts.

### c. Details of non-compliance

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

### d. 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](http://www.tajgvk.in) under corporate policies. The company has not received any complaint during the Financial Year ended 31.03.2022

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](http://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 31.03.2022.

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 31.03.2022:

S. No.	Payments to the Statutory Auditors (excluding taxes)	Amount (Rs. In lakhs)
1	Audit fees paid for Standalone and Consolidated Financials	27.00
2	Tax Audit and Quarterly Limited Review Reports	4.50
3	Reimbursement of out of pocket expenses	-

**29. 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.

**30. 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

**31. 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.

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

- 33.** 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.

**34. Code of Conduct and Business Ethics**

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

**35. 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, 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., 01.04.2021	2507	255680
2	No. of shareholders who approached the Company for transfer of shares from Unclaimed Suspense account during the year.	23	5305
3	Number of shareholders to whom shares were transferred from the Unclaimed Suspense account during the year.	23	5305
4	Transferred to Investor Education and Protection fund Authority	475	45200
5	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense account at the end of the year i.e., 31.03.2022	2009	205175

The voting rights on the shares outstanding in the suspense account as on 31.03.2022 shall remain frozen till the rightful owner of such shares claim the shares.

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

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

In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company’s website [www.tajgvk.in/Investor Relations/Dividend](http://www.tajgvk.in/Investor%20Relations/Dividend).

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

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

Financial year	Amount of unclaimed dividend transferred (In Rs.)	Date of unclaimed dividend transferred	No. of equity shares transferred
2009-10	23,22,752	23.08.2017	3,78,669
2010-11	23,68,930	04.09.2018	36,307
2011-12	20,33,566	15.11.2019	1,20,841
2012-13	7,75,102	03.09.2020	1,02,692
2013-14	3,39,308	22.09.2021	91,320

Members who have not en-cashed their dividend warrants for the financial year 2015-16 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](mailto: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
2014-15	The Company has not declared dividend for this financial year				
2015-16	20%	04.08.2016	03.08.2023	6,38,234.40	02.09.2023
2016-17	20%	01.08.2017	31.07.2024	2,92,952.00	01.09.2024
2017-18	30%	03.08.2018	07.09.2025	3,15,607.80	06.10.2025
2018-19	30%	25.07.2019	30.08.2026	2,63,373.00	29.09.2026
2019-20	The Company has not declared dividend for this financial year				
2020-21	The Company has not declared dividend for this financial year				
2021-22	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 March 31, 2022 compliance with the code of conduct of the Company laid down for them.

Place: Hyderabad  
Date : 03.08.2022

**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 March 31, 2022, 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 : 03.08.2022

**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 March 31, 2022:

- A. We have reviewed the financial statements and the cash flow statements for the period ended March 31, 2022 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 : 03.08.2022

**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 as on 3rd August, 2022, 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	24-09-2021
2	Mrs. G Indira Krishna Reddy	Managing Director	00005230	24-09-2020
3	Mrs. Shalini Bhupal	Joint Managing Director	00005431	25-07-2019
4	Mr. Krishna R Bhupal	Director	00005442	24-09-2021
5	Mr. Puneet Chhatwal	Director	07624616	24-09-2020
6	Mr. Anoop Vrajlal Mehta	Director	00107044	03-08-2022
7	Mr. M B N Rao	Director	00287260	24-09-2020
8	Mr. D R Kaarthikeyan	Director	00327907	24-09-2020
9	Mr. A Rajasekhar	Director	01235041	25-07-2019
10	Mr. N Sandeep Reddy	Director	00483826	25-07-2019
11	Mr. N Anil Kumar Reddy	Director	00017586	25-07-2019
12	Mrs. Dinoz Noria	Director	00892342	24-09-2020
13	Mr. L V Subrahmanyam	Director	03524693	03-08-2022

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: 03.08.2022

**G NARENDER**  
Proprietor  
FCS-4898, COP-5024

# Business Responsibility Report

## FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

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	April 1, 2021 to March 31, 2022	
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Industrial Group	Product Description
		551	Short Term Accommodation activities
		561	Restaurants and Mobile food service activities
		562	Event catering and other food services activities
8	List three key products / services that the company manufactures / provides (as in balance sheet):	1. Rooms 2. Food and beverage services	
9	Total number of locations where business activity is undertaken by the Company:	TAJGVK Hotels & Resorts Ltd undertakes business at the following locations: Four hotels in Hyderabad, one hotel in Chandigarh and Chennai	
10	Markets served by the Company - Local / State / National / International:	National : Hyderabad, Chandigarh, Chennai International : Nil	

### Section B: Financial Details of the Company as on March 31, 2022

S. No.	Particulars	FY 2021-22 (Rs. In Lakhs)
1	Paid up capital	1254.03
2	Total turnover	22825.46
3	Total profit after taxes	970.98
4	Total spending on Corporate Social Responsibility (CSR)	131.25
5	List of activities in which expenditure in 4 above has been incurred	Supply of vaccines, oxygen cylinders and ambulance services during 2nd wave of COVID-19 pandemic

### 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/](http://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 2021-22 is the 3rd 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/ Outsourced	Total
365	698	1063

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

Total hiring done in 2021-22: 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:** The Number of permanent women employees: 36

**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, 30% 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 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 2021-22	Sum of No. of complaints pending as on end of the Financial Year 2021-22
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 programs- (2) Overheads:	Cumulative Expenditure upto the reporting Period.	Amount spent Direct or through implementing Agency.
1	Supply of vaccines, oxygen cylinders and ambulance services during 2nd wave of COVID-19 pandemic	Promoting healthcare including preventive health	State of Karnataka	131.25	Direct on the project 131.25	131.25	Through GVK EMRI
	Total			131.25		131.25	

Note: The company during FY 2020 - 21 has not spent any amount towards CSR activities due to losses incurred by the company due to COVID 19 pandemic and the same was transferred to **TAJGVK Hotels & Resorts Limited - Unspent Corporate Social Responsibility account**. The amount of Rs. 69.87 lakhs was spent in the FY 2021-22 towards activities as detailed above.

**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.**

During 2nd phase of Covid 19 pandemic, the Government requested the company to help towards supply for vaccines, ambulance services and supply of oxygen cylinders. The company after taking the approval of the CSR committee spend the CSR amount pertaining to FY 2021-22 aggregating to Rs. 24.47 lakhs. The company also spent an additional expenditure of Rs. 36.91 lakhs in advance during this FY2021-22. In addition to this, the company also spent the CSR budget pertaining to FY2020-21 aggregating to Rs. 69.87 lakhs in the current FY2021-22. The entire CSR expenses were incurred through GVK EMRI towards supply of vaccines, oxygen cylinders and ambulance services during 2nd wave of COVID-19 pandemic.

**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 2021-22. As such there were no consumer cases filed during the financial year ended March 31, 2022.

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

Not Applicable

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

No

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

Yes

**STANDALONE  
FINANCIAL  
STATEMENTS**

# Independent Auditor's Report

To The Members of  
**TAJGVK Hotels & Resorts Limited**  
**Report on the Audit of the Standalone Financial Statements**

## Opinion

We have audited the accompanying standalone financial statements of TAJGVK Hotels & Resorts Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2022, 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 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

## Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA's") specified under section 143(10) of the Act. 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 ethical 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgement, 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	<b>Revenue Recognition</b> To ensure accuracy of recognition, measurement, presentation and disclosures of revenues and related accounts.	<b>Principal Audit Procedures</b> <ul style="list-style-type: none"> <li>We have assessed the Company's internal controls surrounding its revenue transactions;</li> <li>We have considered and reviewed the internal audit reports.</li> <li>We tested the key controls identified,</li> <li>We performed substantive detail testing by selecting a sample of revenue transactions, that we considered appropriate to test the evidence of effectiveness of the internal controls and adherence to accounting policies in recognising the revenue, and the rebates and discounts there against.</li> </ul>
2	<b>Fees and reimbursements to the Operating Company</b> To ensure accounting of the expenses comprising the Basic Fee, Incentive Fee and reimbursement of expenses based on the terms of the Agreements entered into with the Operating Company and on the operating results of the respective Hotel properties under Agreement	<b>Principal Audit Procedures</b> Our audit approach was as follows: <ul style="list-style-type: none"> <li>Review of each of the Hotel operating agreements entered into and their state of currency.</li> <li>Implementation of the terms of the extant agreements or interim arrangements last approved by the Board of Directors, and validation of the key parameters of the computation thereof.</li> </ul>
3	<b>Capital Work-in-progress (CWIP)</b> To establish proper categorisation of items to be capitalised, and appropriate recognition thereof including the consequential derecognition of the carrying amounts in the CWIP to the appropriate heads of account.	<b>Principal Audit Procedures</b> Our audit approach was a combination of test of internal controls and substantive procedures which included the following: <ul style="list-style-type: none"> <li>Review of amounts included in the CWIP with their work / purchase orders, and the due approvals thereof</li> <li>Applied the tests of Capital or revenue nature of the expenditure according to applicable Standards and principles and the need, if any, for impairment thereof.</li> </ul>



### **Information Other than the Standalone Financial Statements and Auditor's Report thereon**

The Company's Board of Directors are responsible for the preparation of 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, standalone financial statements and our auditor's report thereon.

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

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

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 Responsibilities 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 (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act read with the Rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also 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 judgement and maintain professional scepticism 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 control 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 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 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 for the year ended 31st March 2022 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 Flows dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the director is disqualified as on March 31, 2022 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.

- 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.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
2. The Company has not declared or paid any dividend during the year under report.
3. As required by the Companies (Auditor’s Report) Order, 2020 (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: May 10, 2022

# 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, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

### Management’s Responsibility for Internal Financial Controls

The Management 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 (the “ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s 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 ICAI 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 Company’s internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

### Inherent 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, 2022, based on the criteria for internal financial control over financial reporting 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 ICAI.

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

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

Place: Hyderabad  
Date: May 10, 2022



# 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)**

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company’s Property, Plant and Equipment and Intangible Assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.  
(B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) During the year, the company has not conducted the physical verification of fixed assets. 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.
  - (d) The Company has not revalued any of its Property, Plant and Equipment (including right- of-use assets) and intangible assets during the year.
  - (e) Based on the information, explanations and representations furnished to us during the course of our audit, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) As per the information and explanations furnished to us, the company’s inventories have 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.  
(b) The Company has been sanctioned working capital limits in excess of Rs.5 crore from banks or financial institutions on the basis of security of current assets. Management has represented to us that the Overdraft sanctioned is a clean overdraft and does not require submission of any returns or statements to the Banks or financial institutions and have not submitted any returns or statements to the Banks or financial institutions during the year and hence this clause 3(ii)(b) of the Order is not applicable.
- iii. As per the information and explanations furnished to us, the Company has not made investments in companies, firms, Limited Liability Partnerships, and nor granted any unsecured loans to other parties, during the year. The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.  
Accordingly, reporting under the provisions of Clause 3 (iii), (iii) (a), (iii) (b), (iii) (c), (iii) (d), (iii) (e) and (iii) (f) of the said Order does not arise.
- iv. 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 or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed thereunder to the extent notified. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under sub- section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
  - (a) According to the information and explanations furnished to us, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022, on account of disputes, as per the information and explanations furnished to us, are given 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)
		18.77	2007-08	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	2006-07 to 2010-11	CESTAT, Hyderabad
		50.52	2013-2017	CESTAT, Hyderabad

- viii. According to the information and explanations furnished to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) 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.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has obtained Emergency Credit Line Guarantee Scheme Loans (3.0) during the year, which are sanctioned as part of comprehensive package announced by Finance Ministry on 13/05/2020, to Business Enterprises in view of the economic distress caused by the COVID-19 pandemic to meet working capital requirements. According to the information and explanations given to us and based on the records examined by us, the said loans were used to meet the working capital requirements of the company.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its Joint Venture Company.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its joint venture and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company or any fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report and hence this clause is not applicable.
- (c) According to the information and explanation given to us, the Company has not received any whistle blower complaints during the year and upto the date of this report.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

- xv. According to the information and explanations furnished to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities.
- (c) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clauses 3(xvi) (c) &(d) of the Order are not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the company has incurred cash losses of Rs.1944 Lakhs in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) other than on ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, there are no unspent amounts in respect of ongoing projects, that are required to be transferred to a Specified Fund under sub-section(6) of section 135 of the Companies Act.
- xxi. According to the information and explanations given to us, and based on the report of the other auditor of the Joint Venture Company furnished to us, there are no qualification / adverse remarks in the Companies (Auditor's Report) Order (CARO) report of the Joint Venture Company included in the Consolidated financial statements.

