

Walker Chandiook & Co LLP

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Independent Auditor's Report

To the Members of Daman Hospitality Private Limited

Report on the Financial Statements

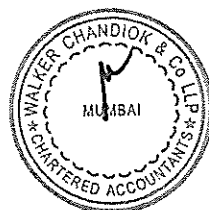
1. We have audited the accompanying financial statements of Daman Hospitality Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss (including Other Comprehensive Income/Loss), the Cash Flow Statement and the Statement of Changes in Equity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

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income/loss), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.



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5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these financial statements.

Opinion

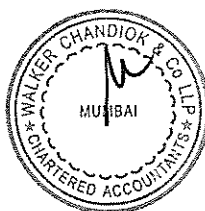
8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2017, and its loss (financial performance including other comprehensive income/loss), its cash flows and the changes in equity for the year ended on that date.

Other Matters

9. The comparative financial information for the year ended 31 March 2016 and the transition date opening balance sheet as at 1 April 2015 prepared in accordance with Ind AS included in these financial statements, are based on the previously issued financial statements for the year ended 31 March 2016 and 31 March 2015 respectively prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 which were audited by the predecessor auditor whose reports dated 21 April 2016 and 15 April 2015 respectively, expressed unmodified opinion on those financial statements, and have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.

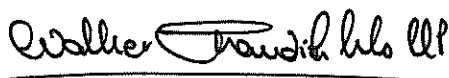
Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:
 - a) we have sought and except for the possible effect(s) of the matter described in paragraph g(iv) of Report on Other Legal and Regulatory Requirements below, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

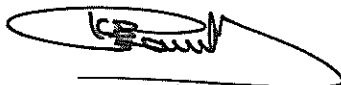


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- c) the financial statements dealt with by this report are in agreement with the books of account;
- d) in our opinion, the aforesaid financial statements comply with Ind AS specified under Section 133 of the Act;
- e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164(2) of the Act;
- f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 30 May 2017 as per Annexure B expressed unmodified opinion.;
- g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company, as detailed in Note 30 to the financial statements, has disclosed the impact of pending litigations on its financial position;
 - ii. the Company did not have any long term contracts including derivative contract for which there were any material foreseeable losses;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv. The Company has provided disclosures in note 41 to the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016. Based on the audit procedures performed and taking into consideration the information and explanations given to us, in our opinion, the total receipts, total payments and total amount deposited in banks are in accordance with the books of account maintained by the Company. However, in the absence of sufficient appropriate audit evidence, we are unable to comment upon the appropriateness of classification between specified bank notes and other denomination notes of 'permitted receipts'/'non-permitted receipts' and 'permitted payments'/'non-permitted payments'.



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



per **Khushroo B. Panthaky**
Partner
Membership No.: 42423

Place: Mumbai
Date: 30 May 2017

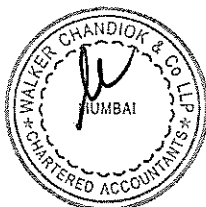
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Annexure A to the Independent Auditor's Report of even date to the members of Daman Hospitality Private Limited, on the financial statements for the year ended 31 March 2017

Annexure A

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company.
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.
- (iii) The Company has not granted any loan, secured or unsecured to companies covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 of the Act. Further the Company is exempt from Section 186, accordingly, the provision of clause 3 (iv) of the Order relating to Section 186 is not applicable.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii)(a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.



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Annexure A to the Independent Auditor's Report of even date to the members of Daman Hospitality Private Limited, on the financial statements for the year ended 31 March 2017

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

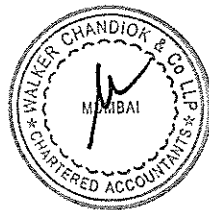
Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (₹)	Amount paid under Protest (₹)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	Rs 1086.68 Lakhs (Includes Interest of Rs. 260.98 Lakhs)	Nil	FY 2008-2009	ITAT	

- (viii) The Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or government. The Company has defaulted in repayment of dues to debenture-holders during the year, which is detailed below:

Particulars	Amount of default as on 31 March 2017 (₹)	Period of default	Remarks
Debentures- Interest on 15% Fully Convertible Debentures- Series A	Rs 1550.57 Lakhs	From April 2010 Onwards	
Debentures- Interest on 19% Fully Convertible Debentures- Series A	Rs 416.57 Lakhs	From April 2010 Onwards	

- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purpose for which the loans were obtained.
- (x) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) The Company has not paid or provided for any managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.

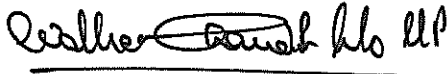


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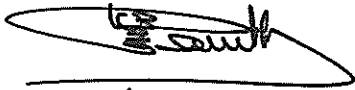
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Annexure A to the Independent Auditor's Report of even date to the members of Daman Hospitality Private Limited, on the financial statements for the year ended 31 March 2017

- (xiv) During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.



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



per Khushroo B. Panthaky
Partner
Membership No.: 42423

Place: Mumbai
Date: 30 May 2017

Daman Hospitality Private Limited
Balance Sheet As At 31st March, 2017

(Rs. In Lakhs)

