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To the Members of Hotel Kanakeshwar Private Limited
Report on the standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **Hotel Kanakeshwar Private Limited ("the Company")** which comprises the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, (statement of changes in equity) and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and loss, (changes in equity) and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position



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

In preparing the 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.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

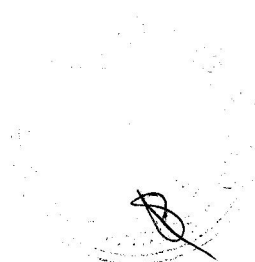
Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, 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.

- a. 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.
- b. The Balance Sheet, the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.



c. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

d. On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

e. 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".

f. 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, in our opinion and to the best of our information and according to the explanations given to us:

1. The Company the Company does not have any pending litigations which would impact its financial position.
2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Anand Kabra & Co.
Chartered Accountants
Firm's Registration Number: 114351W



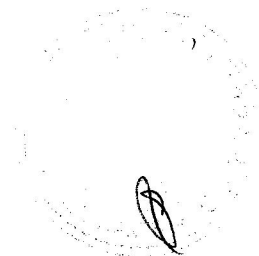
Sham Vartikar
Partner
Membership Number: 048301
Place: Mumbai
Date: 16.05.2018



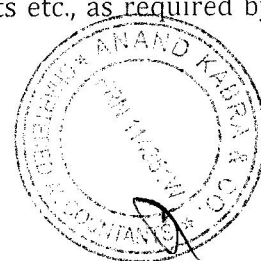
ANNEXURE I TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date,

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and the situation of fixed assets on the basis of available information.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner every year. In accordance with this programme, fixed assets were verified during the year and no material discrepancies were noticed on such verification. 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 given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.
- (ii) In our opinion and according to the information and explanation given to us the inventories were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) In our opinion and according to the information and explanations provided by the management, the Company has not granted any loans secured or unsecured to companies, firms, limited Liabilities Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. and hence in our opinion clause (a). (b) and (c) of sub- paragraph(iii) of the order is not applicable to the company.
- (iv) In our opinion according to information and explanation provided to us by the management, the company has not given loans, investments, guarantees, & security covered under the provisions of section 185 & 186 of the Companies Act, 2013.
- (v) In our opinion and according to the information and explanations provided to us by the management, the Company has not accepted any deposits from the public within the meaning of the sections 73 to 76 or any other provision of the Companies Act, 2013 and the rules framed there under.
- (vi) According to the information and explanations provided to us by the management, the maintenance of cost records was not prescribed by the Central Government under section 148(1) of the Act for any of the activities of the Company.



- (vii) According to the information and explanations provided to us by the management and on the basis of our examination of the records of the company, in respect of statutory dues:
- (a) The company, is regular in depositing with the appropriate authorities the undisputed statutory dues including provident fund, employees' state Insurance Income Tax, Wealth Tax, sales tax, value added tax, service tax, cess and other material statutory dues applicable to it.
 - (b) According to the information and explanations given to us, there are no disputed dues of Income tax/Sales Tax/Service tax/Custom duty/Excise Duty/ Value Added Tax which have not been deposited.
- (viii) According to the information and explanations given to us and the records made available to us, the Company has not defaulted in repayment of loans to bank, financial institution, Government. The company does not have any dues to debenture holders during the period covered by our audit report
- (ix) According to the information and explanations given to us and the records made available to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the period covered by our audit report. Accordingly, Paragraph 3(ix) of the Order is not applicable.
- (x) To the best of our knowledge and belief and according to the information and explanations given to us by the company, no fraud by the Company or on the company by its officers or employees has been noticed or reported during theyear.
- (xi) According to the information and explanations given to us and based on the records made available to us, the provisions of sec 197 are not applicable to company. Accordingly, Paragraph 3(xi) of the order is not applicable
- (xii) According to the information and explanations given to us and based on the records made available, the company is not Nidhi Company. Accordingly Paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on the records made available to us the company has complied with sections 177 and 188 of Companies Act, 2013 in respect of all transactions where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;

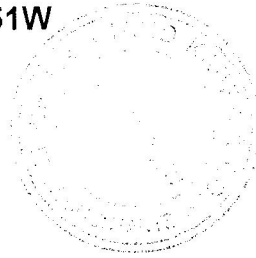


- (xiv) According to the information and explanations given to us and based on the records made available to us the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to the information and explanations given to us and based on the records made available to us the company has not entered into any non-cash transactions with directors or persons connected with him during the year under review. Accordingly, Paragraph 3(xv) of the order is not applicable.
- (xvi) According to the information and explanations given to us and based on the records made available to us the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 during the year under review.