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

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

Place: Hyderabad  
Date: May 10, 2022

# Standalone Balance Sheet

## as at March 31, 2022

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

Particulars	Note	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment			
Tangible Assets	1	37,885.35	39,194.96
Right to Use Assets (Land)		2,944.19	3,023.73
Capital work-in-progress	1	8,589.48	8,748.65
Intangible Assets	1	33.46	82.57
		49,452.48	51,049.91
<b>Financial Assets</b>			
Investments	2	11,026.80	11,026.80
Other financial assets	3	321.65	390.95
Tax Assets (Net)		2,162.01	2,300.42
Other non current assets	4	2,996.89	2,991.36
		16,507.35	16,709.53
<b>TOTAL NON-CURRENT ASSETS</b>		65,959.83	67,759.44
<b>Current Assets</b>			
Inventories	5	731.11	710.75
Financial Assets			
Trade Receivables	6	958.34	945.23
Cash and Cash Equivalents	7	3,385.35	1,072.60
Bank balances other than cash and cash equivalents	7	15.10	18.79
Other financial assets	3	1,353.49	1,006.63
Other Current assets	4	731.99	746.35
<b>TOTAL CURRENT ASSETS</b>		7,175.38	4,500.36
<b>TOTAL ASSETS</b>		73,135.21	72,259.80
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	8	1,254.03	1,254.03
Other Equity	9	38,219.25	37,248.26
<b>Total Equity</b>		39,473.28	38,502.29
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings	10	11,812.48	13,667.35
Other financial Liabilities	12	160.94	171.42
Lease Liabilities		3,957.71	3,943.70
Provision for Employee benefits	13	305.24	373.76
Deferred Tax Liabilities (net)	15	5,421.47	4,890.75
<b>TOTAL NON-CURRENT LIABILITIES</b>		21,657.84	23,046.98
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	10	5,166.34	4,426.14
Trade Payables			
- Micro and Small Enterprises	11	47.05	-
- Others	11	5,329.28	4,931.02
Other financial Liabilities	12	476.33	394.92
Lease Liabilities		427.78	427.65
Provision for Employee benefits	13	21.42	18.37
Other current liabilities	14	535.89	512.43
<b>TOTAL CURRENT LIABILITIES</b>		12,004.09	10,710.53
<b>Total Equity and Liabilities</b>		73,135.21	72,259.80
Summary of Significant Accounting Policies			
The accompanying notes form an integral part of the Financial Statements			

Per our report of even date

For and on behalf of the Board

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

**G Indira Krishna Reddy**  
Managing Director  
DIN:00005230

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

**D. Bapu Raghavendra**  
Partner  
Membership No.213274  
Place : Hyderabad  
Date : May 10, 2022

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

# Standalone Statement of Profit and Loss for the year ended March 31, 2022

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

Particulars	Note	Current Year	Previous year
Revenue from Operations	16	22,707.65	9,417.44
Other Income	17	117.81	264.30
<b>Total Income</b>		<b>22,825.46</b>	9,681.74
<b>EXPENSES</b>			
Food and Beverages Consumed	18	2,503.67	1,139.37
Employee Benefit Expense and Payment to Contractors	19	5,015.93	2,757.37
Finance Costs	20	1,859.26	1,991.37
Depreciation and Amortisation	1	1,474.01	1,562.05
Amortization of right to use assets		79.54	93.48
Other Operating and General Expenses	21	10,019.82	5,738.06
<b>Total Expense</b>		<b>20,952.23</b>	13,281.70
<b>Profit Before Exceptional Items and Tax</b>		<b>1,873.23</b>	(3,599.96)
<b>Exceptional Items</b>		-	-
<b>Profit Before Tax</b>		<b>1,873.23</b>	(3,599.96)
<b>Tax Expense</b>			
Current Tax		344.00	-
Deferred Tax		538.74	(955.15)
Total Tax Expense		882.74	(955.15)
<b>Profit for the period</b>		<b>990.49</b>	(2,644.81)
<b>Other Comprehensive Income, Net of Tax</b>			
Items that will not be reclassified to profit and loss			
Actuarial gain / (loss) on employee gratuity (net of tax)		(19.51)	31.91
<b>Total Comprehensive Income for the Year</b>		<b>970.98</b>	(2,612.90)
<b>Earnings Per Share</b>			
No. of equity shares of Rs.2/-each		6,27,01,495	6,27,01,495
1) Basic		1.55	(4.17)
2) Diluted		1.55	(4.17)
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 : May 10, 2022

For and on behalf of the Board

**G Indira Krishna Reddy**  
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DIN:00005230

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



# Standalone Cash Flow Statement for the year ended March 31, 2022

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

Particulars	Current Year		Previous Year	
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Net Profit Before Tax</b>		<b>1,873.24</b>		(3,599.96)
Adjustments for :				
Depreciation	<b>1,474.01</b>		1,562.05	
Amortization expense on Right-To-Use assets	<b>79.54</b>		93.48	
Loss on sale of assets	<b>1.53</b>		2.20	
Profit on sale of assets	<b>(0.17)</b>		(9.88)	
Provision for Bad & Doubtful Debts	<b>100.00</b>		-	
Finance costs	<b>1,859.26</b>		1,991.37	
Interest earned	<b>(12.82)</b>		(32.82)	
		<b>3,501.35</b>		3,606.40
Operating Profit before working capital changes		<b>5,374.59</b>		6.44
Adjustments for :				
Trade Receivables	<b>(113.12)</b>		620.23	
Inventories	<b>(20.35)</b>		105.13	
Non-current and current financial assets	<b>(276.68)</b>		(512.89)	
Other Non-current and current assets	<b>8.84</b>		486.32	
Non-current and current financial liabilities	<b>71.08</b>		(527.22)	
Other Current Liabilities	<b>23.46</b>		(62.77)	
Employee benefit obligations	<b>(65.48)</b>		(1.10)	
Trade payables	<b>445.31</b>	<b>73.06</b>	463.09	570.79
Cash generated from operations		<b>5,447.65</b>		577.23
Less: Taxes paid / (refund received)		<b>138.41</b>		45.10
<b>Net Cash In Flow From Operating Activities</b>		<b>5,309.24</b>		532.13
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Fixed Assets /addition to CWIP	<b>41.86</b>		(93.80)	
Interest Received	<b>11.95</b>		32.02	
Sale of Fixed Assets	<b>0.68</b>		13.94	
<b>Net Cash Out Flow From Investing Activities</b>		<b>54.49</b>		(47.84)
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>				
Long term loans (repaid)	<b>(4,159.12)</b>		(2,437.50)	
Term loans raised / (repaid)	<b>3,325.36</b>		3,728.05	
Working capital borrowings	<b>(301.14)</b>		234.94	
Long term deposits raised/(paid back)	<b>(10.48)</b>		(24.32)	
Interest paid	<b>(1,432.91)</b>		(1,592.09)	
Interest costs on lease liability	<b>(426.36)</b>		(379.05)	
Fixed deposits created	<b>(50.00)</b>		300.00	
<b>Net Cash Out Flow From Financing Activities</b>		<b>(3,054.65)</b>		(169.97)
Net increase in cash and cash equivalent		<b>2,309.08</b>		314.32
Cash and Cash equivalents as at beginning of the year		<b>1,091.39</b>		777.07
Cash and Cash equivalents as at end of the year		<b>3,400.47</b>		1,091.39

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. Bapu Raghavendra**  
Partner  
Membership No.213274  
Place : Hyderabad  
Date : May 10, 2022

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 excluding earmarked balances with banks on account of unclaimed dividends and Margin money deposits	3,378.82	1,091.39
Current Investment	-	-
Total Liquid Investment - (a)	3,378.82	1,091.39
Long term Borrowings (Including Current portion)	17,019.27	17,853.03
Short Term Borrowings	-	301.14
Gross Debt - (b)	17,019.27	18,154.17
Net Debt (b) - (a)	13,640.45	17,062.78
2) Other financial Liabilities		
Derivatives	-	-
Interest Accrued but not due	-	-
Total Other financial Liabilities	-	-
Grand Total	13,640.45	17,062.78

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 2021	1,091.39	-	18,154.17	17,062.78	-	-	17,062.78
Cash flows	2,309.07	-	(1,134.90)	(3,443.97)	-	-	(3,443.97)
As at 31 March 2022	3,400.46	-	17,019.27	13,618.81	-	-	13,618.81

## Statement of Changes in Equity as at March 31, 2022

Particulars	Equity Share Capital Subscribed	Reserves and Surplus				Total
		Capital Reserve	Securities Premium Account	Retained Earning		
				General Reserve	Profit & Loss B/fd	
<b>Balance at the beginning of the year (April 1, 2021)</b>	1,254.03	3,469.30	3,132.00	7,100.00	23,546.96	38,502.29
<b>Add:</b>						
Profit for the year	-	-	-	-	990.49	990.49
Other Comprehensive Income for the period, net of taxes, excluding actuarial gain/ (losses)	-	-	-	-	(19.51)	(19.51)
<b>Balance at the end of the year (Mar 31, 2022)</b>	1,254.03	3,469.30	3,132.00	7,100.00	24,517.94	39,473.27

Per our report of even date

For and on behalf of the Board

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

**G Indira Krishna Reddy**  
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**D. Babu Raghavendra**  
Partner  
Membership No.213274  
Place : Hyderabad  
Date : May 10, 2022

**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 May 10, 2022.

## 3. Summary of Significant Accounting Policies

### i. Statement of compliance:

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time. The accounting policies as set out below have been applied consistently to all years presented in these financial statements.

### ii. Basis of preparation of financial statements:

These financial statements have been prepared under the historical cost convention on accrual basis except certain financial instruments measured at fair value other than those with carrying amounts that are reasonable approximations of fair values.

### iii. Use of estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in India requires management where necessary, to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities at the date of the financial statements. Actual results could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised.

### iv. Classification of Assets and Liabilities into current and Non-current

The company presents its assets and liabilities in the Balance Sheet based on current/non-current classification;

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is treated as current when it is :

- a) Expected to be settled in the normal operating cycle;
- b) Held primarily for the purpose of trading;
- c) Expected to be settled within twelve months after the reporting period; or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current

The operating cycle is the time between the acquisition of assets and their realization in cash and cash equivalents. Based on the services rendered and their realizations in cash and cash equivalents, the company has ascertained its operating cycle is 12 months for the purpose of current and non-current classification of assets and liabilities.

### v. Exceptional Items

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

**vi. Revenue Recognition:**

- a. Income from guest accommodation is recognised on a day to day basis after the guest checks into the Hotels. Income from Food and Beverages are recognised at the point of serving these items to the guests. Income stated is exclusive of taxes collected. Rebates and discounts granted to customers are reduced from revenue.
- b. Shop rentals are recognized on accrual basis.
- c. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- d. Insurance claims are recognized as and when they are settled / admitted.

**vii. Inventories:**

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

**viii. Property Plant and equipment:**

- a. Property Plant and equipment are stated at cost, net of credit availed in respect of any taxes, duties less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Financing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for intended use are also included to the extent they relate to the period up to such assets are ready for their intended use. Expenditure directly relating to construction/erection activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the construction cost to the extent such expenditure is related to construction or is incidental thereto.

Direct expenditure during construction period attributable to the cost of assets under construction is considered as capital work in progress and indirect expenditure is included under expenditure during construction period pending allocation.

- b. Subsequent expenditure incurred on existing fixed assets is added to their book value only if such expenditure increases the future benefits from the existing assets beyond their previously assessed standard of performance.
- c. In the transition to Ind-AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as of April 1, 2015 (transition date ) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

**ix. Intangible assets:**

- a. Intangible assets are carried at cost, net of credit availed in respect of any taxes and duties, less accumulated amortization. Computer software is classified under "Intangible Assets".
- b. In the transition to Ind-AS, the Company has elected to continue with the carrying value of all of its intangible assets recognized as of April 1, 2015 (transition date ) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

**x. Depreciation and Amortisation:**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided under the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been re-assessed as under based on technical evaluation, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Plant and machinery	: 10 to 20 years
Electrical installations and equipment	: 20 years
Hotel Wooden Furniture	: 15 years
Non-wooden furniture & fittings	: 8 years
End User devices- Computers, Laptops, etc	: 6 years

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

Computer Software	: 6 years
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#### **xi. Leases:**

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

##### **Lessee:**

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

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

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

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

The lease term includes periods subject to extension options which the company is reasonably certain to exercise and excludes the effect of early termination options where the company is not reasonably certain that it will exercise the option. Lease liability and 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 derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

### **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, 2022

(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
<b>Gross Block at Cost</b>									
At April 1, 2021	4,244.11	31,359.26	10,875.29	1,971.21	338.34	189.63	48,977.84	8,748.66	379.18
Additions	-	-	107.72	2.06	5.91	-	115.68	145.06	1.64
Disposals	-	-	7.25	0.10	-	-	7.35	304.24	-
<b>As At Mar 31, 2022</b>	<b>4,244.11</b>	<b>31,359.26</b>	<b>10,975.76</b>	<b>1,973.17</b>	<b>344.25</b>	<b>189.63</b>	<b>49,086.17</b>	<b>8,589.48</b>	<b>380.82</b>
<b>Depreciation</b>									
At April 1, 2021	1.83	3,251.98	5,271.55	922.36	251.79	57.67	9,757.18	-	322.31
Charge for the period	-	549.38	724.02	123.32	32.70	19.54	1,448.96	-	25.05
Disposals	-	-	5.32	-	-	-	5.32	-	-
<b>As At Mar 31, 2022</b>	<b>1.83</b>	<b>3,801.36</b>	<b>5,990.25</b>	<b>1,045.68</b>	<b>284.49</b>	<b>77.21</b>	<b>11,200.82</b>	<b>-</b>	<b>347.36</b>
<b>Net Block</b>									
<b>As At Mar 31, 2022</b>	<b>4,242.28</b>	<b>27,557.90</b>	<b>4,985.51</b>	<b>927.49</b>	<b>59.76</b>	<b>112.42</b>	<b>37,885.35</b>	<b>8,589.48</b>	<b>33.46</b>
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	82.57

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.