Particulars	Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
ASSETS				
Non-Current Assets				
(a) Property, Plant and Equipment	2(i)	40,339.24	41,543.42	43,017.82
(b) Capital Work - In - Progress		-	223.14	223.14
(c) Intangible Assets	2(ii)	13.90	19.68	15.92
(d) Intangible Assets under Development		28.48	28.48	28.48
(e) Financial Assets				
i) Investments	3	0.25	0.25	-
ii) Other Financial Assets	4	694.61	650.77	610.17
(f) Deferred Tax Asset (Net)	5	2,692.67	2,283.19	1,601.63
(g) Other Non-Current Assets	6	22.65	21.80	54.08
Total Non Current Assets		43,791.80	44,770.73	45,551.24
Current Assets				
(a) Inventories	7	81.80	181.02	246.28
(b) Financial Assets				
i) Trade Receivables	8	16.61	70.67	35.30
ii) Cash and Cash Equivalents	9	133.65	126.71	13.95
v) Other Financial Assets	10	69.99	161.55	8.78
(c) Current Tax Assets (Net)	11	214.52	173.31	25.58
(d) Other Current Assets	12	1,550.86	156.17	250.48
Total Current Assets		2,067.43	869.43	580.37
TOTAL ASSETS		45,859.23	45,640.16	46,131.61
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	13	3,927.70	3,927.70	3,868.70
(b) Other Equity	14	5,011.15	5,916.55	7,903.06
Total Equity		8,938.85	9,844.25	11,771.76
Liabilities				
Non-Current Liabilities				
(a) Financial Liabilities				
i) Borrowings	15	7.32	13,190.30	12,369.93
ii) Other Financial Liabilities	16	362.43	321.89	-
(b) Provisions	17	27.75	18.12	9.75
Total Non Current Liabilities		397.50	13,530.31	12,379.68
Current Liabilities				
(a) Financial Liabilities				
i) Borrowings	18	20,213.28	18,137.28	17,813.95
ii) Trade Payables	19	330.73	264.90	180.32
iii) Other Financial Liabilities	20	15,655.65	3,667.90	3,758.07
(b) Other Current Liabilities	21	316.27	179.65	210.68
(c) Provisions	22	6.96	15.88	17.15
Total Current Liabilities		36,522.88	22,265.60	21,980.17
Total Liabilities		36,920.38	35,795.91	34,359.85
TOTAL EQUITY AND LIABILITIES		45,859.23	45,640.16	46,131.61

The accompanying Significant Accounting Policies and notes are an integral part of these financial statements

As Per Our Report of Even Date
For Walker Chandio & Co. LLP
Chartered Accountants
ICAI Firm Reg. No. 001076N/N500013

For and on behalf of the Board

per Khushroo B. Panthaky
Partner
Membership No. 42423

Pragnesh Shah
Director
DIN: 6942988

Farzana Darayus Mojmani
Director
DIN: 2225595

Place : Mumbai
Date : 30th May 2017



Sourabh Gangadhare
Sourabh Gangadhare
Company Secretary
ACS No. A49743

Harshik Dhebar
Harshik Dhebar
Chief Financial Officer



30 MAY 2017

Daman Hospitality Private Limited

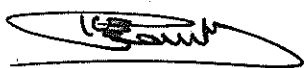
Statement of Profit & Loss For The Year Ended 31st March, 2017

(Rs. In Lakhs)

Particulars	Note No.	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Revenue:			
Revenue from Operations	23	5,305.14	4,104.94
Other Income	24	101.34	121.02
Total Income		5,406.48	4,225.96
Expenses:			
Cost of Material Consumed	25	451.65	422.82
Changes in Inventories of Stock in Trade	26	(3.78)	(6.24)
Employee Benefits Expense	27	837.02	833.93
Finance Costs	28	1,837.23	2,035.98
Depreciation and Amortization Expense	2	1,464.06	1,458.02
Other Expenses	29	2,205.17	2,159.00
Total Expenses		6,791.35	6,903.51
Loss Before Exceptional and Tax		(1,384.87)	(2,677.55)
Exceptional Items		-	-
Loss Before Tax		(1,384.87)	(2,677.55)
Tax Expense	5		
- Current Tax		-	-
- Deferred Tax		409.48	681.09
Total Tax Expenses		409.48	681.09
Loss After Tax		(975.39)	(1,996.46)
Other Comprehensive Profit/ (Loss)			
(i) Items that will not be reclassified subsequently to the statement of Profit and Loss			
(a) Remeasurement benefit of defined benefit plans		(0.01)	(1.52)
(b) Income tax relating to above items		0.00	0.47
Total Other Comprehensive Loss for the Year		(0.01)	(1.05)
Total Comprehensive Loss for the Year		(975.40)	(1,997.51)
Earnings Per Equity Share (Nominal Value of Rs.10/- Each)	33		
- Basic & Diluted		(2.54)	(5.20)

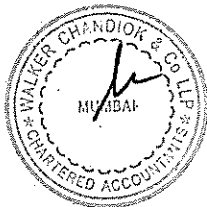
The accompanying Significant Accounting Policies and notes are an integral part of these financial statements.

As Per Our Report of Even Date
For Walker Chandiook & Co. LLP
Chartered Accountants

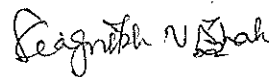


per **Khushroo B. Panthaky**
Partner
Membership No. 42423

Place : Mumbai
Date : 30th May 2017



For and on behalf of the Board



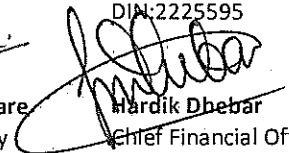
Pragnesh Shah
Director
DIN: 6942988



Farzana Darayus Mojjani
Director
DIN: 2225595

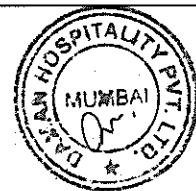


Sourabh Gangadhare
Company Secretary
ACS No. A49743



Hardik Dhebar
Chief Financial Officer

30 MAY 2017



Daman Hospitality Private Limited
Cash Flow Statement for the Year Ended 31st March, 2017

(Rs. In Lakhs)

	Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Loss Before Tax	(1,384.87)	(2,677.55)
	Adjustments For:		
	Depreciation and Amortisation Expense	1,464.06	1,458.02
	Finance Costs	1,837.23	2,035.98
	Interest Income	(48.69)	(45.38)
	(Profit)/Loss on Sale of Fixed Assets / CWIP	13.23	8.83
	Rent income arising on fair valuation of security deposits received	(51.01)	(38.26)
	Actuarial gain / (loss) recognised in other comprehensive income	(0.01)	(1.52)
	Operating Profit Before Working Capital Changes	1,829.94	740.12
	Adjustments For :		
	Trade and Other Receivables	54.06	(35.37)
	Inventories	98.31	64.37
	Other Financial Assets	91.56	(152.78)
	Other Current Assets	(1,393.06)	151.71
	Loans and Advances & Other Assets	(0.85)	32.53
	Other Financial Liabilities	79.26	506.42
	Other Current Liabilities	91.02	37.93
	Provisions	0.71	7.11
	Trade Payables & Other Liabilities	65.83	84.57
	Cash Generated from Operations	916.78	1,436.61
	Taxes Paid (Net of Refund)	(41.21)	(147.73)
	Net Cash Flow Generated From Operating Activities (A)	875.57	1,288.88
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase Property Plant and Equipment	(45.68)	(100.60)
	Proceed from Sale of Property Plant and Equipment	1.48	1.16
	Investment in Long Term Fixed Deposit	(0.20)	-
	Purchase of Shares of The Saraswat Co. Op. Bank Limited.	-	(0.25)
	Interest Received	5.05	4.54
	Net Cash Flow Used In Investing Activities (B)	(39.35)	(95.15)
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from Long Term Borrowings	10.50	10,000.00
	Repayment of Long Term Borrowings	(1,191.40)	(9,509.93)
	Proceeds from Short Term Borrowings	2,903.00	2,745.35
	Repayment of Short Term Borrowings	(827.00)	(2,422.00)
	Finance Costs	(1,724.38)	(1,876.44)
	Net Cash Flow Used In Financing Activities (C)	(829.28)	(1,063.02)
	Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C)	6.94	130.71
	Cash & Cash Equivalents As At Beginning of the Year	126.71	(4.00)
	Cash & Cash Equivalents As At End of the Year	133.65	126.71

Cash and Cash Equivalent (Refer Note 9)

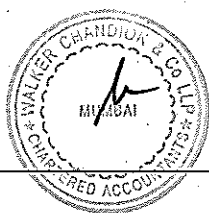
Notes:

- 1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS- 7 on Statement of Cash Flow issued by The Institute of Chartered Accountants of India
- 2) Figures in bracket indicate Cash Outflow

As Per Our Report of Even Date
For Walker Chandiook & Co. LLP
Chartered Accountants
ICAI Firm Reg. No. 001076N/NS00013

per Khushroo B. Panthaky
Partner
Membership No. 42423

Place : Mumbai
Date : 30th May 2017



For and on behalf of the Board

Pragnesh Shah
Director
DIN: 6942988

Sourabh Gangadhare
Company Secretary
ACS No. A49743

Farzana Darayus Mojjani
Director
DIN: 2225985
Hardik Dhebar
Chief Financial Officer

30 MAY 2017



Daman Hospitality Private Limited
Statement of Changes in Equity for the Year Ended 31st March, 2017 (SOCIE)

A) Equity Share Capital

Particulars	(Rs. in Lakhs)	Amount
Balance as at 1st April, 2015		3,868.70
Changes in Equity Share Capital		59.00
As at 31st March, 2016		3,927.70
Changes in Equity Share Capital		-
As at 31st March, 2017		3,927.70

B) Other Equity

Particulars	Reserve & Surplus				Other Comprehensive Loss	Total
	Securities Premium Reserve	Retained Earnings	Equity Component of Compound Financial Instrument	Capital Contribution		
Balance as on 1st April, 2015	9,779.40	(5,144.83)	3,211.35	57.14	-	7,903.06
Changes in Other equity for the year ended 31 March 2016						
Actuarial Gain/(Loss) On Defined Employee Benefits, net of tax effect	-	-	-	-	(1.05)	(1.05)
Issue of Shares - Conversion of Fully Convertible Debentures	2,624.03	-	-	-	-	2,624.03
Guarantee Charges	-	-	-	70.00	-	70.00
Profit/(Loss) for the Year	12,403.43	(1,996.46)	(2,683.03)	-	-	(4,679.49)
Balance as on 31st March, 2016	12,403.43	(7,141.29)	528.32	127.14	(1.05)	5,916.55
Balance as on 1st April, 2016	12,403.43	(7,141.29)	528.32	127.14	(1.05)	5,916.55
Changes in Other equity for the year ended 31 March 2017						
Actuarial Gain/(Loss) On Defined Employee Benefits, net of tax effect	-	-	-	-	(0.01)	(0.01)
Guarantee Charges	-	(975.39)	-	70.00	-	70.00
Profit/(Loss) for the Year	12,403.43	(8,116.68)	528.32	197.14	(1.06)	5,011.15
Balance as on 31st March, 2017	12,403.43	(8,116.68)	528.32	197.14	(1.06)	5,011.15

As Per Our Report of Even Date

For Walker Chandiook & Co. LLP

Chartered Accountants

ICAI Firm Reg. No. 001076N/N5000013



per Khushroo B. Parthaky

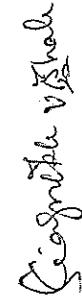
Partner

Membership No. 42423

Place : Mumbai

Date : 30th May 2017

For and on behalf of the Board



Pragmesh Shah

Director

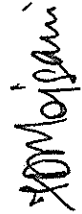
DIN: 6942988



Sourabh Gangadhare

Company Secretary

ACS No. A49743



Farzana Dareyus Mojigani

Director

DIN: 22255294



Hiren Dhebar

Chief Financial Officer



30 MAY 2017

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES COMPANY OVERVIEW

Daman Hospitality Pvt. Ltd., incorporated in the year 2007 under the provision of the Companies Act applicable in India. The Company is in the business of hotels, resorts, recreation centers, banquets halls, conference hall, convention halls, business centers, restaurants, beauty parlor.

a) Basis of Preparation of Financial Statements

i) Compliance with Ind AS

These financial statements ("financial statements") have been prepared in accordance with the Indian Accounting Standards (hereafter referred to as the "Ind AS") as notified by the Ministry of Corporate Affairs pursuant to Section 133 of Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards (Ind AS) Rules, 2015 as amended and other relevant provisions of the Act and rules framed thereunder.