For Anand Kabra & Co.
Chartered Accountants
Firm's Registration Number: 114351W



Sham Vartikar
Partner
Membership Number: 048301
Place: Mumbai
Date: 16.05.2018



HOTEL KANAKESHWAR PRIVATE LIMITED
(CIN: U55109MH1989PTC053640)

Balance Sheet as at 31st March, 2018

(Rs in lacs)

Particulars	Note No.	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
ASSETS				
Non-current Assets				
Property, plant and equipment	5	155.65	144.48	11.57
Capital Work-in-Progress		-	-	133.65
Financial Assets				
Loans	6	-	0.03	0.03
Income tax assets (Net)		-	-	(0.03)
Total Non-current Assets		155.65	144.51	145.22
Current Assets				
Financial assets				
Trade receivables	7	0.26	-	-
Cash and Cash equivalents	8	4.73	1.15	0.87
Other current Assets	9	8.95	-	-
Total Current Assets		13.94	1.15	0.87
Total Assets		169.59	145.66	146.09
EQUITY AND LIABILITIES				
Equity				
Equity Share capital	10	24.50	24.50	24.50
Other Equity	11	24.58	37.20	37.96
Total Equity		49.08	61.70	62.46
Liabilities				
Non-current Liabilities				
Long-term borrowings	12	120.07	83.87	83.57
Total Non-current liabilities		120.07	83.87	83.57
Current Liabilities				
Trade payables		0.42	-	-
Other Financial liabilities	13	-	0.09	0.06
Other Current Liabilities	14	0.02	-	-
Total current liabilities		0.44	0.09	0.06
Total Liabilities		120.51	83.96	83.63
Total Equity and Liabilities		169.59	145.66	146.09

Summary of Significant Accounting Policies and Other Notes to the financial statements

1 to 27

As per our report of even date
For Anand Kabra & Co.
Chartered Accountants
Firm Registration No. 114351W

Sham Vartikar
Partner
Membership No. 048301

Place: Mumbai
Date: 16-05-2018



By Order of the Board of Directors
For Hotel Kanakeshwar Private Limited

Sunil Pardal
Director
(DIN:0089342)

Place: Mumbai
Date: 16-05-2018

Harsh Varma
Director
(DIN:03421941)

HOTEL KANAKESHWAR PRIVATE LIMITED
(CIN: U55109MH1989PTC053640)

Statement of Profit and Loss Account for the year ended 31-03-2018

(Rs in lacs)

Particulars	Note No.	For the Year ended 31-03-2018	For the Year ended 31-03-2017
Income			
Revenue from operations	15	3.17	0.27
Total Revenue		3.17	0.27
Expenses			
Depreciation and amortisation expenses	16	4.69	0.74
Other expenses	17	11.10	0.29
Total Expenses		15.79	1.03
Profit / (loss) after tax		(12.62)	(0.76)
Other comprehensive income:	18		
(i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
(iii) Items that will be reclassified to profit or loss		-	-
(iv) Income tax relating to items that will be reclassified to profit or loss		-	-
		(12.62)	(0.76)
Earning per equity share	19		
(a) Basic		(5.15)	(0.31)
(b) Diluted		(5.15)	(0.31)

Summary of Significant Accounting Policies and Other Notes to the financial statements

1 to 27

As per our report of even date
For Anand Kabra & Co.
Chartered Accountants
Firm Registration No. 114351W



Sham Vartikar
Partner
Membership No. 048301

Place: Mumbai
Date: 16-05-2018

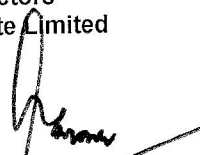


By Order of the Board of Directors
For Hotel Kanakeshwar Private Limited



Sunil Pardal
Director
(DIN:0089342)

Place: Mumbai
Date: 16-05-2018



Harsh Vargma
Director
(DIN:03421941)

Cash Flow Statement for the year ended 31st March, 2018

(Rs in lacs)

	Particulars	As at 31-03-2018	As at 31-03-2017
A	Cash flows from operating activities		
	Net profit before taxation, and extraordinary item	(12.62)	(0.76)
	Less: Remeasurement of Employees Benefits Adjusted in OCI	-	-
	Net profit before Tax After Adjustment in OCI	(12.62)	(0.76)
	Adjustments for:		
	Non Cash Items		
	Depreciation and Amortisation Expenses	4.69	0.74
	Income Recognized Against Capital Grant	-	0.74
	Operating profit before working capital changes	(7.93)	(0.02)
	Adjustments for:		
	Trade and other receivables	(0.26)	-
	Loans	0.03	-
	Other current assets	(8.96)	-
	Other Financial Liabilities	(0.09)	0.03
	Other Current Liabilities	0.02	-
	Trade and other payables	0.42	-
	Cash generations from operations	(16.77)	0.01
	Direct taxes paid	-	(0.03)
	Net cash flow from Operating Activities	(16.77)	(0.02)
B	Cash flows from investing activities		
	Purchase of fixed assets, including intangible assets, CWIP and capital advances	(15.86)	(133.65)
	Sale of Fixed Assets	-	133.65
	Net cash used in Investing Activities	(15.86)	-
C	Cash flows from financing activities		
	Proceeds from Long-term borrowings	36.21	0.30
	Net cash used in financing activities (C)	36.21	0.30
	Net Increase / (Decrease) in Cash and cash equivalents (A+B+C)	3.58	0.28
	Opening Cash and Cash Equivalents	1.15	0.87
	Closing Cash and Cash Equivalents	4.73	1.15
	Breakup of Opening Cash and Cash Equivalents		
	Balances with Banks		
	In Current Accounts	0.12	0.11
	Cash on Hand	1.03	0.76
	Cash and Cash Equivalents	1.15	0.87
	Breakup of Opening Cash and Cash Equivalents		
	Balances with Banks		
	In Current Accounts	0.25	0.12
	Cash on Hand	4.48	1.03
	Cash and Cash Equivalents	4.73	1.15