Ageing of Capital Work-in-progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital work in progress					
Projects in progress	<b>142.32</b>	<b>89.47</b>	231.46	8,126.22	8,589.47
Projects temporarily suspended	-	-	-	-	-

## Note 2 - Investments

Particulars	Face Value Rs.	As at March 31, 2022		As at March 31, 2021	
		No. of shares	Rs. lakhs	No. of shares	Rs. lakhs
<b>Non-Current Investments - Unquoted</b>					
<b>(i) Investment in Joint Venture</b> Green Woods Palaces and Resorts Pvt Ltd (fully paid Equity shares)	10/-	<b>3,67,50,000</b>	<b>11,025.00</b>	3,67,50,000	11,025.00
<b>(ii) Others</b> Green Infra Windfarms Limited (fully paid Equity shares)	10/-	<b>18,000</b>	<b>1.80</b>	18,000	1.80
<b>Total Non-current Investments</b>			<b>11,026.80</b>		<b>11,026.80</b>

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.

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

### Note 3 - Other Financial Assets

Particulars	As at March 31, 2022	As at March 31, 2021
<b>A) Non Current</b>		
Deposits with Public Bodies and Others	321.65	390.95
	<b>321.65</b>	<b>390.95</b>
<b>B) Current</b>		
Deposit with public bodies and others	2.02	3.74
Other advances	580.72	416.89
Claims Receivable	0.81	1.38
Interest accrued	5.05	4.17
Other receivables	764.89	580.45
	<b>1,353.49</b>	<b>1,006.63</b>

### Note 4 - Other assets

Particulars	As at March 31, 2022	As at March 31, 2021
<b>A) Non current (Unsecured considered good)</b>		
Other advances recoverable	2,213.31	2,213.31
Advance lease payments	687.36	708.30
Deposits for tax and other statutory dues	96.22	69.74
	<b>2,996.89</b>	<b>2,991.35</b>
<b>B) Current (Unsecured considered good)</b>		
Prepaid Expenses	296.59	184.50
Advance to Suppliers	176.71	150.07
Advance to Employees	8.53	10.40
Excess of GST input credit over liability	152.38	246.48
Export benefit receivable	97.79	154.90
	<b>731.99</b>	<b>746.35</b>

### Note 5 - Inventories

Particulars	As at March 31, 2022	As at March 31, 2021
Food and Beverages	431.85	455.23
Stores and Operating Supplies	299.26	255.52
	<b>731.11</b>	<b>710.75</b>

### Note 6 - Trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Considered good - Unsecured	958.34	945.23
Credit impaired	193.29	93.29
	<b>1,151.63</b>	<b>1,038.52</b>
Less : Provision for Trade Receivables which are credit impaired	193.29	93.29
	<b>958.34</b>	<b>945.23</b>

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

Ageing of Trade Receivables	Outstanding for following periods from due date of payment						Total
	Unbilled Receivables	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed - considered good	-	799.50	90.03	42.47	26.35	-	<b>958.34</b>
Undisputed - credit impaired	-	-	-	-	62.87	130.42	<b>193.29</b>
Sub - Total	-	<b>799.50</b>	<b>90.03</b>	<b>42.47</b>	<b>89.22</b>	<b>130.42</b>	<b>1,151.63</b>
Provision for impaired receivables	-	-	-	-	62.87	130.42	<b>193.29</b>
Sundry Debtors	-	<b>799.50</b>	<b>90.03</b>	<b>42.47</b>	<b>26.35</b>	-	<b>958.34</b>

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

#### Note 7 - Cash and bank balances

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Cash and cash equivalents</b>		
Cash on hand	10.96	13.81
Balances with banks in current account	2,417.86	58.79
Other deposit with bank	950.00	1,000.00
	<b>3,378.82</b>	<b>1,072.60</b>
Bank balances other than cash and cash equivalents		
Earmarked balances with banks on account of unclaimed dividends	15.10	18.79
Margin money deposits	6.53	-
	<b>21.63</b>	<b>18.79</b>

#### Note 8 - Equity Share Capital

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised Share Capital 170500000 (170500000) Equity Shares of Rs.2/- each	3,410.00	3,410.00
	<b>3,410.00</b>	3,410.00
Issued Share Capital 62701495 (62701495) Equity Shares of Rs.2/- each fully paid-up	1,254.03	1,254.03
	<b>1,254.03</b>	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
	<b>1,254.03</b>	1,254.03

#### i) Reconciliation of equity shares outstanding:

Particulars	As at March 31, 2022		As at March 31, 2021	
	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) Promoter Shareholding and Shareholders holding more than 5% Equity Shares in the Company

Name of Shareholder	As at March 31, 2022		As at March 31, 2021	
	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.

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

### Note 9 - Other Equity

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Reserves and Surplus</b>		
<b>Capital Reserve</b>	3,469.30	3,469.30
<b>Securities Premium Account</b>	3,132.00	3,132.00
<b>General Reserve</b>	7,100.00	7,100.00
<b>Retained Earnings</b>		
Surplus in the Profit And Loss including OCI	23,546.97	26,159.86
Add: Current period profits	990.49	(2,644.81)
<b>Total Retained Earnings</b>	24,537.45	23,515.05
<b>Reserves and Surplus</b>	38,238.75	37,216.35
<b>Other Comprehensive Income (OCI)</b>	(19.51)	31.91
<b>Total Other Equity</b>	38,219.25	37,248.26

### Note 10 - Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
<b>A) Long term borrowings</b>		
Term Loan from Banks		
Secured	17,019.27	17,853.03
Less: Unamortized Borrowing Cost	40.45	60.67
	16,978.82	17,792.35
Less: Current maturities of Long term borrowings (shown under Other current financial liabilities)	5,166.34	4,125.00
Total Long term borrowings	11,812.48	13,667.35
<b>B) Short term borrowings</b>		
Loans repayable on demand from Banks		
Secured	-	301.14
Current maturities of long term borrowings		
Secured	5,166.34	4,125.00
Total Short term borrowings	5,166.34	4,426.14
Total Borrowings	16,978.82	18,093.49

#### i) Term Loans from Banks:

- Rs.60.28 crores (2021: Rs.79.03 crores) from HDFC Bank Ltd at an interest rate of 1 year MCLR + spread of 115 bps.viz. 8.35% 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 was sanctioned with a moratorium of 2 years from the date of first disbursement. ie. Aug 2014.
- Rs.43.75 crores (2021: Rs.66.25 crores) from AXIS Bank Ltd at an interest rate of 1 year MCLR + spread of 110 bps.viz. 8.45% 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 was sanctioned with a moratorium of 2.5 years from the date of first disbursement. ie. July 2014.
- Rs.16.87 crores (2021: Rs.16.87 crores) of short term loan from HDFC Bank under the Emergency Credit Line Guarantee Scheme (ECLGS 2.0) notified by the Government of India, to meet the working capital requirement and repayable in 48 equated monthly instalments after a 12 month moratorium from the date of disbursement, at an interest rate of 8.25% p.a
- Rs.16.87 crores (2021: Rs.Nil) of short term loan from HDFC Bank under the Emergency Credit Line Guarantee Scheme (ECLGS 3.0) notified by the Government of India, to meet the working capital requirement and repayable in 48 equated monthly instalments after a 24 month moratorium from the date of disbursement, at an interest rate of 8.20% p.a
- Rs.16.04 crores (2021: Rs.16.38 crores) of short term loan from AXIS Bank under the Emergency Credit Line Guarantee Scheme (ECLGS 2.0) notified by the Government of India, to meet the working capital requirements and repayable in 48 equated monthly instalments after a 12 month moratorium from the date of disbursement, at an interest rate of 8.45% p.a

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

f) Rs.16.38 crores (2021: Nil) of short term loan from AXIS Bank under the Emergency Credit Line Guarantee Scheme (ECLGS 3.0) notified by the Government of India, to meet the working capital requirements and repayable in 48 equated monthly instalments after a 24 month moratorium from the date of disbursement, at an interest rate of 8.35% p.a

**ii) Loans repayable on demand from Banks**

a) Bank Overdraft from AXIS Bank Ltd Rs.Nil (2021 : Rs.0.86 crores) at an interest rate of 1 month MCLR + spread of 165 bps.viz. 8.90% 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.Nil (2021 : Rs.2.15 crores) 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, 2022	As at March 31, 2021
Dues to Micro and Small Enterprises (Refer Note (i))	47.05	-
Others	3,336.68	3,800.49
Accrued expenses and others	1,992.60	1,130.53
	5,376.33	4,931.02

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.

(ii) Dues to MSME enterprises as at 31.03.2022 are not older than 45 days

Particulars	As at March 31, 2022	As at March 31, 2021
a) The principal amount remaining unpaid to supplier as at the end of the accounting year	47.05	-
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	-	-
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	-	-

Ageing of Trade Payables	Outstanding for following periods from due date of payment				Total
	Trade Payables	Less than 1 year	1-2 years	2-3 years	
Sundry Creditors - MSME	47.05	-	-	-	47.05
Sundry Creditors - Others	1,107.17	36.37	28.96	177.79	1,350.29
Other Trade Payables	740.08	459.01	513.53	273.04	1,986.38
Accrued Expenses	1,657.49	220.21	100.45	14.45	1,992.60

**Note 12 - Other financial liabilities**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>A) Non Current financial liabilities</b>		
Deposits refundable	160.94	171.42
	160.94	171.42
<b>B) Current financial liabilities</b>		
Deposits from others	5.85	7.88
Retention Money payable to contractors	38.67	82.60
Unclaimed dividend	15.10	18.79
Employee Related Liabilities	369.50	260.77
Others	47.21	24.88
	476.33	394.92



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

#### Note 13 - Provision for Employee Benefits

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Compensated absences	146.75	152.56
Gratuity	158.49	221.20
	305.24	373.76
Current		
Compensated absences	21.42	18.37

#### Note 14 - Other non financial Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Advances towards revenues	415.70	425.40
Statutory dues	120.19	87.03
	535.89	512.43

#### Note 15 - Deferred Tax Liabilities (Net)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Deferred Tax Liabilities:</b>		
Depreciation on Fixed Assets	6,307.08	6,314.55
Amortization of finance cost	11.78	16.88
<b>Total (A)</b>	<b>6,318.86</b>	<b>6,331.43</b>
<b>Deferred Tax Assets:</b>		
Provision for Doubtful Debts	56.29	25.95
Employee Benefits	95.12	109.09
Amortization of prepaid lease payments	51.32	45.83
Loss incurred	449.17	988.27
Lease liability and right to use assets	245.49	271.54
<b>Total (B)</b>	<b>897.39</b>	<b>1,440.68</b>
<b>Net Deferred Tax Liabilities (A-B)</b>	<b>5,421.47</b>	<b>4,890.75</b>

#### Note 16 - Revenue from Operations

Particulars	Current Year	Previous Year
Room Revenue, Food, Restaurants and Banquet Revenue	21,737.99	8,784.70
Shop rentals	312.98	174.70
Membership fees	47.27	30.00
Export benefits	-	111.20
Others	609.41	316.84
<b>Total</b>	<b>22,707.65</b>	<b>9,417.44</b>

#### Note 17 - Other Income

Particulars	Current Year	Previous Year
<b>Interest Income at amortised cost</b>		
Deposits with banks	8.45	12.12
Others	4.37	4.38
<b>Sub-total</b>	<b>12.82</b>	<b>16.50</b>
Interest on Income Tax Refunds	-	16.32
<b>Total</b>	<b>12.82</b>	<b>32.82</b>
Profit on sale of assets	0.17	9.89
Exchange Gain (Net)	0.08	0.09
Others	104.74	221.50
<b>Total</b>	<b>117.81</b>	<b>264.30</b>

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

#### Note 18 - Food and Beverages Consumed

Particulars	Current Year	Previous Year
Food and Beverages Consumed	2,503.67	1,139.37

#### Note 19 - Employee Benefit Expense

Particulars	Current Year	Previous Year
Salaries, Wages, Bonus etc.	3,141.22	1,828.01
Company's Contribution to Provident and Other Funds	283.37	176.14
Reimbursement of Expenses on Personnel Deputed to the Company	772.65	388.79
Contractor employee expenses	446.70	178.95
Staff Welfare Expenses	371.99	185.48
<b>Total</b>	<b>5,015.93</b>	<b>2,757.37</b>

#### Note 20 - Finance costs

Particulars	Current Year	Previous Year
Interest Expense	1,412.68	1,592.09
Interest cost on lease liability	426.36	379.06
Other borrowing costs	20.22	20.22
<b>Sub-total</b>	<b>1,859.26</b>	<b>1,991.37</b>
Less : Interest Capitalised	-	-
<b>Total</b>	<b>1,859.26</b>	<b>1,991.37</b>