The Company's financial statement upto and for the year ended 31st March 2016 were prepared in accordance with the accounting standards specified under Section 133 of the Companies Act 2013, read together with the Rule 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). The Company's financial statements are reported in Indian Rupee, which is also Company's functional currency. These financial statements ("the financial Statement") of the company as at and for the year ended 31st March 2017 (including Comparatives) were approved and authorized by the Company's board of directors as on 30th May 2017.

These financial statements for the year ended 31st March, 2017 are the first financial with comparatives, prepared under Ind AS. The adoption was carried out in accordance with Ind AS 101, First Time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principle generally accepted in India as prescribed under Section 133 of the Act read with the Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP), which was the previous GAAP. Reconciliation and description of the effect of the transition have been summarized in Note 44 to this financial statement.

The accounting policies are applied consistently to all the periods presented in the Financial Statements, including the preparation of the opening Ind AS balance sheet as at 1st April 2015 being the date of transition.

ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities which are measured at fair values.

iii) Rounding of Amounts

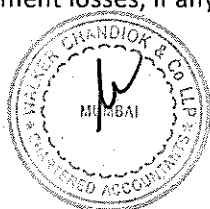
All the amounts disclosed in the financial statements and notes are presented in Indian Rupees have been rounded off to the nearest Lakhs as per the requirement of Schedule III, unless otherwise states. The amount '0' denotes amount less than ₹ one thousand.

iv) Current and Non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act

b) Property, plant and equipment (including Capital work-in- progress)

Freehold land is carried at historical cost. Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes purchase price and expenditures directly attributable to bringing them into working condition for its intended use. Freehold land and capital work in progress are carried at cost, less accumulated impairment losses, if any are not depreciated.



Daman Hospitality Private Limited

Notes to financial statements for the Year Ended March 31, 2017

Subsequent cost are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance expenses are charged to the Statement of Profit or Loss during the reporting period in which they are incurred.

Depreciation on property, plant and equipment is provided under the straight line method over the useful lives of assets as prescribed in Schedule II to the Companies Act 2013 ("Act"), and management believes that useful life of assets are same as those prescribed in Schedule II to the Act.

The residual values are not more than 5% of the Original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gain or losses arising from derecognition of property, plant and equipment are measured as difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the statement of profit and loss when the asset is derecognized.

c) Intangible assets

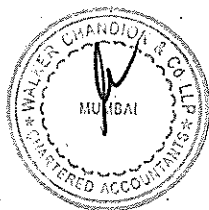
Intangible Assets with finite useful lives that are acquired separately are stated at acquisition cost, net of recoverable taxes, trade discount and rebate less accumulated amortization and accumulated impairment losses; if any. Such cost includes purchase price and any expenditure directly attributable to bringing the asset to its working condition for the intended use.

Subsequent cost are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in profit or loss when the asset is derecognized.

Intangible assets are amortized over their respective individual estimated useful lives on a straight- line basis from date they are available for use. The estimated useful life of an identifiable intangible asset is based on number of factors including the effect of obsolesce, demand, competition and other economic factors and level of maintenance expenditures required to obtain the expected future cash flows from the assets.

Intangible assets are amortized over their respective individual estimated useful lives on a straight- line basis from date they are available for use. The estimated useful life of an identifiable intangible asset is based on number of factors including the effect of obsolesce, demand, competition and other economic factors and level of maintenance expenditures required to obtain the expected future cash flows from the assets. Intangible asset under work in progress represents software under development.



d) Leases

Leases are classified as finance leases whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

As a Lessee

Leases in which significant portion of the risk and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payment made under operating lease are charged to Statement of Profit and Loss on straight-line-basis over the period of the lease unless the payment are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase.

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

As a Lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature

e) Inventories

Consumables, stores and spares are valued at lower of cost computed on weighted average basis or net realizable value after providing cost of obsolescence, if any. The cost of inventories comprises cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is estimated selling price in ordinary course of business less the estimated cost necessary to make the sale.

f) Borrowings

Borrowing is initially recognized at net of transaction costs incurred and measured at amortized cost using effective interest method. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

Effective Interest Methods

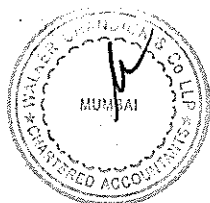
The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest expenses over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payment (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.

g) Revenue Recognition

Revenue is measured at the value of the consideration received or receivable. The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below.

i. Revenue from Sale Service

Revenue from sale of services is recognized as and when the services agreed are rendered, net of discount to the customers and amount collected on behalf of third parties such as service tax, luxury tax.



Daman Hospitality Private Limited
Notes to financial statements for the Year Ended March 31, 2017

ii. Revenue from Sale of goods

Revenue from sales of goods is measured at the fair value of the consideration received or receivable excluding taxes or duties collected on behalf of the government. Sale comprise sale of food and beverages relating to hospitality operations.

iii. Dividend and interest income

Dividend income from investments is recognized when the shareholder's right to receive payment has been established.

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a timely basis, by reference to the amortized cost and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

h) Employee Benefits:

Short-term employee benefits

The amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services.