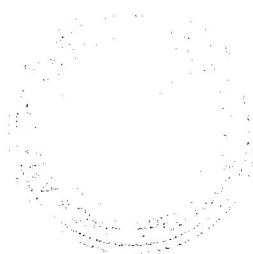
Disclosure as per Ind AS -7 as below:

Particulars	01-04-2017	Cash Flows	31-03-2018
Long Term Borrowings	83.87	36.21	120.07
Short Term Borrowings	-	-	-
Total Liabilities from financing activities	83.87	36.21	120.07

For Anand Kabra & Co.
Chartered Accountants
Firm Registration No. 114351W


Sham Vartikar
Partner
Membership No. 048301

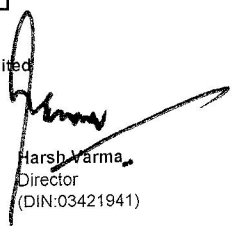
Place: Mumbai
Date: 16-05-2018



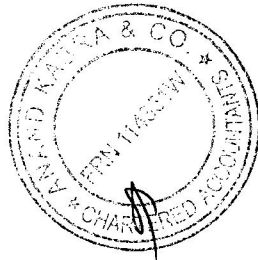
By Order of the Board of Directors
For Hotel Kanakeshwar Private Limited


Sunil Pardal
Director
(DIN:0089342)

Place: Mumbai
Date: 16-05-2018


Harsh Varma,
Director
(DIN:03421941)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 ST MARCH 2018				
				Rs in lacs
A	Equity Share Capital			
		Opening balance	Changes during the year	Closing balance
	As at 31st March 2018	24.50	-	24.50
	As at 31st March 2017	24.50	-	24.50
B	Other Equity			
		Reserves and Surplus		Total
		Retained Earnings	Security Premium	Other Comprehensive Income
	Balance as at 01st April 2017	19.70	17.50	-
	Additions during the year	-	-	-
	Surplus in the Statement of profit and loss	(12.62)	-	-
	Balance as at 31 March 2018	7.08	17.50	-
	Balance as at 01st April 2016	20.46	17.50	-
	Additions during the year	-	-	-
	Surplus in the Statement of profit and loss	(0.76)	-	-
	Balance as at 31 March 2017	19.70	17.50	-
C.	Nature of reserves			
	Retained Earnings and Security premium			



HOTEL KANAKESHWAR PRIVATE LIMITED

1. Company Overview

HOTEL KANAKESHWAR PRIVATE LIMITED was incorporated in 1989. The Registered Office of the Company is located at Mumbai. It is engaged in the hospitality business.

2. Basis for preparation:

The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (Act) read with Rule 4A of Companies (Accounts) Second Amendment Rules, 2015, Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder. The Financial Statements have been prepared under historical cost convention basis except for derivative financial instruments, certain financial assets and financial liabilities which have been measured at fair value.

For all the periods upto 31st March 2017, the financial statements were prepared under historical cost convention in accordance with the accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. These financial statements for the year ended 31 March 2018 are the first the Company has prepared in accordance with Ind AS. Refer to note- 25 for information on how the Company adopted Ind AS.

The Company's presentation and functional currency is Indian Rupees and all values are rounded off to the nearest lacs (INR 00,000), except when otherwise indicated.

The Financial Statements were authorized for issue in accordance with a resolution of the directors on 16-05-2018.

3. Use of Judgement, Assumptions and Estimates

The preparation of the Company's financial statements requires management to make informed judgements, reasonable assumptions and estimates that affect the amounts reported in the financial statements and notes thereto. Uncertainty about these could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in the future periods. These assumptions and estimates are reviewed periodically based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit & Loss in the period in which the estimates are revised and in any future periods affected.

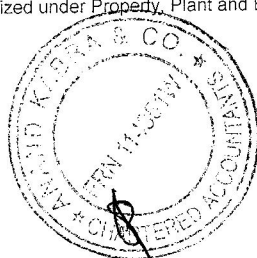
In the assessment of the Company, the most significant effects of use of judgments and/or estimates on the amounts recognized in the financial statements relate to the following areas:

- a) Financial instruments
- b) Useful lives of property, plant & equipment
- c) Valuation of inventories
- d) Measurement of recoverable amounts of assets / cash-generating units
- e) Assets and obligations relating to employee benefits
- f) Evaluation of recoverability of deferred tax assets; and
- g) Provisions and Contingencies.