#### Note 21 - Other Operating and General Expenses

Particulars	Current Year	Previous Year
<b>(i) Operating expenses consist of the following :</b>		
Linen and Room Supplies	492.79	214.99
Catering Supplies	298.86	133.09
Other Supplies	51.87	30.91
Fuel, Power and Light	2,032.35	1,168.33
Repairs to Buildings	404.25	178.07
Repairs to Machinery	722.85	496.63
Repairs to Others	99.88	72.49
Linen and Uniform Washing and Laundry Expenses	302.68	153.94
Payment to Orchestra Staff, Artistes and Others	207.13	130.72
Guest Transportation	224.81	67.51
Travel Agents' Commission	644.54	317.46
Credit card Commission	144.44	50.24
Other Operating Expenses	650.78	204.90
<b>Total</b>	<b>6,277.23</b>	<b>3,219.28</b>
<b>(ii) General expenses consist of the following :</b>		
Rent	98.01	113.01
Licence Fees	223.56	181.58
Rates and Taxes	975.77	891.16
Insurance	165.12	137.51
Advertising and Publicity	505.57	331.57
Printing and Stationery	73.34	40.34
Passage and Travelling	7.83	8.35
Communication expenses	153.93	66.50
Provision for Doubtful Debts	100.00	-
Expenditure on Corporate Social Responsibility	61.63	69.87
Operating & Management Fees	715.75	294.74
Professional Fees	115.33	89.48
Outsourced Support Services	153.03	158.24
Loss on Sale of Fixed Assets	1.53	2.20

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

Particulars	Current Year	Previous Year
Payment made to Statutory Auditors		
i. As Auditors	27.00	13.50
ii. For Tax Audit	4.50	1.50
iii. For certification	-	0.05
Directors' Sitting Fees	11.30	16.80
Other Expenses	349.39	102.38
<b>Total</b>	<b>3,742.60</b>	<b>2,518.78</b>
	<b>10,019.82</b>	<b>5,738.06</b>

## 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 (2021: Rs. Nil).

Contingent liabilities not provided for in respect of

Particulars	As at March 31, 2022	As at March 31, 2021
Value added tax matters (Rs.97.20 lakhs [2021: Rs.97.20 lakhs] paid under protest against the demands)	307.40	307.40
Income tax matters (Rs.102.30 lakhs [2021: Rs.102.30 lakhs] paid under protest against the demands)	107.91	259.00
Service tax matters	2527.63	2527.63
Probable customs duty payable on the Equipment Imported under Export Promotion Capital Goods Scheme	330.14	330.14
Letters of Credit	65.08	-

23. Impact of Covid on business: The business improved during the financial year under review with removal of all restrictions on inter-state and foreign travel, relaxations by various State Governments and the increase vaccination drive across the country. The company achieved higher revenues across the business segments viz, rooms, Banquets and restaurants compared to previous financial year.

The Company has also assessed the impact of COVID-19 in preparation of these Annual Accounts, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and nonfinancial assets and impact on revenues and costs. 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. Accordingly, the Annual Accounts of the Company have been prepared on a going concern basis

## 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.82.64 crores on the land acquisition, construction of approach bridges from the National Highway and Lake rejuvenation works. 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 in favour of Company by KIADB.
- (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 crores including the payment to TSIIC (Telangana State Industrial Infrastructure Corporation). 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. The Company requested TSIIC for extension of time to complete the project and the company expects the favourable order.

25. The Company received demand during FY 2020-21, from TSSPDCL (Telangana State Southern Power Distribution Company Limited), pertaining to wheeling charges for FY 2002-2003 to FY 2018-2019 at Taj Krishna, Taj Deccan and Taj Banjara aggregating to Rs.21,29,97,589/-. The Company filed writ petition with the Honourable High Court of Telangana for a stay on the recovery of the demand and the Honourable High Court of Telangana 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.

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

26. As per the amended Schedule V of the Companies Act, 2013, the remuneration paid to the Managing Director and the Joint Managing Director for the financial year 2021-22 were as approved by the shareholders at the Annual General Meeting of the Company held on 24th September 2020 and 25th July 2019 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”.
28. Disclosure as per Ind AS 24 on Related Party transactions

**a. Key Managerial personnel:**

<b>Whole Time Directors:</b>	
<b>Name of the Related Party</b>	<b>Relationship</b>
Mrs. G Indira Krishna Reddy	Managing Director
Mrs. Shalini Bhupal	Joint Managing Director
<b>Non-Whole Time Directors:</b>	
<b>Name of the Related Party</b>	<b>Relationship</b>
Dr. GVK Reddy	Non-Executive Non-Independent Director (Chairman)
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
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
<b>Chief Financial Officer and Company Secretary:</b>	
Mr. J. Srinivasa Murthy	Chief Financial Officer & Company Secretary

**b. Other related parties:**

<b>Name of the Related Party</b>	<b>Relationship</b>
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	GVK Technical & Consultancy Services (P) Ltd
GVK Deoli Kota Expressway Ltd.	GVK EMRI
Aragen Life Sciences (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	Shriya Som Fashions International LLP

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

#### Transactions during the year

Name of the related party	Current Year	Previous Year
<b>Key Management Personnel:</b>		
Salaries and other employee benefits to Whole Time Directors and Chief Financial Officer & Company Secretary	834.78	281.80
Sitting fees to other non executive / Independent Directors	11.30	16.80
<b>Joint Venturer:</b>		
Indian Hotels Company Limited		
Management fee	715.75	288.91
Reimbursement of advertisement expenses	306.56	195.00
Deputed Staff In expenses Payable	492.67	582.46
Deputed Staff Out reimbursements Receivable	296.49	326.95
<b>Jointly Controlled Entity:</b>		
Green Woods Palaces and Resorts Pvt Ltd		
Deputed Staff Out reimbursements Receivable	7.42	4.21
<b>Enterprises with common directors:</b>		
Oriental Hotels Limited		
Deputed Staff In expenses Payable	32.52	35.01
Deputed Staff Out reimbursements Receivable	50.76	91.16
Current Account Transactions	4.68	27.94
PIEM Hotels Limited		
Deputed Staff In expenses Payable	37.78	27.02
Deputed Staff Out reimbursements Receivable	46.48	18.19
Benares Hotels Limited		
Deputed Staff In expenses Payable	10.71	3.82
<b>Enterprises in which key management personnel and / or their relatives have significant influence:</b>		
GVK EMRI - CSR Spend (Refer Note No. 31)	131.25	-
<b>Income from sale of rooms and food &amp; beverages:</b>		
- GVK Gautami Power Ltd	-	0.50
- Aragen Life Sciences Pvt Ltd	0.97	0.33
- GVK Industries Ltd	0.20	-
- GVK Power and Infrastructure Ltd	1.62	-
- GVK Energy Ltd	3.31	-
- Crescent EPC Projects & Technical Services Ltd	0.03	-
- Alakananda Hydro Power Co Ltd	0.37	-
- GVK Power Goindwal Sahib Ltd	1.86	-
- GVK EMRI	0.34	-
<b>Shop Rentals</b>	3.97	4.18
- Shriya Som Fashions International LLP		

#### Balances Outstanding as of 31 March, 2022:

Name of the related party	As at March 31, 2022	As at March 31, 2021
<b>Joint Venturer:</b>		
Indian Hotels Company Limited		
Operating fee, reimbursable expenses and current account dues payable (net)	1364.57	1554.35
<b>Jointly controlled entity:</b>		
Green Woods Palaces & Resorts (P) Ltd		
Investment in Equity Shares	11025.00	11025.00
Deputed Staff reimbursement receivable	0.06	4.21
<b>Enterprises with common directors:</b>		
Oriental Hotels Limited payable / (receivable) net	(70.67)	(37.80)
PIEM Hotels Limited payable / (receivable) net	1.24	(4.93)
Benares Hotels Limited payable / (receivable) net	0.45	(3.82)



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

Name of the related party	As at March 31, 2022	As at March 31, 2021
<b>Enterprises in which key management personnel and / or their relatives have significant influence:</b>		
<b>Amount receivable for sale of rooms and food &amp; beverages:</b>		
Aragen Life Sciences Pvt Ltd	0.40	-
GVK Industries Ltd	0.30	0.64
GVK Power and Infrastructure Ltd	1.16	0.96
GVK Energy Ltd	0.05	0.86
Alakananda Hydro Power Co Ltd	0.50	0.48
GVK Power (Goindwal Sahib) Ltd	0.69	3.57
<b>Shop Rental receivable - Shriya Som Fashions International LLP</b>	<b>0.64</b>	<b>-</b>

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, 2022	As at March 31, 2021
Not later than one year	425.82	560.13
Later than one year but not later than five years	575.71	798.59
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, 2022	As at March 31, 2021
Not later than one year	414.83	412.21
Later than one year but not later than five years	1745.96	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.86.92 lakhs (2021: Rs. 51.81 lakhs) on account of provident fund and Rs. 21.71 lakhs (2021: Rs. 20.20 lakhs) on account of Employee State Insurance.

#### Defined benefit plan:

##### Gratuity:

The Company has a funded defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on separation at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act,1972 with total ceiling on gratuity of Rs. 20,00,000/-

The following tables summarize the components of net expense recognized in the Statement of Profit and Loss and amounts recognized in the Balance Sheet for the respective employee gratuity plans.

#### a. Statement of Profit and Loss and Statement of Other Comprehensive Income

Particulars	Current Year	Previous Year
Current Service Cost	31.24	36.36
Past Service Cost	-	-
Interest on Net Defined Benefit liability / (asset)	11.30	11.16
Changes in financial assumptions	(8.89)	1.80
Changes in demographic assumptions	-	-
Experience adjustments	15.74	2.79
Actuarial return on plan assets less interest on plan assets	20.66	(48.80)
Net charge to Profit & Loss and OCI	70.05	3.31

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

#### b. Reconciliation of Defined Benefit Obligation

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Defined benefit Obligation	723.58	694.56
Current Service Cost	31.24	36.36
Past Service Cost	-	-
Interest Cost	36.65	36.24
Actuarial Losses / (Gain)	6.85	4.59
Benefits Paid	(21.49)	(48.17)
Closing Defined Benefit Obligation	776.83	723.58

#### c. Change in Fair Value of Plan Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Fair Value of Plan Assets	502.37	476.66
Employer Contributions	132.77	-
Interest on Plan Assets	25.35	25.08
Actuarial gain / (Losses)	(20.66)	48.80
Benefits Paid	(21.49)	(48.17)
Closing Fair Value of Plan Assets	618.34	502.37

#### d. Amount recognized in Balance Sheet

Particulars	As at March 31, 2022	As at March 31, 2021
Opening net defined benefit liability / (asset)	221.20	217.88
Expense charged to profit and loss account	42.54	47.53
Amount recognized outside profit and loss account	27.51	(44.21)
Employer Contributions	(132.77)	-
Net Liability recognized in the Balance Sheet	158.48	221.20

#### e. Description of Plan Assets

Particulars	As at March 31, 2022	As at March 31, 2021
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	6.85%	6.60%
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, 2022	March 31, 2021
Discount rate (p.a)	6.85%	6.60%
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.

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

### 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 31st March, 2022 works out to Rs.2,54,69,643/- (2021: Rs. 2,55,53,740/-)

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

During 2nd phase of Covid 19 pandemic, the company was requested to help the government with supply of vaccines, ambulance services and oxygen cylinders. The company after taking the approval of the CSR committee approved to spend the CSR amount pertaining to FY 2021-22 aggregating to Rs. 24.47 lakhs. The company also spent an additional expenditure of Rs. 36.91 lakhs in advance during FY2021-22. In addition to this, the company also spent the CSR budget pertaining to FY2020-21 aggregating to Rs. 69.87 lakhs in the current FY2021-22. The entire CSR expenses were incurred through GVK EMRI towards supply of vaccines, oxygen cylinders and ambulance services during 2nd wave of COVID-19 pandemic.

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
<b>Profit before tax</b>	<b>1,873.24</b>	(3,599.96)
<b>Income tax rate as applicable</b>	<b>27.82%</b>	29.12%
Calculated taxes based on above, without any adjustments for deductions	<b>545.49</b>	(1,001.51)
<b>Permanent tax differences due to:</b>		
Effect of income that is exempt from taxation	<b>(120.37)</b>	(102.21)
Income considered as capital in nature under tax and tax provisions	<b>(0.05)</b>	(2.75)
Effect of expenses that are not deductible in determining taxable profit	<b>188.89</b>	117.59
Expense considered to be capital in nature under tax and tax provisions	<b>0.45</b>	0.61
Others	<b>268.34</b>	33.12
Income tax expense recognized in the Statement of Profit and Loss	<b>882.74</b>	(955.15)
Rounded off to	<b>882.74</b>	(955.15)

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.

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

**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.

**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 2021-22 and FY 2020-21.

Particulars	March 31, 2022	March 31, 2021
Borrowings	17,019.27	17,853.03
Trade Payables	5,376.33	4,931.02
Less: Cash & Cash Equivalents	3,385.35	1,072.60
	19,010.24	21,711.45
Equity Capital	39,473.28	38,502.29
Equity Capital and Net Debt	58,483.52	60,213.74
Gearing Ratio	33%	36%

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

### 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, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>Financial Assets</b>				
Investments	11,026.80	11,026.80	11,026.80	11,026.80
Other financial assets	321.65	390.95	321.65	390.95
Tax Assets (Net)	2,162.01	2,300.42	2,162.01	2,300.42
Trade Receivables	958.34	945.23	958.34	945.23
Cash and Cash Equivalents	3,385.35	1,072.60	3,385.35	1,072.60
Bank balances other than cash and cash equivalents	15.10	18.79	15.10	18.79
Other financial assets	1,353.48	1,006.63	1,353.48	1,006.63
<b>Total</b>	<b>19,222.73</b>	<b>16,761.42</b>	<b>19,222.73</b>	<b>16,761.42</b>
<b>Financial Liabilities</b>				
Non-current Borrowings	11,812.48	13,667.35	11,812.48	13,667.35
Other non-current financial Liabilities				
Liabilities	160.94	171.42	160.94	171.42
Current Borrowings	5,166.34	4,426.14	5,166.34	4,426.14
Trade Payables	5,376.33	4,931.02	5,376.33	4,931.02
Other current financial Liabilities	476.33	394.92	476.33	394.92
<b>Total</b>	<b>22,992.42</b>	<b>23,590.85</b>	<b>22,992.42</b>	<b>23,590.85</b>

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.