Post-employment benefits

Defined benefit plan

The liability recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the defined benefit obligation. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income and are not reclassified to profit or loss. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Defined benefit costs are categorized as follows:

Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

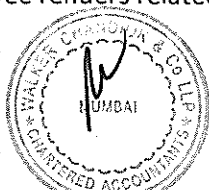
Net interest expenses ; and

· Remeasurement

The company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

Defined Contribution Plan

Payments to defined contribution benefit plans are recognised as an expense in the Statement of Profit and Loss during the period in which employee renders related service.



Daman Hospitality Private Limited

Notes to financial statements for the Year Ended March 31, 2017

i) Foreign currency transactions

Foreign currency transactions and balances

- i. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction.

Monetary assets and liabilities denominated in foreign currencies at the year-end are restated at the closing rate of exchange prevailing on the reporting date.

- ii. Any exchange difference arising on account of settlement of foreign currency transactions and restatement of monetary assets and liabilities denominated in foreign currency is recognized in the Statement of Profit and Loss.

j) Income tax

The tax expense for the period comprises current and deferred tax. Tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in the comprehensive income or in equity. In which case, the tax is also recognized in other comprehensive income or equity.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date. The tax liabilities are presented as net of advance tax for that particular assessment year.

Deferred Tax

Deferred tax is recognized on temporary differences arising between the tax bases of assets and liabilities used in the computation of taxable profit and their carrying amount in the financial statement. Deferred tax assets and liabilities are measured using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

k) Earning Per Share

Basic Earnings per Share

Basic earnings per share are calculated by dividing the profit attributable to owners of the company by the weighted average number of equity shares outstanding during the Financial Year. Earnings considered in ascertaining the Company's earnings per share are the net profit for the period.

Diluted earnings per share

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

l) Financial instruments

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

i) Financial Assets



A. Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognized using trade date accounting.

B. Subsequent measurement

a) Financial assets carried at amortized cost (AC)

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

A financial asset which is not classified in any of the above categories are measured at FVTPL.

C. Impairment of Financial Assets

In accordance with Ind AS 109, the company applies the expected credit loss model for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12- months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible with 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

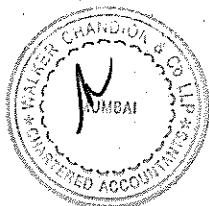
For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 months ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

ii) **Financial Liabilities**

Initial Recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans, net of directly attributable transaction costs.



Daman Hospitality Private Limited

Notes to financial statements for the Year Ended March 31, 2017

Subsequent measurement

Financial liabilities at FVTPL :

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short term maturity of these instruments.

Financial Liabilities at amortised cost

After initial recognition, interest-bearing loans are subsequently measured at amortised cost using the effective interest rate method.

Where the terms of a financial liability is re-negotiated and the Company issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in the Statement of Profit and Loss; measured as a difference between the carrying amount of the financial liability and the fair value of equity instrument issued.

Offsetting financial instruments

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

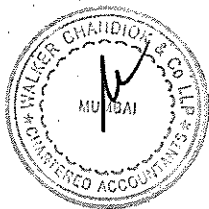
Significant management judgments in applying accounting policies and estimation uncertainty

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Difference between actual results and estimates are recognized in the period in which the results are known/ materialized.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing on the reporting date.

Impairment of non-financial assets

Assessment is done at each Balance Sheet date to evaluate whether there is any indication that a non-financial asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where 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.



Daman Hospitality Private Limited

Notes to financial statements for the Year Ended March 31, 2017

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

Depreciation / amortisation and useful lives of property, plant and equipment / intangible assets

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

Recoverability of trade receivables

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counter party, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

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.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

Impairment of financial assets

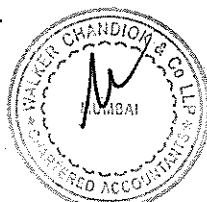
The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Defined benefit obligation

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurement

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.



Note 2 (i) Property, Plant and Equipments

Rs. in Lakhs

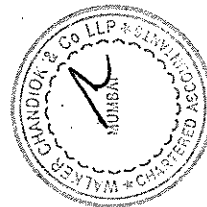
Particulars	Freehold Land	Building	Computer & Accessories	Electrical Equipments	Plant and Machinery	Furniture & Fixtures	Feeder Boat	Motor Vehicles	Total
GROSS BLOCK									
Cost as at 1 April 2015	625.26	35,131.92	197.14	4,962.68	1,141.69	2,499.58	46.24	60.08	44,664.59
Additions	-	-	1.91	21.47	4.40	60.06	-	-	87.84
Disposals/Adjustments	-	(103.23)	(1.86)	(10.00)	(1.15)	(3.75)	-	-	(119.99)
As At March 31, 2016	625.26	35,028.69	197.19	4,974.15	1,144.94	2,555.89	46.24	60.08	44,632.44
As At April 1, 2016	625.26	35,028.69	197.19	4,974.15	1,144.94	2,555.89	46.24	60.08	44,632.44
Additions	-	-	2.06	44.51	149.07	54.73	-	13.61	263.98
Disposals/Adjustments	-	-	-	(6.36)	(1.13)	(16.65)	-	-	(24.14)
As At 31st Mar, 2017	625.26	35,028.69	199.25	5,012.30	1,292.88	2,593.97	46.24	73.69	44,872.28
ACCUMULATED DEPRECIATION									
As at 1 April 2015	-	510.93	143.49	512.13	95.72	320.82	27.08	36.60	1,646.77
Reverse Charge For The Year	-	575.15	24.62	464.45	75.39	298.05	4.39	6.97	1,449.02
Reverse Charge on Disposal	-	-	(1.83)	(3.53)	(0.59)	(0.82)	-	-	(6.77)
As At March 31, 2016	-	1,086.08	166.28	973.05	170.52	618.05	31.47	43.57	3,089.02
As At April 1, 2016	-	1,086.08	166.28	973.05	170.52	618.05	31.47	43.57	3,089.02
Reverse Charge For The Year	-	569.06	21.94	472.61	76.71	301.27	4.39	7.47	1,453.45
Reverse Charge on Disposal	-	-	-	(1.81)	(0.30)	(7.32)	-	-	(9.43)
As At 31st Mar, 2017	-	1,655.14	188.22	1,443.85	246.93	912.00	35.86	51.04	4,533.04
NET BLOCK									
As At 1 April 2015	625.26	34,620.99	53.65	4,450.55	1,045.97	2,178.76	19.16	23.48	43,017.82
As At March 31, 2016	625.26	33,942.61	30.91	4,001.10	974.42	1,937.84	14.77	16.51	41,543.42
As At 31st Mar, 2017	625.26	33,373.55	11.03	3,568.45	1,045.95	1,681.97	10.38	22.65	40,339.24