4. SIGNIFICANT ACCOUNTING POLICIES

A. Property, plant & equipment

- a) The cost of an item of property, plant and equipment is recognized as an asset only if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.
- b) Property, plant and equipment are stated at cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment loss, if any.
- c) The initial cost of an asset comprises its purchase price or construction cost (including import duties and non-refundable taxes), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation (if any) and the applicable borrowing cost till the asset is ready for its intended use.
- d) Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.
- e) An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds if any and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.
- f) Direct expenses incurred during construction period on capital projects are capitalised.
- g) The company has leasehold land which is a finance lease. The carrying amount representing the fair value (revalued before the date of transition to Ind AS) of the leased land, is recognized under Property, Plant and Equipment and is treated as deemed cost on adoption of Ind AS.



B Depreciation

- a) Depreciation on property, plant and equipment (except freehold land) is provided on the straight line basis, over the useful lives of assets (after retaining the residual value of up to 5%). The useful lives determined are in line with the useful lives as prescribed in the Schedule II of the Act except in case of following assets which are depreciated over their useful life as determined by a Chartered Engineer and Valuer

Asset Description	Useful Life (Years)
Building	30
Air-conditioning plant, cooking	15
Furniture & Fixtures including	8

- b) Residual value of building and vehicles is estimated at 5% of the original cost and at nil value for all other assets.
- c) Items of property, plant and equipment costing not more than Rs.5,000 each are depreciated at 100 percent in the year in which they are capitalised.
- d) Expenditure on major repairs and overhauls which qualify for recognition in the item of Property, Plant and Equipment and which result in additional useful life, is depreciated over the extended useful life of the asset as determined by technical evaluation.
- e) Depreciation is charged on additions / deletions on pro-rata monthly basis including the month of addition / deletion.
- f) No depreciation is charged on Land taken on lease, since the company has right to renew the lease for indefinite terms.

C Accounting for Leases

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease and whether it is a finance lease or an operating lease. If substantially all the risks and rewards incidental to ownership of the leased asset are transferred to the Company as lessee the arrangement is treated as a finance lease otherwise it is considered as an operating lease.

D Inventories

Inventories are stated at cost or net realizable value, whichever is lower. Cost of inventories comprises of expenditure incurred in the normal course of business in bringing inventories to their present location, including appropriate overheads apportioned on a reasonable and consistent basis and is determined on the following basis:

- Food and Beverages on weighted average basis.
- Stores and other operating supplies on weighted average basis.

Obsolete, slow moving, surplus and defective stocks are identified and where necessary, provision is made for such stocks.

E Revenue Recognition

Sale of goods and services: Revenue from the sale of goods and services is recognised when the significant risks and rewards of ownership of the goods/services have passed to the buyer. Sale value of goods/services is measured at the fair value of the consideration received or receivable, net of returns and applicable trade discounts or rebates.

Interest income is recognised using Effective Interest Rate (EIR) method.

Dividend income is recognized when the right to receive payment is established.

F Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets till the month in which the asset is ready for use. All other borrowing costs are charged to the Statement of Profit & Loss.

G Foreign Currency Transactions

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

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit & Loss.

Non – Monetary items:

Non-monetary items that are measured in terms of historical cost are recorded at the exchange rates at the dates of the initial transactions

H Provisions, Contingent Liabilities and Contingent assets

- a) Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expenses relating to a provision are recognised in the Statement of Profit & Loss net of any reimbursement.
- b) If the effect of time value of money is material, provisions are shown at present value of expenditure expected to be required to settle the obligation, by discounting 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 recognized as a finance cost.
- c) Contingent liabilities are possible obligations arising from past events and whose existence will only be confirmed by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

- d) Show-cause notices issued by various Government Authorities are not considered as obligation. When the demand notices are raised against such show cause notices and are disputed by the Company, these are classified as disputed obligations.
- e) Contingent Assets are not recognised but reviewed at each balance sheet date and disclosure is made in the Notes in respect of possible effects that arise from past events and whose existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company and where inflow of economic benefit is probable.

I Fair Value measurement

- a) The Company measures financial instruments at fair value at each balance sheet date.
- b) Fair value is the price that would be received on selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date.
- c) While measuring the fair value of an asset or liability, the Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure the fair value using observable market data as far as possible and minimising the use of unobservable inputs. Fair values are categorised into 3 levels as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices that are observable for the assets or liability, either directly (i.e. as prices for similar item) or indirectly (i.e. derived from prices)

Level 3: inputs that are not based on observable market data (unobservable inputs)

J Financial Instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in the following categories

Financial Assets at amortised cost

Financial assets at fair value through profit or loss (FVTPL)

Financial Assets at amortised cost

A financial assets is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows,
and
- b) Contractual terms of the asset give rise on specified dates to cash flows, if any, that are solely payments of principal and interest, if applicable (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Financial assets which are considered as receivable on demand at any time, are not discounted on initial recognition and on subsequent measurement.

Financial assets at FVTPL

Any financial asset, which does not meet the criteria for categorization as at amortized cost is classified as at FVTPL.

Equity investments in subsidiaries

Investment in subsidiaries are accounted for at cost in standalone financial statements.

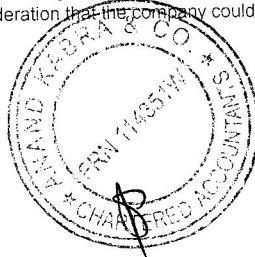
Derecognition

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

- a) 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.
- b)

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

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



Financial liabilities

Initial recognition and measurement.