### 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 31st March 2022:

Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Fair value of financial assets disclosed</b>					
Investments	31-Mar-22	11,026.80	-	11,026.80	-
Other financial assets	31-Mar-22	321.65	-	321.65	-
Tax Assets (Net)	31-Mar-22	2,162.01	-	2,162.01	-
Trade Receivables	31-Mar-22	958.34	-	958.34	-
Cash and Cash Equivalents	31-Mar-22	3,385.35	-	3,385.35	-
Bank balances other than cash and cash equivalents	31-Mar-22	15.10	-	15.10	-
Other financial assets	31-Mar-22	1,353.48	-	1,353.48	-
<b>Total</b>		<b>19,222.74</b>	<b>-</b>	<b>19,222.74</b>	<b>-</b>

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



Quantitative disclosures fair value measurement hierarchy for liabilities as at 31st March, 2022:

Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Fair value of financial liabilities disclosed</b>					
Non-current Borrowings	31-Mar-22	11,812.48	-	11,812.48	-
Other non-current financial Liabilities	31-Mar-22	160.94	-	160.94	-
Current Borrowings	31-Mar-22	5,166.34	-	5,166.34	-
Trade Payables	31-Mar-22	5,376.33	-	5,376.33	-
Other current financial Liabilities	31-Mar-22	476.33	-	476.33	-
<b>Total</b>		<b>22,992.42</b>	<b>-</b>	<b>22,992.42</b>	<b>-</b>

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 31st March, 2021:

Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Fair value of financial assets disclosed</b>					
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	-
<b>Total</b>		<b>16,761.41</b>	<b>-</b>	<b>16,761.41</b>	<b>-</b>

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

Quantitative disclosures fair value measurement hierarchy for liabilities as at 31st March, 2021:

Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Fair value of financial liabilities disclosed</b>					
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	4,426.14	-	4,426.14	-
Trade Payables	31-Mar-21	4,931.02	-	4,931.02	-
Other current financial Liabilities	31-Mar-21	394.92	-	394.92	-
<b>Total</b>		<b>23,590.86</b>	<b>-</b>	<b>23,590.86</b>	<b>-</b>

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.

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

### 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 2022 and 31 March 2021.

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 2022 and 31 March 2021.

### 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
<b>March 31, 2022</b>		
INR	0.5% p. a.	(89.26)
INR	(0.5%) p. a.	89.26
<b>March 31, 2021</b>		
INR	0.5% p. a.	(82.81)
INR	(0.5)% p. a.	82.81

### 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
<b>Year ended 31/3/2022</b>					
Borrowings	-	5,166.34	11,852.93	-	17,019.27
Other financial liabilities	-	476.33	160.94	-	637.28
Trade and other payables	-	-	-	-	-
<b>Total</b>	-	5,642.67	12,013.87	-	17,656.55

Particulars	On demand	Less than 1 Year	1 to 5 years	5 years and above	Total
<b>Year ended 31/3/2021</b>					
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	-	-	-	-	-
<b>Total</b>	301.14	4,519.92	13,899.45	-	18,720.51

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

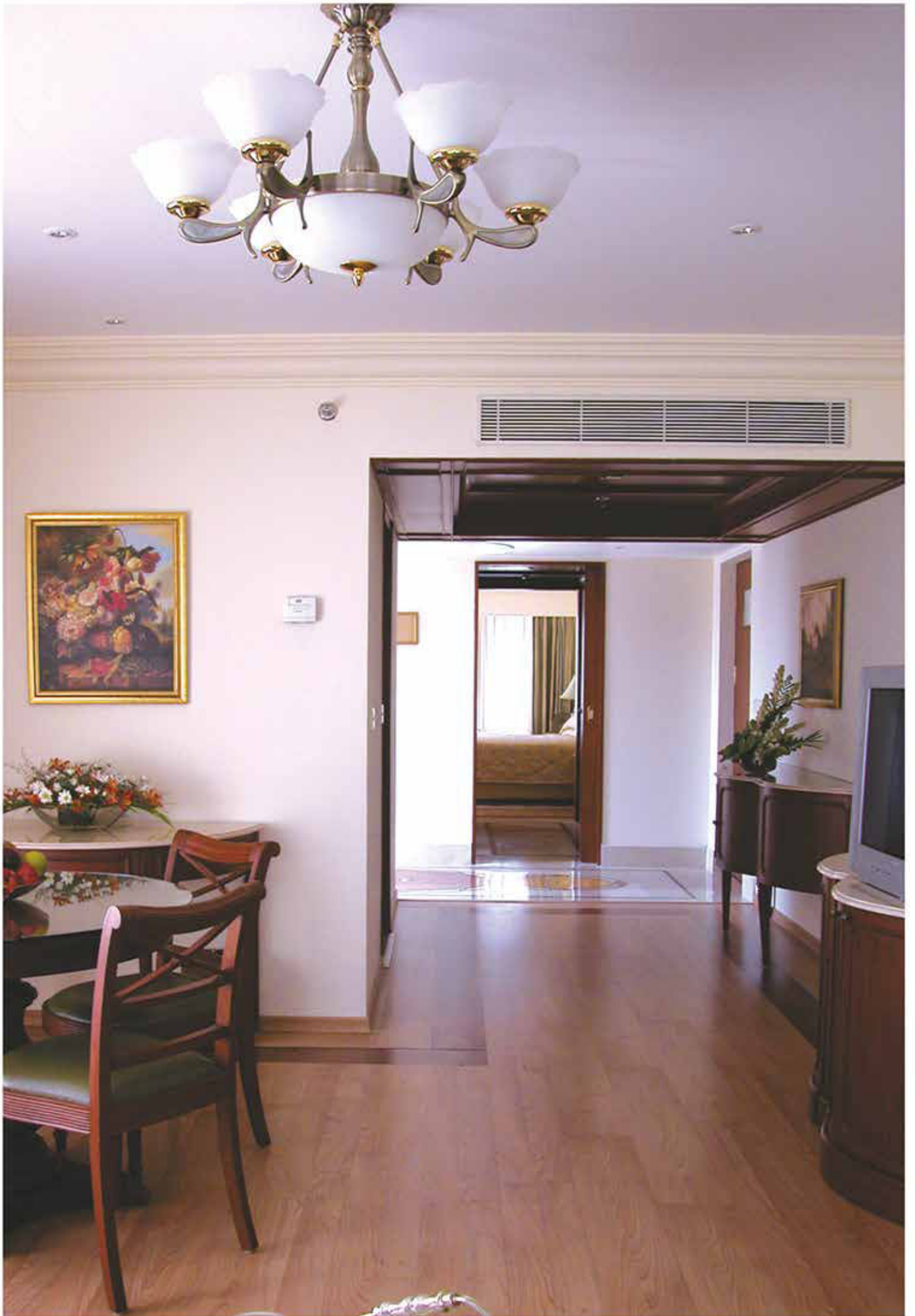
**D. Babu Raghavendra**  
Partner  
Membership No.213274  
Place : Hyderabad  
Date : May 10, 2022

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, 2022, 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, 2022, the Consolidated net profit and Consolidated total comprehensive income, Consolidated changes in equity and its Consolidated cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (Act). 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.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, 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><b>Revenue Recognition</b></p> <p>To ensure accuracy of recognition, measurement, presentation and disclosures of revenues and related accounts.</p>	<p><b>Principal Audit Procedures</b></p> <ul style="list-style-type: none"> <li>We have assessed the Company's internal controls surrounding its revenue transactions;</li> <li>We have considered and reviewed the internal audit reports.</li> <li>We tested the key controls identified,</li> <li>We performed substantive detail testing by selecting a sample of revenue transactions, that we considered appropriate to test the evidence of effectiveness of the internal controls and adherence to accounting policies in recognising the revenue, and the rebates and discounts there against.</li> </ul>
2	<p><b>Fees and reimbursements to the Operating Company</b></p> <p>To ensure accounting of the expenses comprising the Basic Fee, Incentive Fee and reimbursement of expenses based on the terms of the Agreements entered into with the Operating Company and on the operating results of the respective Hotel properties under Agreement</p>	<p><b>Principal Audit Procedures</b></p> <p>Our audit approach was as follows:</p> <ul style="list-style-type: none"> <li>Review of each of the Hotel operating agreements entered into and their state of currency.</li> <li>Implementation of the terms of the extant agreements or interim arrangements last approved by the Board of Directors, and validation of the key parameters of the computation thereof.</li> </ul>
3	<p><b>Capital Work-in-progress (CWIP)</b></p> <p>To establish proper categorisation of items to be capitalised, and appropriate recognition thereof including the consequential derecognition of the carrying amounts in the CWIP to the appropriate heads of account.</p>	<p><b>Principal Audit Procedures</b></p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> <li>Review of amounts included in the CWIP with their work/ purchase orders, and the due approvals thereof</li> <li>Applied the tests of Capital or revenue nature of the expenditure according to applicable Standards and principles and the need, if any, for impairment thereof.</li> </ul>

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

The Holding Company's Board of Directors are 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 judgement 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

- The consolidated financial statements include the Holding Company's share of net loss of Rs. 780 Lakhs for the year ended March 31, 2022, 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

- As required by Section 143(3) of the Act, based on our audit we report that:
  - 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.
  - 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.
  - 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.
  - 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.
  - On the basis of the written representations received from the Directors as on March 31, 2022 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, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - 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.

- 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.
  - iv. (a) the respective managements of the Company and its Joint Venture which is incorporated in India, whose financial statements have been audited under the Act, have represented that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) the respective management of the Company and its Joint Venture which is incorporated in India, whose financial statements have been audited under the Act, have represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the company from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - (c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its Joint Venture which is incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
  - v. The Company has not declared or paid any dividend during the year under report.

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

**D. BAPU RAGHAVENDRA**  
Partner  
(Membership No.213274)  
UDIN: 21213274AAAAMP2245

Place: Hyderabad,  
Date: May 10, 2022

# 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, 2022 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, 2022, 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: May 10, 2022

# Consolidated Balance Sheet

## as at March 31, 2022

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

Particulars	Note	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment			
Tangible Assets	1	37,885.35	39,194.96
Right to Use Assets (Land)		2,944.19	3,023.73
Capital work-in-progress		8,589.48	8,748.65
Intangible Assets	1	33.46	82.57
	1	49,452.48	51,049.91
<b>Financial Assets</b>			
Investments	2	8,387.48	9,230.33
Other financial assets	3	321.65	390.95
Tax Assets (Net)		2,162.01	2,300.42
Other non current assets	4	2,996.89	2,991.36
		13,868.03	14,913.06
<b>Total Non-Current Assets</b>		<b>63,320.51</b>	<b>65,962.97</b>
<b>Current Assets</b>			
Inventories	5	731.11	710.75
Financial Assets			
Trade Receivables	6	958.34	945.23
Cash and Cash Equivalents	7	3,385.35	1,072.60
Bank balances other than cash and cash equivalents	7	15.10	18.79
Other financial assets	3	1,353.49	1,006.63
Other Current assets	4	731.99	746.36
<b>Total Non-Current Assets</b>		<b>7,175.38</b>	<b>4,500.36</b>
<b>Total Assets</b>		<b>70,495.89</b>	<b>70,463.33</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	8	1,254.03	1,254.03
Other Equity	9	35,579.93	35,451.79
<b>Total Equity</b>		<b>36,833.96</b>	<b>36,705.82</b>
<b>Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings	10	11,812.48	13,667.35
Other financial Liabilities	12	160.94	171.42
Lease Liabilities		3,957.71	3,943.70
Provision for Employee benefits	13	305.24	373.76
Deferred Tax Liabilities (net)	15	5,421.47	4,890.75
<b>Total Non-Current Liabilities</b>		<b>21,657.84</b>	<b>23,046.98</b>
<b>CURRENT LIABILITIES</b>			
Financial Liabilities			
Borrowings	10	5,166.34	4,426.14
Trade Payables			
- Micro and Small Enterprises	11	47.05	-
- Others	11	5,329.28	4,931.02
Other financial Liabilities	12	476.33	394.92
Lease Liabilities		427.78	427.65
Provision for Employee benefits	19	21.42	18.37
Other current liabilities	14	535.89	512.43
		12,004.09	10,710.53
<b>Total Equity and Liabilities</b>		<b>70,495.89</b>	<b>70,463.33</b>
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 : May 10, 2022