Note : Refer Note 15 for assets pledged as security against borrowings



Note : 2(ii) INTANGIBLE ASSETS

Particulars	Rs. in Lakhs	
	Software	Total
GROSS BLOCK		
As at 1 April 2015	47.96	47.96
Additions	12.76	12.76
Disposals	-	-
As At March 31, 2016	60.72	60.72
As At April 1, 2016	60.72	60.72
Additions	4.83	4.83
Disposals	-	-
As At 31st Mar, 2017	65.55	65.55
ACCUMULATED DEPRECIATION		
As at 1 April 2015	32.04	32.04
Amortisation for the year	9.00	9.00
Reverse Charge on Disposal	-	-
As At March 31, 2016	41.04	41.04
As At April 1, 2016	41.04	41.04
Amortisation for the year	10.61	10.61
Reverse Charge on Disposal	-	-
As At 31st Mar, 2017	51.65	51.65
NET BLOCK		
As At 1 April 2015	15.92	15.92
As At March 31, 2016	19.68	19.68
As At 31st Mar, 2017	13.90	13.90



3 Investments - Non Current

Particular	Nos			As at		
	31.03.2017	31.03.2016	01.04.2015	31.03.2017	31.03.2016	01.04.2015
Investment measured at Fair Value Through Other Comprehensive Income <u>Unquoted Fully Paid Equity Shares</u> The Saraswat Co. Op. Bank Limited of Rs.10/- Each	2,500	2,500	-	0.25	0.25	-
Total				0.25	0.25	-

Particulars	As at		
	31.03.2017	31.03.2016	01.04.2015
Aggregate Amount of Unquoted Investments	0.25	0.25	-

4 Other Financial Assets - Non Current

Particular	As at		
	31.03.2017	31.03.2016	01.04.2015
(a) Fixed Deposit*	460.47	460.27	460.27
(b) Share Application Money	-	-	0.25
(c) Interest Accrued on Fixed Deposits	234.14	190.50	149.65
Total	694.61	650.77	610.17

*Represent Bank Guarantee given by the Company to Customs (favouring the President of India) for import of hotel equipments & furniture under Export Promotion Guarantee Scheme amounting to Rs.380.01 Lakhs. The Company expects that the amount of revenue required to waive these liability would be achieved.

5 Deferred Tax

Particular	As at		
	31.03.2017	31.03.2016	01.04.2015
Deferred Tax Liability:			
Property Plant and Equipments	(3,365.88)	(2,760.36)	(2,000.23)
(A)	(3,365.88)	(2,760.36)	(2,000.23)
Deferred Tax Asset:			
Accrued Compensation to Employee	10.74	10.52	8.32
Carry Forward Losses	6,047.81	5,033.03	3,593.54
(B)	6,058.55	5,043.55	3,601.86
Net Deferred Tax (Liability)/Assets	(A - B)	2,283.19	1,601.63

Particulars	For the Year Ended	
	31.03.2017	31.03.2016
(Credit)/ charge in statement of Profit and Loss	(409.48)	(681.09)
(Credit)/ charge in statement of Other Comprehensive Income	(0.00)	(0.47)
Total Deferred Tax	(409.48)	(681.56)

Refer Note : 39

Note :The Company has recognised deferred tax assets on carried forwarded losses based on the reasonable certainty of future taxable profit which sufficient to offset the carried forward losses on which deferred tax assets has been created.



6 Other Non Current Assets

Rs. In Lakhs

Particular	As at		
	31.03.2017	31.03.2016	01.04.2015
(a) <u>Capital Advances</u>			
Unsecured, Considered Good	178.39	178.47	170.34
Less : Provision for Dobtful Debts	(168.78)	(168.78)	(152.39)
	9.61	9.69	17.95
(b) Prepaid Expenses	7.28	6.35	24.62
(c) Other Loans & Advances	5.76	5.76	11.51
Total	22.65	21.80	54.08

7 Inventories

Rs. In Lakhs

Particular	As at		
	31.03.2017	31.03.2016	01.04.2015
Traded Goods	19.94	16.16	9.92
Stores and Spares	61.86	164.86	236.36
Total	81.80	181.02	246.28

8 Trade Receivables

Rs. In Lakhs

Particular	As at		
	31.03.2017	31.03.2016	01.04.2015
Unsecured, Considered Good Trade Receivables	16.61	70.67	35.30
Total	16.61	70.67	35.30

9 Cash and Cash Equivalents

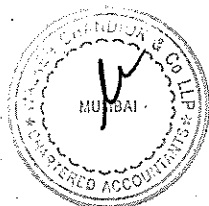
Rs. In Lakhs

Particular	As at		
	31.03.2017	31.03.2016	01.04.2015
Balances with Banks in Current Accounts	131.02	125.71	12.36
Cash on Hand	2.31	1.00	1.17
Cheques on Hand	0.32	-	0.42
Total	133.65	126.71	13.95