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

Subsequent measurement

Financial liabilities are measured subsequently at fair value through profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

This category generally applies to borrowings.

Financial liabilities which are considered as repayable on demand at any time, are not discounted on initial recognition and on subsequent measurement.

Derecognition

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

Offsetting of financial instruments

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

K Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current if they are expected to be realised / settled within twelve months after the reporting period. All other assets and liabilities are considered as non-current.

L Impairment

Financial Assets

Loss allowance for expected credit losses is recognised for financial assets. The Company recognises life time expected credit losses for all trade receivables that do not constitute a financing transaction. For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

Non-financial Assets

At each Balance Sheet date, an assessment is made of whether there is any indication of impairment. 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 the 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.

M Taxes on Income

Current Tax

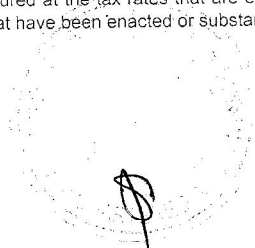
Income-tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the end of reporting period.

Deferred tax

Deferred tax (both assets and liabilities) is calculated using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The amount of deferred tax assets is reviewed at each reporting date.

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



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

Current tax and Deferred Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit & Loss, other comprehensive income or directly in equity.

N Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period, adjusted for the effect of all dilutive potential equity shares.

O Cash and Cash equivalents

Cash and cash equivalents include cash at bank, cash, cheques and draft on hand. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.



NOTES FORMING PART OF THE BALANCE SHEET

NOTE 5 - PROPERTY, PLANT AND EQUIPMENT

Description of Assets	Gross Block			Sales and other deductions	At Cost as on 31-03-2018	Opening Depreciation as on 01-04-17	Depreciation		Net Block		
	At Cost as on 01-04-17	Additions and other transfers	Adjustments				For the Year	Dep on sold assets	As at 31-03-2018	As at 31-03-2017	As at 31-03-2018
Land	11.57	-	-	-	11.57	-	-	-	-	11.57	11.57
Building	132.65	11.33	-	-	144.98	0.74	4.54	5.28	139.70	132.91	132.91
Furniture & Fixtures	3.37	-	-	-	3.37	-	0.11	0.11	3.26	-	-
Office Equipments	-	1.16	-	-	1.16	-	0.04	0.04	1.12	-	-
	145.22	15.86	-	-	161.08	0.74	4.69	5.43	155.65	144.48	144.48

NOTE 5 - PROPERTY, PLANT AND EQUIPMENT

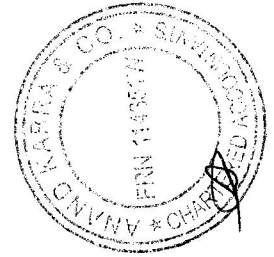
Description of Assets	Gross Block			Sales and other deductions	At Cost as on 31-03-2017	Opening Depreciation as on 01-04-16	Depreciation		Net Block		
	At Cost as on 01-04-16	Additions and other transfers	Adjustments				For the Year	Dep on sold assets	As at 31-03-2017	As at 31-03-2016	As at 31-03-2017
Land	11.57	133.65	-	-	11.57	-	-	-	11.57	11.57	11.57
Building	11.57	133.65	-	-	133.65	-	0.74	0.74	132.91	132.91	132.91
	11.57	133.65	-	-	145.22	-	0.74	0.74	144.48	144.48	144.48

NOTE 5 - PROPERTY, PLANT AND EQUIPMENT

Description of Assets	Gross Block		Depreciation	Net Block	
	At Cost as on 01-04-16	At Cost as on 01-04-16		As at 01-04-16	As at 01-04-16
Land	11.57	11.57	-	11.57	11.57
Plant and Machinery	0.01	0.01	0.01	-	-
	11.58	11.58	0.01	11.57	11.57

Net block as per IGAAP and Ind AS as on 01st April 2016

Description of Assets	As per IGAAP			Gross block as per Ind AS
	Gross block at cost	Accumulated Depreciation	Net Block	
Land	11.57	-	11.57	11.57
Plant and Machinery	0.01	0.01	-	-
	11.58	0.01	11.57	11.57



(Rs in lacs)

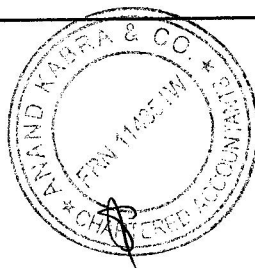
NOTES FORMING PART OF THE BALANCE SHEET

		As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
6	Long-term loans and advances	-	0.03	0.03
	Security Deposits	-	0.03	0.03
7	Trade receivables			
	(unsecured, considered good)	-	-	-
	Debts outstanding for a period exceeding six months	0.26	-	-
	Other debts	0.26	-	-
8	Cash and Cash Equivalents	0.25	0.12	0.11
	Current accounts	4.48	1.03	0.76
	Cash on hand	4.73	1.15	0.87
9	Other Current Assets:			
	Advance to suppliers	8.95	-	-
		8.95	-	-