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, 2022

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

Particulars	Note	Current Year	Previous year
Revenue from Operations	16	22,707.65	9,417.44
Other Income	17	117.81	264.30
<b>Total Income</b>		<b>22,825.46</b>	<b>9,681.74</b>
<b>Expenses</b>			
Food and Beverages Consumed	18	2,503.67	1,139.37
Employee Benefit Expense and Payment to Contractors	19	5,015.93	2,757.37
Finance Costs	20	1,859.26	1,991.37
Depreciation and Amortisation	1	1,474.01	1,562.05
Amortization of right to use assets		79.54	93.48
Other Operating and General Expenses	21	10,019.82	5,738.06
<b>Total Expenses</b>		<b>20,952.23</b>	<b>13,281.70</b>
<b>Profit Before Exceptional Items and Tax</b>		<b>1,873.23</b>	<b>(3,599.96)</b>
<b>Exceptional Items</b>		-	-
<b>Profit Before Tax</b>		<b>1,873.23</b>	<b>(3,599.96)</b>
<b>Tax Expenses</b>			
Current Tax		344.00	-
Deferred Tax		538.74	(955.15)
Tax relating to earlier years		-	-
<b>Total Tax Expenses</b>		<b>882.74</b>	<b>(955.15)</b>
<b>Profit for the Period</b>		<b>990.49</b>	<b>(2,644.81)</b>
Share Of Profit / (Loss) From Joint Venture		(780.16)	(1,351.91)
<b>Other Comprehensive Income, Net of Tax</b>			
Items that will not be reclassified to profit and loss			
Actuarial gain / (loss) on employee gratuity (net of tax)		(19.51)	31.91
<b>Total Comprehensive Income for the period</b>		<b>190.82</b>	<b>(3,964.81)</b>
<b>Earnings Per Share</b>			
No.of equity shares of Rs.2/-each		6,27,01,495	6,27,01,495
1) Basic		0.30	(6.32)
2) Diluted		0.30	(6.32)
Summary of Significant Accounting Policies			
The accompanying notes form an integral part of the Financial Statements			

Per our report of even date

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

**D. Babu Raghavendra**  
Partner  
Membership No.213274  
Place : Hyderabad  
Date : May 10, 2022

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, 2022

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

Particulars	Current Year	Previous Year
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax	1,873.24	(3,599.96)
Add: Share of profit / (loss) before tax from Joint Venture	(1,053.03)	(1,788.46)
<b>Consolidated profit before tax</b>	<b>820.21</b>	<b>(5,388.42)</b>
Adjustments for :		
Consolidation of proportionate share of joint venture	780.16	1,351.91
Depreciation	1,474.01	1,562.05
Amortization expense on Right-To-Use assets	79.54	93.48
Loss on sale of assets	1.53	2.20
Profit on sale of assets	(0.17)	(9.88)
Provision for Bad & Doubtful Debts	100.00	-
Finance Costs	1,859.26	1,991.37
Interest earned	(12.82)	(32.82)
	<b>4,281.51</b>	<b>4,958.31</b>
Operating Profit before working capital changes	<b>5,101.72</b>	<b>(430.11)</b>
Adjustments for :		
Trade Receivables	(113.12)	620.23
Inventories	(20.35)	105.13
Non-current and current financial assets	(276.68)	(512.89)
Other Non-current and current assets	8.84	486.32
Non-current and current financial liabilities	71.08	(527.22)
Other Current Liabilities	23.46	(62.77)
Employee benefit obligations	(65.48)	(1.10)
Trade payables	445.31	463.09
	<b>73.06</b>	<b>570.79</b>
<b>Cash generated from operations</b>	<b>5,174.78</b>	<b>140.68</b>
Less: Taxes paid / (refund received)	138.41	45.10
Less: Tax adjustment on account of share of Joint Venture	(272.87)	(436.55)
<b>Net Cash in Flow from Operating Activities</b>	<b>5,309.24</b>	<b>532.13</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets /addition to CWIP	41.86	(93.80)
Interest Received	11.95	32.02
Sale of Fixed Assets	0.68	13.94
<b>Net Cash Out flow from Investing Activities</b>	<b>54.49</b>	<b>(47.84)</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long term loans (repaid)	(4,159.12)	(2,437.50)
Term loans raised / (repaid)	3,325.36	3,728.05
Working capital borrowings	(301.14)	234.94
Long term deposits raised/(paid back)	(10.48)	(24.32)
Interest paid	(1,432.91)	(1,592.09)
Interest costs on lease liability	(426.36)	(379.05)
Fixed deposits created / (repaid)	(50.00)	300.00
<b>Net Cash Out flow from Financing Activities</b>	<b>(3,054.65)</b>	<b>(169.97)</b>
Net increase in cash and cash equivalent	<b>2,309.08</b>	<b>314.32</b>
Cash and Cash equivalents as at beginning of the year	<b>1,091.39</b>	<b>777.07</b>
Cash and Cash equivalents as at end of the year	<b>3,400.47</b>	<b>1,091.39</b>

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

**G Indira Krishna Reddy**  
Managing Director  
DIN:00005230

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

**D. Bapu Raghavendra**  
Partner  
Membership No.213274  
Place : Hyderabad  
Date : May 10, 2022

**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 excluding earmarked balances with banks on account of unclaimed dividends and Margin money deposits	3,378.82	1,091.39
Current Investment	-	-
Total Liquid Investment - (a)	3,378.82	1,091.39
Long term Borrowings ( Including Current portion)	17,019.27	17,853.03
Short Term Borrowings	-	301.14
Gross Debt - (b)	17,019.27	18,154.17
Net Debt (b) - (a)	13,640.45	17,062.78
2) Other financial Liabilities		
Derivatives	-	-
Interest Accrued but not due	-	-
Total Other financial Liabilities	-	-
Grand Total	13,640.45	17,062.78

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 2021	1,091.39	-	18,154.17	17,062.78	-	-	17,062.78
Cash flows	2,309.07	-	(1,134.90)	(3,443.97)	-	-	(3,443.97)
As at 31 March 2022	3,400.46	-	17,019.27	13,618.81	-	-	13,618.81

## Statement of Changes in Equity as at Mar 31, 2022

Particulars	Equity Share Capital Subscribed	Reserves and Surplus				Total
		Capital Reserve	Securities Premium Account	Retained Earning		
				General Reserve	Profit & Loss B/fd	
<b>Balance at the beginning of the year (April 1, 2021)</b>	1,254.03	3,469.30	3,132.00	7,100.00	21,750.49	36,705.82
<b>Add:</b>						
Profit for the year	-	-	-	-	210.33	210.33
Other Comprehensive Income for the period, net of taxes, excluding actuarial gain/ (losses)	-	-	-	-	(19.51)	(19.51)
Previous year adjustment	-	-	-	-	(62.69)	(62.69)
<b>Balance at the end of the year (Mar 31, 2022)</b>	1,254.03	3,469.30	3,132.00	7,100.00	21,878.62	36,833.96

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 : May 10, 2022

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 May 10, 2022.

## 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, 2022	As at March 31, 2021
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:

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

All other assets are classified as non-current.

A liability is treated as current when it is :

- a) Expected to be settled in the normal operating cycle;
- b) Held primarily for the purpose of trading;
- c) Expected to be settled within twelve months after the reporting period; or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current

The operating cycle is the time between the acquisition of assets and their realization in cash and cash equivalents. Based on the services rendered and their realizations in cash and cash equivalents, the company has ascertained its operating cycle is 12 months for the purpose of current and non-current classification of assets and liabilities.

#### **v. Exceptional Items**

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

#### **vi. Revenue Recognition:**

- a. Income from guest accommodation is recognised on a day to day basis after the guest checks into the Hotels. Income from Food and Beverages are recognised at the point of serving these items to the guests. Income stated is exclusive of taxes collected. Rebates and discounts granted to customers are reduced from revenue.
- b. Shop rentals are recognized on accrual basis.
- c. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- d. Insurance claims are recognized as and when they are settled / admitted.

#### **vii. Inventories:**

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

#### **viii. Property Plant and equipment:**

- a. Property Plant and equipment are stated at cost, net of credit availed in respect of any taxes, duties less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Financing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for intended use are also included to the extent they relate to the period up to such assets are ready for their intended use. Expenditure directly relating to construction/erection activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the construction cost to the extent such expenditure is related to construction or is incidental thereto. Direct expenditure during construction period attributable to the cost of assets under construction is considered as capital work in progress and indirect expenditure is included under expenditure during construction period pending allocation.
- b. Subsequent expenditure incurred on existing fixed assets is added to their book value only if such expenditure increases the future benefits from the existing assets beyond their previously assessed standard of performance.
- c. In the transition to Ind-AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

**ix. Intangible assets:**

- a. Intangible assets are carried at cost, net of credit availed in respect of any taxes and duties, less accumulated amortization. Computer software is classified under “Intangible Assets”.
- b. In the transition to Ind-AS, the Company has elected to continue with the carrying value of all of its intangible assets recognized as of April 1, 2015 (transition date ) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

**x. Depreciation and Amortisation:**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided under the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been re-assessed as under based on technical evaluation, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Plant and machinery	10 to 20 years
Electrical installations and equipment	20 years
Hotel Wooden Furniture	15 years
Non-wooden furniture & fittings	8 years
End User devices- Computers, Laptops, etc	6 years

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

Computer Software : 6 years

**xi. Leases:**

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. 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 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 derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR 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, 2022

(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
<b>Gross Block at Cost</b>									
At April 1, 2021	4,244.11	31,359.25	10,875.29	1,971.21	338.34	189.63	48,977.84	8,748.66	379.18
Additions	-	-	107.72	2.06	5.91	-	115.68	145.06	1.64
Disposals	-	-	7.25	0.10	-	-	7.35	304.24	-
<b>As At Mar 31, 2022</b>	<b>4,244.11</b>	<b>31,359.25</b>	<b>10,975.76</b>	<b>1,973.17</b>	<b>344.25</b>	<b>189.63</b>	<b>49,086.16</b>	<b>8,589.48</b>	<b>380.82</b>
<b>Depreciation</b>									
At April 1, 2021	1.83	3,251.98	5,271.55	922.36	251.79	57.67	9,757.18	-	322.31
Charge for the period		549.38	724.02	123.32	32.70	19.54	1,448.96	-	25.05
Disposals			5.32				5.32	-	-
<b>As At Mar 31, 2022</b>	<b>1.83</b>	<b>3,801.36</b>	<b>5,990.25</b>	<b>1,045.68</b>	<b>284.49</b>	<b>77.21</b>	<b>11,200.82</b>	<b>-</b>	<b>347.37</b>
<b>Net Block</b>									
<b>As At Mar 31, 2022</b>	<b>4,242.28</b>	<b>27,557.89</b>	<b>4,985.51</b>	<b>927.49</b>	<b>59.76</b>	<b>112.42</b>	<b>37,885.35</b>	<b>8,589.48</b>	<b>33.45</b>
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	82.57

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.

Ageing of Capital Work-in-progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital work in progress					
Projects in progress	142.32	89.47	231.46	8,126.22	8,589.47
Projects temporarily suspended	-	-	-	-	-

## Note 2 - Investments

Particulars	Face Value Rs.	As at March 31, 2022		As at March 31, 2021	
		No. of shares	Rs.lakhs	No. of shares	Rs.lakhs
<b>Non-Current Investments - Unquoted</b>					
<b>(i) Investment in Joint Venture</b>	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			(2,639.32)		(1,796.47)
			8,385.68		9,228.53
<b>(ii) Others</b>	10/-	18,000	1.80	18,000	1.80
Green Infra Windfarms Limited (fully paid Equity shares)					
<b>Total Non-current Investments</b>			<b>8,387.48</b>		<b>9,230.33</b>

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.