10 Other Financial Assets - Current

Rs. In Lakhs

Particular	As at		
	31.03.2017	31.03.2016	01.04.2015
(Unsecured, Considered Good Unless Otherwise Stated)			
Unbilled Revenue	57.75	0.62	1.11
Security Deposit	12.24	11.39	7.59
Advance recoverable in cash or kind	-	60.00	-
Insurance Claim Receivable	-	89.39	-
Others	-	0.15	0.08
Total	69.99	161.55	8.78



Daman Hospitality Private Limited
Notes to the financial statements for the year ended 31 March 2017

11 Current Tax (Net)

Particular	As at		
	31.03.2017	31.03.2016	01.04.2015
Income Tax Receivable	214.52	173.31	25.58
Total	214.52	173.31	25.58

12 Other Current Assets

Particular	As at		
	31.03.2017	31.03.2016	01.04.2015
Balances with Statutory/Government Authorities*	1,466.50	56.80	214.16
Prepaid Expenses	40.58	8.00	-
Advance to Creditor	43.48	91.37	36.32
Other Advances	0.30	-	-
Total	1,550.86	156.17	250.48

* Includes Rs 1,448.30 Lakhs deposited with Bombay High Court for stay on the advertisement of the petition filed by the Debentureholders of the Company.

13

Equity Share Capital	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No.	Rs. In Lakhs	No.	Rs. In Lakhs	No.	Rs. In Lakhs
Authorised:						
Voting class of Equity Shares of Rs 10 each	58,499,995	5,850.00	58,499,995	5,850.00	58,499,995	5,850.00
Non Voting Class A Equity Shares of Rs 10 each	1,500,000	150.00	1,500,000	150.00	1,500,000	150.00
Non Voting Class B Equity Shares of Rs 1 each	50	0.00	50	0.00	50	0.00
Total	60,000,045	6,000.00	60,000,045	6,000.00	60,000,045	6,000.00
Issued, Subscribed And Fully Paid-Up						
Voting class of Equity Shares of Rs 10 each	38,401,918	3,840.19	38,401,918	3,840.19	38,401,918	3,840.19
Non Voting Class A Equity Shares of Rs 10 each	875,088	87.51	875,088	87.51	285,088	28.51
Non Voting Class B Equity Shares of Rs 1 each	28	0.00	28	0.00	28	0.00
Total	39,277,034	3,927.70	39,277,034	3,927.70	38,687,034	3,868.70

a) Reconciliation of the Shares at the Beginning and at the end of the reporting year

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No.	Rs. In Lakhs	No.	Rs. In Lakhs	No.	Rs. In Lakhs
Equity Shares						
At the Beginning of the Year	39,277,034	3,927.70	38,687,034	3,868.70	-	-
Issued During the Year	-	-	590,000	59.00	-	-
Bought Back During the Year	-	-	-	-	-	-
Outstanding at the End of the Year	39,277,034	3,927.70	39,277,034	3,927.70	38,687,034	3,868.70

b) Terms/Rights Attached to Equity Shares

The Company has three classes of equity shares:

A) Voting Equity Shares:

Each voting equity share has a par value of Rs.10 per share. Each shareholder is eligible for one vote per share. Shares are transferrable for one holder to another with the consent of rest of the shareholders. Dividends will be proposed and distributed equally among all the shareholders. The voting equity shares have a right to equal allocation in the distribution of surplus asset of the Company on its liquidation.

B) Non Voting Class A Equity Shares (NVCAE Shares):

Each Non Voting Class A Equity Shares has a par value of Rs 10 each. These are non voting and non participating shares. They are only entitled to 20% of the dividends of the Company, and if holders thereof own less than 15,00,000 NVCAE shares, then those shares will be entitled to their pro-rata portion of that 20% of the dividends of the Company.

C) Non Voting Class B Equity Shares (NVCBE Shares):

Each Non Voting Class B Equity Shares has a par value of Re 1 each. These are non voting and non participating shares. The holder of NVCBE shares shall only claim to receive prorata with other NVCBE shares an aggregate amount of distribution equal to Rs. 4.90 Lakhs which shall be allocable between all NVCBE shares.

c) Details of Shareholders Holding More Than 5% Shares in the Company

Equity Shares	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
Delta Corp Limited - Holding Company	33,471,667	85.22%	33,471,667	85.22%	33,471,667	86.52%
Marvage Holding Limited	2,570,778	6.55%	2,570,778	6.55%	-	-
Thunderbird Resorts Inc	-	-	-	-	2,314,199	5.98%

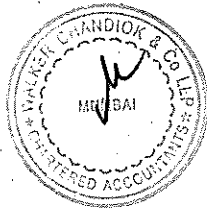


14 Other Equity

Particular	Rs. In Lakhs	
	As at	
	31.03.2017	31.03.2016
a) Securities Premium Reserve		
Opening Balance	12,403.43	9,779.40
(+) : Addition during the year	-	2,624.03
Closing Balance	12,403.43	12,403.43
b) Capital Contribution		
Opening Balance	127.14	57.14
(+) : Addition during the year	70.00	70.00
Closing Balance	197.14	127.14
c) Equity Component of Compound Financial Instruments		
Opening Balance	528.32	3,211.35
Addition/ (Deltion) during the year	-	(2,683.03)
Closing Balance	528.32	528.32
d) Other Comprehensive Income		
Opening Balance	(1.05)	-
(+) : Movement in OCI (Net) during the year	(0.01)	(1.05)
Closing Balance	(1.06)	(1.05)
e) Retained Earning		
Opening Balance	(7,141.29)	(5,144.83)
(+) : Net Profit / (Loss) For the Current Year	(975.39)	(1,996.46)
Closing Balance	(8,116.68)	(7,141.29)
Total	5,011.15	5,916.55

15 Borrowings

Particular	Rs. In Lakhs		
	As at		
	31.03.2017	31.03.2016	01.04.2015
Secured Borrowings			
Term Loan			
From Bank (Refer Note A)		13,190.30	12,369.93
Vehicle Loan (Refer Note B)	7.32	-	-
Total	7.32	13,190.30	12,369.93