NOTES FORMING PART OF THE BALANCE SHEET

(Rs in lacs)

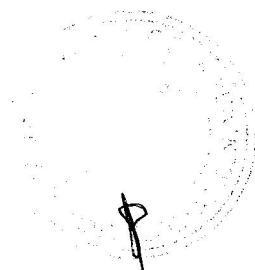
		As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
10	Share Capital			
a	Authorised : 10,00,000 Equity shares of Rs. 10 each	100.00 <u>100.00</u>	100.00 <u>100.00</u>	100.00 <u>100.00</u>
b	Issued, Subscribed and fully paid-up : 2,45,000 Equity shares of Rs. 10 each for cash	24.50 <u>24.50</u>	24.50 <u>24.50</u>	24.50 <u>24.50</u>
c	Par value per share- Rs. 10			
c	Reconciliation of the number of shares			
	Opening	2,45,000	2,45,000	2,45,000
	Add: Issued	-	-	-
	Closing	<u>2,45,000</u>	<u>2,45,000</u>	<u>2,45,000</u>
d	Shares held by holding company- Graviss Hospitality Limited 2,45,000 Equity shares of Rs. 10 each	24.50	24.50	24.50
11	Other Equity			
A	Reserve and Surplus			
i	Security Premium Account: As per last account	17.50 <u>17.50</u>	17.50 <u>17.50</u>	17.50 <u>17.50</u>
ii	Retained Earnings			
	Opening balance	19.70	20.46	20.52
	Add : Opening balance adjustment due to Ind AS			
	Add : Net profit after tax transferred from Statement of Profit and Loss	(12.62)	(0.76)	(0.06)
	Amount available for appropriation	<u>7.08</u>	<u>19.70</u>	<u>20.46</u>
	Balance in Profit and Loss account	<u>7.08</u>	<u>19.70</u>	<u>20.46</u>
		<u>24.58</u>	<u>37.20</u>	<u>37.96</u>
B	Other Comprehensive Income			
	As per last account	-	-	-
	Addition during the year	-	-	-
	Closing balance	-	-	-
		-	-	-
12	Non-current Liabilities			
	Borrowings:			
	From Holding Company	86.57	83.87	83.57
	From others	33.50	-	-
		<u>120.07</u>	<u>83.87</u>	<u>83.57</u>
		<u>120.07</u>	<u>83.87</u>	<u>83.57</u>
13	Other Current financial liabilities			
	Expenses payable	-	0.09	0.06
		-	<u>0.09</u>	<u>0.06</u>
14	Other Current liabilities			
	Statutory dues payable	0.02	-	-
	- TDS payable			
		<u>0.02</u>	-	-



NOTES FORMING PART OF THE BALANCE SHEET

(Rs in lacs)

		For the Year ended 31-03-2018	For the Year ended 31-03-2017
15	Revenue from Operations Sale of services	3.17	0.27
		3.17	0.27
16	Depreciation and Amortisation expenses: Depreciation of tangible assets	4.69	0.74
		4.69	0.74
17	Other expenses		
	Operating Expenses:		
	Business Operating expenses	2.61	0.22
	General Expenses:		
	Travelling and Conveyance	0.17	-
	Printing and Stationery	0.01	-
	Other expenses	3.68	-
	Payments to Auditors	0.06	0.07
	Legal and Professional charges	4.57	-
		11.10	0.29
18	Other Comprehensive Income		
	Items that will not be reclassified to profit or loss	-	-
	Remeasurement of Defined Benefit Plans	-	-
	Income tax relating to items that will not be reclassified to profit or loss	-	-
	Remeasurement of Defined Benefit Plans	-	-
		-	-
19	Earnings per Equity share		
	Net profit after Taxation (in Rs.)	(12.62)	(0.02)
	Weighted average number of equity shares	2,45,000	2,45,000
	Earnings per equity shares (in Rs.)	(5.15)	(0.01)
	Nominal value per share (Rs.)	10.00	10.00



HOTEL KANAKESHWAR PRIVATE LIMITED
NOTES FORMING PART OF THE BALANCE SHEET

- 20 Current and non-current classification of assets and liabilities in the balance sheet has been made based on the professional judgement of the management.
- 21 Amounts if any due to Micro, Small and Medium Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 could not be disclosed as such parties could not be identified from the records of the Company.
- 22 Deferred tax of Rs.1.85 lacs is not recognized considering the probability of reversal in case of unabsorbed losses.
- 23 **Retirement benefit**
There are no eligible employees as on 31-03-2018 and therefore there are no long term employee benefits which require recognition based on actuarial valuation.
- 24 Information relating to Related Party Disclosures as per Accounting Standard issued by the Institute of Chartered Accountants of India, is given below:

A. List of Related Parties (relied on the details provided by the management):

- i Parent Company**
Graviss Hospitality Limited
- ii Fellow Subsidiaries:**
Graviss Hotels and Resorts Ltd
Graviss Catering Pvt Ltd
- iii Directors**
Amit Jain (upto 05-03-2018)
Sunil Pardal
Harsh Varma
- iv Other Related parties:**
Famed Properties Pvt Ltd.