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

### Note 3 - Other Financial Assets

Particulars	As at March 31, 2022	As at March 31, 2021
<b>A) Non Current</b>		
Deposits with Public Bodies and Others	321.65	390.95
	321.65	390.95
<b>B) Current</b>		
Deposit with public bodies and others	2.02	3.74
Other advances	580.72	416.89
Claims Receivable	0.81	1.38
Interest accrued	5.05	4.17
Other receivables	764.89	580.45
	1,353.49	1,006.63

### Note 4 - Other assets

Particulars	As at March 31, 2022	As at March 31, 2021
<b>A) Non current (Unsecured considered good)</b>		
Other advances recoverable	2,213.31	2,213.31
Advance lease payments	687.36	708.30
Deposits for tax and other statutory dues	96.22	69.74
	2,996.89	2,991.36
<b>B) Current (Unsecured considered good)</b>		
Prepaid Expenses	296.59	184.50
Advance to Suppliers	176.70	150.07
Advance to Employees	8.53	10.40
Excess of GST input credit over liability	152.38	246.49
Export benefit receivable	97.79	154.91
	731.99	746.36

### Note 5 - Inventories

Particulars	As at March 31, 2022	As at March 31, 2021
Food and Beverages	431.85	455.23
Stores and Operating Supplies	299.26	255.52
	731.11	710.75

### Note 6 - Trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Considered good - Unsecured	958.34	945.23
Credit impaired	193.29	93.29
	1,151.63	1,038.52
Less : Provision for Trade Receivables which are credit impaired	193.29	93.29
	958.34	945.23

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, 2022	As at March 31, 2021
<b>Cash and cash equivalents</b>		
Cash on hand	10.96	13.80
Balances with banks in current account	2,417.86	58.79
Other deposit with bank	950.00	1,000.00
	3,378.82	1,072.60
Bank balances other than cash and cash equivalents		
Earmarked balances with banks on account of unclaimed dividends	15.10	18.79
Margin money deposits	6.53	-
	21.63	18.79



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

### Note 8 - Equity Share Capital

Particulars	As at March 31, 2022	As at March 31, 2021
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, 2022		As at March 31, 2021	
	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) Promoter Shareholding and Shareholders holding more than 5% Equity Shares in the Company

Name of Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mrs. G. Indira Krishna Reddy	7,568,947	12.07	7,568,947	12.07
Mrs. Shalini Bhupal	23,448,859	37.40	23,448,859	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, 2022	As at March 31, 2021
<b>Capital Reserve</b>	3,469.30	3,469.30
<b>Securities Premium Account</b>	3,132.00	3,132.00
<b>General Reserve</b>	7,100.00	7,100.00
<b>Retained Earnings</b>		
Surplus in the Profit And Loss including OCI	21,750.50	25,715.29
Add: Current period profits	210.33	(3,996.72)
Add: Previous period adjustments	(62.69)	-
<b>Total Retained Earnings</b>	21,898.14	21,718.57
<b>Reserves and Surplus</b>	35,599.44	35,419.87
<b>Other Comprehensive Income (OCI)</b>	(19.51)	31.91
<b>Total Other Equity</b>	35,579.93	35,451.79

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

## Note 10 - Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
<b>A) Long term borrowings</b>		
Term Loan from Banks		
Secured	17,019.27	17,853.03
Less: Unamortized Borrowing Cost	40.45	60.67
	16,978.82	17,792.35
Less: Current maturities of Long term borrowings (shown under Other current financial liabilities)	5,166.34	4,125.00
Total Long term borrowings	11,812.48	13,667.35
<b>B) Short term borrowings</b>		
Loans repayable on demand from Banks		
Secured	-	301.14
Current maturities of long term borrowings		
Secured	5,166.34	4,125.00
Total Short term borrowings	5,166.34	4,426.14
Total Borrowings	16,978.82	18,093.49

### i) Term Loans from Banks:

- Rs.60.28 crores (2021: Rs.79.03 crores) from HDFC Bank Ltd at an interest rate of 1 year MCLR + spread of 115 bps.viz. 8.35% 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 was sanctioned with a moratorium of 2 years from the date of first disbursement. ie. Aug 2014.
- Rs.43.75 crores (2021: Rs.66.25 crores) from AXIS Bank Ltd at an interest rate of 1 year MCLR + spread of 110 bps.viz. 8.45% 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 was sanctioned with a moratorium of 2.5 years from the date of first disbursement. ie. July 2014.
- Rs.16.87 crores (2021: Rs.16.87 crores) of short term loan from HDFC Bank under the Emergency Credit Line Guarantee Scheme (ECLGS 2.0) notified by the Government of India, to meet the working capital requirement and repayable in 48 equated monthly instalments after a 12 month moratorium from the date of disbursement, at an interest rate of 8.25% p.a
- Rs.16.87 crores (2021: Rs.Nil) of short term loan from HDFC Bank under the Emergency Credit Line Guarantee Scheme (ECLGS 3.0) notified by the Government of India, to meet the working capital requirement and repayable in 48 equated monthly instalments after a 24 month moratorium from the date of disbursement, at an interest rate of 8.20% p.a
- Rs.16.04 crores (2021: Rs.16.38 crores) of short term loan from AXIS Bank under the Emergency Credit Line Guarantee Scheme (ECLGS 2.0) notified by the Government of India, to meet the working capital requirements and repayable in 48 equated monthly instalments after a 12 month moratorium from the date of disbursement, at an interest rate of 8.45% p.a
- Rs.16.38 crores (2021: Nil) of short term loan from AXIS Bank under the Emergency Credit Line Guarantee Scheme (ECLGS 3.0) notified by the Government of India, to meet the working capital requirements and repayable in 48 equated monthly instalments after a 24 month moratorium from the date of disbursement, at an interest rate of 8.35% p.a

### ii) Loans repayable on demand from Banks

- Bank Overdraft from AXIS Bank Ltd Rs.Nil (2021 : Rs.0.86 crores) at an interest rate of 1 month MCLR + spread of 165 bps.viz. 8.90% per annum is secured by first charge on current assets of the Company, ranking pari passu with IDBI Bank Ltd, further secured by second charge on fixed assets of Taj Club House.
- Bank Overdraft from IDBI Bank Ltd Rs.Nil (2021 : Rs.2.15 crores) 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.

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

### Note 11 - Trade Payables

Particulars	As at March 31, 2022	As at March 31, 2021
Dues to Micro and Small Enterprises (Refer Note (i))	47.05	-
Others	3,336.68	3,800.49
Accrued expenses and others	1,992.60	1,130.53
	<b>5,376.33</b>	<b>4,931.02</b>

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.

(ii) Dues to MSME enterprises as at 31.03.2022 are not older than 45 days

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

Particulars	As at March 31, 2022	As at March 31, 2021
a) The principal amount remaining unpaid to supplier as at the end of the accounting year	47.05	-
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	-	-
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	-	-

Ageing of Trade Payables	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Sundry Creditors - MSME	47.05	-	-	-	47.05
Sundry Creditors - Others	1,107.17	36.37	28.96	177.79	1,350.29
Other Trade Payables	740.08	459.01	513.53	273.04	1,986.38
Accrued Expenses	1,657.49	220.21	100.45	14.45	1,992.60

### Note 12 - Other financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
<b>A) Non Current financial liabilities</b>		
Deposits refundable	160.94	171.42
	<b>160.94</b>	<b>171.42</b>
<b>B) Current financial liabilities</b>		
Deposits from others	5.85	7.88
Retention Money payable to contractors	38.67	82.60
Unclaimed dividend	15.10	18.79
Employee Related Liabilities	369.50	260.77
Others	47.21	24.87
	<b>476.33</b>	<b>394.92</b>

### Note 13 - Provision for Employee Benefits

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Compensated absences	146.75	152.56
Gratuity	158.49	221.20
	<b>305.24</b>	<b>373.76</b>
Current		
Compensated absences	21.42	18.37

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

#### Note 14 - Other non financial Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Advances towards revenues	415.70	425.40
Statutory dues	120.19	87.03
	535.89	512.43

#### Note 15 - Deferred Tax Liabilities (Net)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Deferred Tax Liabilities:</b>		
Depreciation on Fixed Assets	6,307.08	6,314.55
Amortization of finance cost	11.78	16.88
<b>Total (A)</b>	<b>6,318.86</b>	<b>6,331.43</b>
<b>Deferred Tax Assets:</b>		
Provision for Doubtful Debts	56.29	25.95
Employee Benefits	95.12	109.09
Amortization of prepaid lease payments	51.32	45.83
Loss incurred	449.17	988.27
Lease liability and right to use assets	245.49	271.55
<b>Total (B)</b>	<b>897.39</b>	<b>1,440.69</b>
<b>Net Deferred Tax Liabilities (A-B)</b>	<b>5,421.47</b>	<b>4,890.75</b>

#### Note 16 - Revenue from Operations

Particulars	Current Year	Previous Year
Room Revenue, Food, Restaurants and Banquet Revenue	21,737.99	8,784.70
Shop rentals	312.98	174.70
Membership fees	47.27	30.00
Export benefits	-	111.20
Others	609.41	316.84
<b>Total</b>	<b>22,707.65</b>	<b>9,417.44</b>

#### Note 17 - Other Income

Particulars	Current Year	Previous Year
<b>Interest Income at amortised cost</b>		
Deposits with banks	8.45	12.12
Others	4.37	4.38
<b>Sub-total</b>	<b>12.82</b>	<b>16.50</b>
Interest on Income Tax Refunds	-	16.32
<b>Total</b>	<b>12.82</b>	<b>32.82</b>
Profit on sale of assets	0.17	9.89
Exchange Gain (Net)	0.08	0.09
Others	104.74	221.50
<b>Total</b>	<b>117.81</b>	<b>264.30</b>

#### Note 18 - Food and Beverages Consumed

Particulars	Current Year	Previous Year
Food and Beverages Consumed	2,503.67	1,139.37

#### Note 19 - Employee Benefit Expense

Particulars	Current Year	Previous Year
Salaries, Wages, Bonus etc.	3,141.22	1,828.01
Company's Contribution to Provident and Other Funds	283.37	176.14
Reimbursement of Expenses on Personnel Deputed to the Company	772.65	388.79
Contractor employee expenses	446.70	178.95
Staff Welfare Expenses	371.99	185.47
<b>Total</b>	<b>5,015.93</b>	<b>2,757.37</b>

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

#### Note 20 - Finance costs

Particulars	Current Year	Previous Year
Interest Expense	1,412.68	1,592.09
Interest cost on lease liability	426.36	379.05
Other borrowing costs	20.22	20.22
<b>Sub-total</b>	<b>1,859.26</b>	<b>1,991.37</b>
Less : Interest Capitalised	-	-
<b>Total</b>	<b>1,859.26</b>	<b>1,991.37</b>

#### Note 21 - Other Operating and General Expenses

Particulars	Current Year	Previous Year
<b>(i) Operating expenses consist of the following :</b>		
Linen and Room Supplies	492.79	214.99
Catering Supplies	298.86	133.09
Other Supplies	51.87	30.91
Fuel, Power and Light	2,032.35	1,168.33
Repairs to Buildings	404.25	178.07
Repairs to Machinery	722.85	496.63
Repairs to Others	99.88	72.49
Linen and Uniform Washing and Laundry Expenses	302.68	153.94
Payment to Orchestra Staff, Artistes and Others	207.13	130.72
Guest Transportation	224.81	67.51
Travel Agents' Commission	644.54	317.46
Credit card Commission	144.44	50.24
Other Operating Expenses	650.78	204.90
<b>Total</b>	<b>6,277.23</b>	<b>3,219.29</b>
<b>(ii) General expenses consist of the following :</b>		
Rent	98.01	113.01
Licence Fees	223.56	181.58
Rates and Taxes	975.77	891.16
Insurance	165.12	137.51
Advertising and Publicity	505.57	331.57
Printing and Stationery	73.34	40.34
Passage and Travelling	7.83	8.35
Communication expenses	153.93	66.50
Provision for Doubtful Debts	100.00	-
Expenditure on Corporate Social Responsibility	61.63	69.87
Operating & Management Fees	715.75	294.74
Professional Fees	115.33	89.48
Outsourced Support Services	153.03	158.23
Loss on Sale of Fixed Assets	1.53	2.20
Payment made to Statutory Auditors		
i. As Auditors	27.00	13.50
ii. For Tax Audit	4.50	1.50
iii. For certification	-	0.05
Directors' Sitting Fees	11.30	16.80
Other Expenses	349.39	102.38
<b>Total</b>	<b>3,742.60</b>	<b>2,518.78</b>
	<b>10,019.82</b>	<b>5,738.06</b>



(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 (2021: Rs. Nil).  
Contingent liabilities not provided for in respect of

Particulars	As at March 31, 2022	As at March 31, 2021
Value added tax matters (Rs.97.20 lakhs [2021: Rs.97.20 lakhs] paid under protest against the demands)	307.40	307.40
Income tax matters (Rs.102.30 lakhs [2021: Rs.102.30 lakhs] paid under protest against the demands)	107.91	259.00
Service tax matters	2527.63	2527.63
Probable customs duty payable on the Equipment Imported under Export Promotion Capital Goods Scheme	330.14	330.14
Letters of Credit	65.08	-

## 23. Impact of Covid on business:

The business improved during the financial year under review with removal of all restrictions on inter-state and foreign travel, relaxations by various State Governments and the increase vaccination drive across the country. The company achieved higher revenues across the business segments viz, rooms, Banquets and restaurants compared to previous quarters of the previous financial year.

The Company has also assessed the impact of COVID-19 in preparation of these financial results, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets and impact on revenues and costs. 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. Accordingly, the financial results of the Company have been prepared on a going concern basis.