B. Transactions with Related Parties:	2017-18 (Rs. in lacs)	2016-17 (Rs. in lacs)	1st April 2016 (Rs. in lacs)
Unsecured Loans taken			
Graviss Hospitality Limited	87	84	-
Graviss Hotels and Resorts Ltd		-	84
Famed Properties Pvt Ltd.	34	-	-

- 25 **FAIR VALUE MEASUREMENTS:**
The following disclosures are made as required by Ind AS-113 pertaining to Fair value measurement:

Accounting classification and fair values

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Financial Liabilities	Carrying amount at Amortised Cost	Fair value	Fair value measurement
As on 31 Mar, 2018			
Fixed Rate Borrowings	-	-	-
As on 31 Mar, 2017			
Fixed Rate Borrowings	-	-	-
As on 1 April, 2016			
Fixed Rate Borrowings	-	-	-

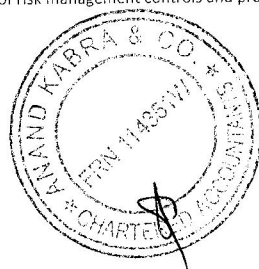
Financial risk management

The Company has exposure to the Credit risk, Liquidity risk and Market risk arising from financial instruments.

Risk Management Framework: The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established the Risk Management Committee (RMC), which is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits to control / monitor risks and adherence to limit. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Audit Committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risks faced by the Company. The Audit Committee is assisted by internal audit. Internal audit undertakes reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.



The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is approved by the Board of Directors.

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables.

Trade receivables: The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The following table provides information about the exposure to credit risk and measurement of loss allowance using Life time expected credit loss for trade receivables:

	Rs in lacs				Total
	Up to 6 months	6mons. to 1 yr.	1 year to 3 years	More than 3 years	
As on 31 March 2018					
Gross Carrying Amount	0.26	-	-	-	0.26
Specific Provision	-	-	-	-	-
Carrying Amount	0.26	-	-	-	0.26
As on 31 March 2017					
Gross Carrying Amount	-	-	-	-	-
Specific Provision	-	-	-	-	-
Carrying Amount	-	-	-	-	-
As on 01 April 2016					
Gross Carrying Amount	-	-	-	-	-
Specific Provision	-	-	-	-	-
Carrying Amount	-	-	-	-	-

Cash and cash equivalents:

The Company held cash and cash equivalents of Rs 4.73 lacs as at 31 March 2018 (31 March 2017-Rs. 1.15 lacs, 1st April 2016-Rs 0.87 lacs). The cash and cash equivalents are held with reputed banks.

Liquidity Risk:

The Audit Committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risks faced by the Company. The Audit Committee is assisted by internal audit. Internal audit undertakes reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

	Carrying amount	Contractual cash flows				Total
		Up to 1 year	1-2 years	2-5 years	Less than 5 years*	
As on 31 Mar. 2018						
Borrowings	120	10	18	20	72	120
Trade payables	0	0				0
As on 31 Mar. 2017						
Borrowings	84	8	15	18	43	84
As on 01 Apr. 2016						
Borrowings	84	10	12	15	47	84

Liquidity Risk:

Market risk is the risk that changes in market price such as foreign exchange rates, interest rates and commodity prices, will affect the Company's income or value of its financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables, long term debt and commodity prices. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and commodity price risk.

Interest rate risk:

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through the Statement of profit and loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to Interest rate risk:

Company's interest rate risk arises from borrowings. The interest rate profile of the Company's interest-bearing long term financial instruments is follows:

Particulars	Rs in lacs	
	31 st March 2018	31 st March 2017
Fixed-rate instruments		
Financial liabilities - measured at amortised cost	-	-
Variable-rate instruments		
Financial liabilities - measured at amortised cost	-	-
Total	-	-

Cash flow sensitivity analysis for variable-rate instruments: A reasonably possible decrease by 100 basis points in interest rates at the reporting date would have positive impact (before tax) by Rs NIL lacs and Rs. NIL lacs for the outstanding balances as on 31st March 2018 and 31st March 2017. Similarly a reasonable possible increase by 100 basis points in interest would have negative impact (before tax) by same amounts.



Currency risk:

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee.

To the extent the exposures on purchases and borrowings are not economically headed by the foreign currency denominated receivables, the Company uses derivative instruments, like, foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange and principal only swap rates. Company does not use derivative financial instruments for trading or speculative purposes.

The Company evaluates exchanges rate exposure arising from foreign currency transactions and the Company follows established risk management policies including the use of derivatives like foreign exchange forward contracts to hedge exposure.