## 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.82.64 crores on the land acquisition, construction of approach bridges from the National Highway and Lake rejuvenation works. 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 in favour of Company by KIADB.
  - (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 crores including the payment to TSIIC (Telangana State Industrial Infrastructure Corporation). 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. The Company requested TSIIC for extension of time to complete the project and the company expects the favourable order.
25. The Company received demand during FY 2020-21, from TSSPDCL (Telangana State Southern Power Distribution Company Limited), pertaining to wheeling charges for FY 2002-2003 to FY 2018-2019 at Taj Krishna, Taj Deccan and Taj Banjara aggregating to Rs.21,29,97,589/-. The Company filed writ petition with the Honourable High Court of Telangana for a stay on the recovery of the demand and the Honourable High Court of Telangana 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. As per the amended Schedule V of the Companies Act, 2013, the remuneration paid to the Managing Director and the Joint Managing Director for the financial year 2021-22 were as approved by the shareholders at the Annual General Meeting of the Company held on 24th September, 2020 and 25th July, 2019 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:**

<b>Whole Time Directors:</b>	
<b>Name of the Related Party</b>	<b>Relationship</b>
Mrs. G Indira Krishna Reddy	Managing Director
Mrs. Shalini Bhupal	Joint Managing Director
<b>Non-Whole Time Directors:</b>	
<b>Name of the Related Party</b>	<b>Relationship</b>
Dr. GVK Reddy	Non-Executive Non-Independent Director (Chairman)
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
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
<b>Chief Financial Officer and Company Secretary:</b>	
Mr. J. Srinivasa Murthy	Chief Financial Officer & Company Secretary

**b. Other related parties:**

<b>Name of the Related Party</b>	<b>Relationship</b>
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	GVK Technical & Consultancy Services (P) Ltd
GVK Deoli Kota Expressway Ltd.	GVK EMRI
Aragen Life Sciences (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	Shriya Som Fashions International LLP

**Transactions during the year**

<b>Name of the related party</b>	<b>Current Year</b>	<b>Previous Year</b>
<b>Key Management Personnel:</b>		
Salaries and other employee benefits to Whole Time Directors and Chief Financial Officer & Company Secretary	<b>834.78</b>	<b>281.80</b>
Sitting fees to other non executive / Independent Directors	<b>11.30</b>	<b>16.80</b>
<b>Joint Venturer:</b>		
Indian Hotels Company Limited		
Management fee	<b>715.75</b>	288.91
Reimbursement of advertisement expenses	<b>306.56</b>	195.00
Deputed Staff In expenses Payable	<b>492.67</b>	582.46
Deputed Staff Out reimbursements Receivable	<b>296.49</b>	326.95
<b>Jointly Controlled Entity:</b>		
Green Woods Palaces and Resorts Pvt Ltd		
Deputed Staff Out reimbursements Receivable	<b>7.42</b>	4.21

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

Name of the related party	Current Year	Previous Year
<b>Enterprises with common directors:</b>		
Oriental Hotels Limited		
Deputed Staff In expenses Payable	32.52	35.01
Deputed Staff Out reimbursements Receivable	50.76	91.16
Current Account Transactions	4.68	27.94
PIEM Hotels Limited		
Deputed Staff In expenses Payable	37.78	27.02
Deputed Staff Out reimbursements Receivable	46.48	18.19
Benares Hotels Limited		
Deputed Staff In expenses Payable	10.71	3.82
<b>Enterprises in which key management personnel and / or their relatives have significant influence:</b>		
GVK EMRI – CSR Spend (Refer Note No. 31)	131.25	-
<b>Income from sale of rooms and food &amp; beverages:</b>		
- GVK Gautami Power Ltd	-	0.50
- Aragen Life Sciences Pvt Ltd	0.97	0.33
- GVK Industries Ltd	0.20	-
- GVK Power and Infrastructure Ltd	1.62	-
- GVK Energy Ltd	3.31	-
- Crescent EPC Projects & Technical Services Ltd	0.03	-
- Alakananda Hydro Power Co Ltd	0.37	-
- GVK Power Goindwal Sahib Ltd	1.86	-
- GVK EMRI	0.34	-
<b>Shop Rentals</b>	3.97	4.18
- Shriya Som Fashions International LLP		

**Balances Outstanding as of 31 March, 2022:**

Name of the related party	As at March 31, 2022	As at March 31, 2021
<b>Joint Venturer:</b>		
Indian Hotels Company Limited		
Operating fee, reimbursable expenses and current account dues payable (net)	1364.57	1554.35
<b>Jointly controlled entity:</b>		
Green Woods Palaces & Resorts (P) Ltd		
Investment in Equity Shares	8,385.68	9,228.53
Deputed Staff reimbursement receivable	0.06	4.21
<b>Enterprises with common directors:</b>		
Oriental Hotels Limited payable / (receivable) net	(70.67)	(37.80)
PIEM Hotels Limited payable / (receivable) net	1.24	(4.93)
Benares Hotels Limited payable / (receivable) net	0.45	(3.82)
<b>Enterprises in which key management personnel and / or their relatives have significant influence:</b>		
<b>Amount receivable for sale of rooms and food &amp; beverages:</b>		
Aragen Life Sciences Pvt Ltd	0.40	-
GVK Industries Ltd	0.30	0.64
GVK Power and Infrastructure Ltd	1.16	0.96
GVK Energy Ltd	0.05	0.86
Alakananda Hydro Power Co Ltd	0.50	0.48
GVK Power (Goindwal Sahib) Ltd	0.69	3.57
<b>Shop Rental receivable - Shriya Som Fashions International LLP</b>	0.64	-

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

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, 2022	As at March 31, 2021
Not later than one year	414.83	560.13
Later than one year but not later than five years	1,745.96	798.59
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, 2022	As at March 31, 2021
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.86.92 lakhs (2021: Rs. 51.81 lakhs) on account of provident fund and Rs.21.71 lakhs (2021: Rs. 20.20 lakhs) on account of Employee State Insurance.

#### Defined benefit plan:

##### Gratuity:

The Company has a funded defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on separation at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act,1972 with total ceiling on gratuity of Rs.2,000,000/-

The following tables summarize the components of net expense recognized in the Statement of Profit and Loss and amounts recognized in the Balance Sheet for the respective employee gratuity plans.

#### a. Statement of Profit and Loss and Statement of Other Comprehensive Income

Particulars	Current Year	Previous Year
Current Service Cost	31.24	36.36
Past Service Cost	-	-
Interest on Net Defined Benefit liability / (asset)	11.30	11.16
Changes in financial assumptions	(8.89)	1.80
Changes in demographic assumptions	-	-
Experience adjustments	15.74	2.79
Actuarial return on plan assets less interest on plan assets	20.66	(48.80)
Net charge to Profit & Loss and OCI	70.05	3.31

#### b. Reconciliation of Defined Benefit Obligation

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Defined benefit Obligation	723.58	694.56
Current Service Cost	31.24	36.36
Past Service Cost	-	-
Interest Cost	36.65	36.24
Actuarial Losses / (Gain)	6.85	4.59
Benefits Paid	(21.49)	(48.17)
Closing Defined Benefit Obligation	776.83	723.58

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

#### c. Change in Fair Value of Plan Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Fair Value of Plan Assets	502.37	476.66
Employer Contributions	132.77	-
Interest on Plan Assets	25.35	25.08
Actuarial gain / (Losses)	(20.66)	48.80
Benefits Paid	(21.49)	(48.17)
Closing Fair Value of Plan Assets	618.34	502.37

#### d. Amount recognized in Balance Sheet

Particulars	As at March 31, 2022	As at March 31, 2021
Opening net defined benefit liability / (asset)	221.20	217.88
Expense charged to profit and loss account	42.54	47.53
Amount recognized outside profit and loss account	27.51	(44.21)
Employer Contributions	(132.77)	-
Net Liability recognized in the Balance Sheet	158.48	221.20

#### e. Description of Plan Assets

Particulars	As at March 31, 2022	As at March 31, 2021
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	6.85%	6.60%
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, 2022	March 31, 2021
Discount rate (p.a)	6.85%	6.60%
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 2022 works out to Rs.2,54,69,643/- (2021: Rs. 2,55,53,740/-)

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.



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

### 31. Corporate Social Responsibility Expenditure

During 2nd phase of Covid 19 pandemic, the company was requested to help the government with supply of vaccines, ambulance services and oxygen cylinders. The company after taking the approval of the CSR committee approved to spend the CSR amount pertaining to FY 2021-22 aggregating to Rs. 24.47 lakhs. The company also spent an additional expenditure of Rs. 36.91 lakhs in advance during FY2021-22. In addition to this, the company also spent the CSR budget pertaining to FY2020-21 aggregating to Rs. 69.87 lakhs in the current FY2021-22. The entire CSR expenses were incurred through GVK EMRI towards supply of vaccines, oxygen cylinders and ambulance services during 2nd wave of COVID-19 pandemic.

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
<b>Profit before tax</b>	<b>1,873.24</b>	(3,599.96)
<b>Income tax rate as applicable</b>	<b>27.82%</b>	29.12%
Calculated taxes based on above, without any adjustments for deductions	<b>545.49</b>	(1,001.51)
<b>Permanent tax differences due to:</b>		
Effect of income that is exempt from taxation	<b>(120.37)</b>	(102.21)
Income considered as capital in nature under tax and tax provisions	<b>(0.05)</b>	(2.75)
Effect of expenses that are not deductible in determining taxable profit	<b>188.89</b>	117.59
Expense considered to be capital in nature under tax and tax provisions	<b>0.45</b>	0.61
Others	<b>268.34</b>	33.12
Income tax expense recognized in the Statement of Profit and Loss	<b>882.74</b>	(955.15)
Rounded off to	<b>882.74</b>	(955.15)

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.

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

**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.

**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 2021-22 and FY 2020-21.

Particulars	March 31, 2022	March 31, 2021
Borrowings	17,019.27	17,853.03
Trade Payables	5,376.33	4,931.02
Less: Cash & Cash Equivalents	3,385.35	1,072.60
	19,010.25	21,711.45
Equity Capital	36,833.96	36,705.82
Equity Capital and Net Debt	55,844.20	58,417.27
Gearing Ratio	34%	37%

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

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

### 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, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>Financial Assets</b>				
Investments	<b>8,387.48</b>	9,230.33	<b>8,387.48</b>	9,230.33
Other financial assets	<b>321.65</b>	390.95	<b>321.65</b>	390.95
Tax Assets (Net)	<b>2,162.01</b>	2,300.42	<b>2,162.01</b>	2,300.42
Trade Receivables	<b>958.34</b>	945.23	<b>958.34</b>	945.23
Cash and Cash Equivalents	<b>3,385.35</b>	1,072.60	<b>3,385.35</b>	1,072.60
Bank balances other than cash and cash equivalents	<b>15.10</b>	18.79	<b>15.10</b>	18.79
Other financial assets	<b>1,353.48</b>	1,006.63	<b>1,353.48</b>	1,006.63
<b>Total</b>	<b>16,583.41</b>	14,964.95	<b>16,583.41</b>	14,964.95
<b>Financial Liabilities</b>				
Non-current Borrowings	<b>11,812.48</b>	13,667.35	<b>11,812.48</b>	13,667.35
Other non-current financial Liabilities	<b>160.94</b>	171.42	<b>160.94</b>	171.42
Current Borrowings	<b>5,166.34</b>	301.14	<b>5,166.34</b>	301.14
Trade Payables	<b>5,376.33</b>	4,931.02	<b>5,376.33</b>	4,931.02
Other current financial Liabilities	<b>476.33</b>	4,519.92	<b>476.33</b>	4,519.92
<b>Total</b>	<b>22,992.42</b>	23,590.85	<b>22,992.42</b>	23,590.85

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.

### 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 31st March, 2022:

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-22	8,387.48	-	8,387.48	-
Other financial assets	31-Mar-22	321.65	-	321.65	-
Tax Assets (Net)	31-Mar-22	2,162.01	-	2,162.01	-
Trade Receivables	31-Mar-22	958.34	-	958.34	-
Cash and Cash Equivalents	31-Mar-22	3,385.35	-	3,385.35	-
Bank balances other than cash and cash equivalents	31-Mar-22	15.10	-	15.10	-
Other financial assets	31-Mar-22	1,353.48	-	1,353.48	-
<b>Total</b>		<b>16,583.41</b>	<b>-</b>	<b>16,583.41</b>	<b>-</b>

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 31st March, 2022:

Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Fair value of financial liabilities disclosed</b>					
Non-current Borrowings	31-Mar-22	11,812.48	-	11,812.48	-
Other non-current financial Liabilities	31-Mar-22	160.94	-	160.94	-
Current Borrowings	31-Mar-22	5,166.34	-	5,166.34	-
Trade Payables	31-Mar-22	5,376.33	-	5,376.33	-
Other current financial Liabilities	31-Mar-22	476.33	-	476.33	-
<b>Total</b>		<b>22,992.42</b>	<b>-</b>	<b>22,992.42</b>	<b>-</b>

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 31st March, 2021:

Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Fair value of financial assets disclosed</b>					
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	-
<b>Total</b>		<b>14,964.95</b>	<b>-</b>	<b>14,964.95</b>	<b>-</b>

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 liabilities as at 31st March, 2021:

Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Fair value of financial liabilities disclosed</b>					
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	4,426.14	-	4,426.14	-
Trade Payables	31-Mar-21	4,931.02	-	4,931.02	-
Other current financial Liabilities	31-Mar-21	394.92	-	394.92	-
<b>Total</b>		<b>23,590.85</b>	<b>-</b>	<b>23,590.85</b>	<b>-</b>

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

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

### 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 31st March, 2022 and 31st March, 2021.

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 2022 and 31 March 2021.

#### 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
<b>March 31, 2022</b>		
INR	0.5% p. a.	(89.26)
INR	(0.5%) p. a.	89.26
<b>March 31, 2021</b>		
INR	0.5% p. a.	(82.81)
INR	(0.5)% p. a.	82.81

#### 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
<b>Year ended 31/3/2022</b>					
Borrowings	-	5,166.34	11,852.93	-	17,019.27
Other financial liabilities	-	476.33	160.94	-	637.28
Trade and other payables	-	-	-	-	-
<b>Total</b>	-	5,642.67	12,013.87	-	17,656.55

Particulars	On demand	Less than 1 Year	1 to 5 years	5 years and above	Total
<b>Year ended 31/3/2021</b>					
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	-	-	-	-	-
<b>Total</b>	301.14	4,519.92	13,899.45	-	18,720.51

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 : May 10, 2022

For and on behalf of the Board

**G Indira Krishna Reddy**  
Managing Director  
DIN:00005230

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

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









TAJGVK Hotels & Resorts Limited

CIN: L40109TG1995PLC019349

Registered Office:

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