Exposure to currency risk:

The currency profile of financial assets and financial liabilities as on 31st March 2018, 31st March 2017 and 1st April, 2016 are as below:

	Rs in lacs		
	Total	INR	USD
As on 31 Mar. 2018			
Financial assets			
Trade and other receivables	0	0	-
Cash and Cash equivalents	5	5	-
Exposure for assets (A)	5	5	-
Financial liabilities			
Long term borrowings	120	120	-
Trade and other payables	0	0	-
Exposure for liabilities (B)	120	120	-
Net exposure (B-A)	116	116	-

	Rs in lacs		
	Total	INR	USD
As on 31 Mar. 2017			
Financial assets			
Cash and Cash equivalents	1	1	-
Exposure for assets (A)	1	1	-
Financial liabilities			
Long term borrowings	84	84	-
Other Current financial liabilities	0	0	-
Exposure for liabilities (B)	84	84	-
Net exposure (B-A)	83	83	-

	Rs in lacs		
	Total	INR	USD
As on 1st April, 2016			
Financial assets			
Cash and Cash equivalents	1	1	-
Exposure for assets (A)	1	1	-
Financial liabilities			
Long term borrowings	84	84	-
Trade and other payables	0	0	-
Exposure for liabilities (B)	84	84	-
Net exposure (B-A)	83	83	-

Sensitivity analysis:

A reasonably possible strengthening of the Indian Rupees against USD at March, 31 by Rs. NIL would have positive impact (before tax) by Rs NIL and Rs NIL for the net outstanding balance as on 31-03-2018 and 31-03-2017 respectively. Similarly a reasonably possible weakening of the Indian Rupee against USD would have a negative impact (before tax) by same amounts.

Capital Management

For the purpose of the Company's capital management, capital includes issued capital, convertible instruments and reserves. The primary objective of the Company's Capital Management is to maximise shareholder value. The company manages its capital structure and makes adjustments, if any, required in the light of the current economic environment and other business requirements.

26 Disclosures as required by Indian Accounting Standard (Ind AS) 101 - First Time Adoption of Indian Accounting Standards**A First Time Adoption of Ind AS**

The financial statements for the year ended 31 March 2018, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for year ended on 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2017. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2016, the Company's date of transition to Ind AS. This note explains the mandatory exceptions and optional exemptions availed by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2016 and the financial statements as at and for the year ended 31 March 2017.

(i) Mandatory exceptions:

a) Estimates:

The estimates as at 1 April 2016 and 31 March 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies). The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions as at 1 April 2016, the date of transition to Ind AS and as at 31 March 2017.

b) Derecognition of financial assets & financial liabilities

The Company has applied the de-recognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

c) Classification and measurement of financial assets

The Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

d) Impairment of financial assets

At the date of transition to Ind AS, the company has determined that assessment of significant increase in credit risk since the initial recognition of a financial instrument would require undue cost or effort, the company has recognized a loss allowance at an amount equal to lifetime expected credit losses at each reporting date until that financial instrument is derecognized.

(ii) Optional exemptions (allowed as per Ind AS 101)

a) Use of Deemed cost

The Company has elected the option of carrying value as deemed cost for all other Property, Plant & Equipment as at the date of transition to Ind AS.

c) Business Combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from transition date and accordingly the Company has elected to apply the same prospectively from transition date.

Reconciliation of Total Comprehensive Income for the year ended 31st March 2017

Particulars	Note	Rs in Lacs
Net Profit / (Loss) As Per Earlier IGAAP		(0.76)
Net Profit / (Loss) As Per Ind-AS		(0.76)
Other Comprehensive Income (net of deferred tax)		-
Total Comprehensive Income As Per Ind-AS		(0.76)

Reconciliation of Equity

Particulars	Note	31-Mar-17	01-Apr-16
Equity As Per Earlier IGAAP			
Effect on Property, Plant & Equipment on recognition of Capital Grant		61.70	62.46
Equity As Per Ind-AS		61.70	62.46

B Standards Issued but not yet effective

Amendments to Ind AS 21, The Effects of Changes in Foreign Exchange Rates

The amendments to Ind AS 21, Foreign currency transactions and advance consideration clarifies the date of the transaction for the purpose of determining the exchange rate to be used on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The Company will adopt the amendments w.e.f. April 1, 2018.

The MCA has notified Ind AS 115 "Revenue from Contracts with Customers" which is effective from 1 April 2018. These have not been adopted early by the company and accordingly, have not been considered in the preparation of the financial statements. The information that are expected to be relevant to the financial statements is provided below.

Amendments to Ind AS 115 Revenue from Contracts with Customers

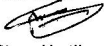
Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This standard will come in to force from accounting period commencing on or after 1st April 2018. The Company will adopt the new standard on the required effective date.

Previous year figures:

Previous year's figures have been reclassified / regrouped wherever necessary to conform to current year's classification / grouping. Figures in brackets are in respect of the previous year.

Signature to Notes 1 to 27

As per our separate report of even date
For Anand Kabra & Co.
Chartered Accountants
Firm Registration No. 114351W



Sham Vartikar
Partner
Membership No. 048301

Place: Mumbai
Date: 16-05-2018

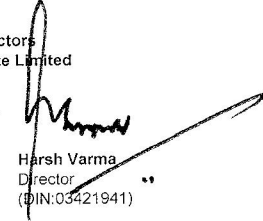


By Order of the Board of Directors
For Hotel Kanakeshwar Private Limited



Sunil Pardal
Director
(DIN:0089342)

Place: Mumbai
Date: 16-05-2018



Harsh Varma
Director
(DIN:03421941)