Note : A			
Term Loans are :			
1 <u>From Bank 1 (55 cr) - Terms of Loan Repayment</u> Outstanding balance as at balance sheet date carry interest @ Base Rate + spread of 1.75% p.a i.e., 12.40% p.a.(Floating). Loan has been repaid on 22nd May 2017 First pari pasu charge by way of hypothecation of all the moveable and immoveable asset, revenue of whatsoever nature including book debts, operating cash flows, receivables, commissions, security deposits, all insurance contracts/ insurance proceeds, equitable mortgage of land and building of the Company and Corporate guarantee of the Holding Company		3,190.30	4,435.71
2 <u>From Bank 2 (100 cr) - Terms of Loan Repayment</u> Outstanding balance as at balance sheet date carried interest @ Corporate PLR -(5.30%) p.a i.e., 12.25% p.a. . Loan has been repaid on 22nd May 2017 First pari pasu charge on moveable and immoveable assets and current assets of Daman Hospitality Pvt Ltd both present & future. Hypothecation of all the rentals from the space rented out to DCL in favour of HDFC through an escrow account. First pari pasu charge on all the cashflows of DHPL daman in favour of HDFC through an escrow account. Corporate Guarentee of DCL. Pledge of 100% holding of DCL in DHPL of any other collateral as may be required by HDFC, However charge is under creation as on 31.03.2017		10,000.00	
3 <u>From Bank 3 (75 cr) - Terms of Loan Repayment</u> Outstanding balance as at balance sheet date carried interest @ Base Rate + spread of 3.00% p.a i.e., 14.00% p.a.(Floating) First pari pasu charge by way of hypothecation of all the moveable and immoveable asset, revenue of whatsoever nature including book debts, operating cash flows, receivables, commissions, security deposits, all insurance contracts/ insurance proceeds, equitable mortgage of land and building of the Company and exclusive pledge of 30% shares of Advani Hotels & Resorts (India) Ltd (AHRL) which is held by the Holding Company and Corporate guarantee of the Holding Company			3,325.00
4 <u>From Bank 4 (10 Cr)- Terms of Loan Repayment</u> Outstanding balance as at balance sheet date carried interest @ Base Rate + 3.00% p.a i.e., 14.00% p.a. (Applicable Base Rate is 11.00%) First pari pasu charge by way of hypothecation of all the moveable and immoveable asset, revenue of whatsoever nature including book debts, operating cash flows, receivables, commissions, security deposits, all insurance contracts/ insurance proceeds, equitable mortgage of land and building of the Company and exclusive pledge of 30% shares of Advani Hotels & Resorts (India) Ltd (AHRL) which is held by the Holding Company and Corporate guarantee of the Holding Company			949.60
5 <u>From Bank 5 (40 Cr)- Terms of Loan Repayment</u> Outstanding balance as at balance sheet date carried interest @ Bank PLR - 0.75% p.a i.e., 13.75% p.a. Equitable mortgage on the vessel M V Horseshoe owned by holding Company and Corporate guarantee of the Holding Company.			3,659.63
Note : B Vehicle Loans are :			
1 <u>From Bank - Terms of Loan Repayment</u> Outstanding balance as at balance sheet date carry interest @ 9.50% p.a. no repayments in varying monthly installments after 12 months. First pari pasu charge by way of hypothecation to and charges in favour of Bank by way first and exclusive charge the vehicle for the due payment and repayment of the laon	7.32		

16 Other Financial liabilities

Particular	As at		
	31.03.2017	31.03.2016	01.04.2015
Interest Free Security Deposit from Related Party	362.43	321.89	-
Total	362.43	321.89	-

17 Provision

Particular	As at 31st March		
	31.03.2017	31.03.2016	01.04.2015
Provision for Employee Benefits			
Gratuity	27.75	18.12	9.75
Total	27.75	18.12	9.75



18 Borrowing- Current

Particular	Rs. In Lakhs		
	As at		
	31.03.2017	31.03.2016	01.04.2015
Unsecured Loans			
From a Related Parties			
- Repayable on Demand and Interest free	20,213.28	18,137.28	17,813.95
Total	20,213.28	18,137.28	17,813.95

19 Trade Payables

	Rs. In Lakhs		
	As at		
	31.03.2017	31.03.2016	01.04.2015
- Micro, Small and Medium Enterprises	10.41	11.17	7.64
- Related Party Payables	-	20.03	36.26
- Others	320.32	233.70	136.42
Total	330.73	264.90	180.32

Details of dues to Micro, Small and Medium Enterprises	Rs. In Lakhs		
	As at		
	31.03.2017	31.03.2016	01.04.2015
The principal amount remaining unpaid at the end of the year	9.95	10.87	7.60
The interest amount remaining unpaid at the end of the year	0.46	0.30	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.46	0.30	0.04
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-	-

Due to micro and small enterprises have been determined to the extent such parties have been indentified on the basis of information available with the Company.

20 Other Financial Liabilities- current

Particular	Rs. In Lakhs		
	As at		
	31.03.2017	31.03.2016	01.04.2015
Current Maturities of Long-Term Debt (Refer Note 15)	13,202.87	1,166.26	1,366.32
Interest Accrued but Not Due on Borrowings	-	1.49	-
Interest Accrued and Due on Borrowings	1,967.13	1,997.13	2,114.01
Employee Benefits	91.06	9.52	19.33
Book Overdraft	-	-	17.95
Unamortised portion of security deposit received	216.81	267.82	-
Others Payable**	40.50	42.78	84.33
Provision for Expenses	132.34	177.95	108.97
Payable Against Capital Assets	4.94	4.95	47.16
Total	15,655.65	3,667.90	3,758.07

** Include Rentention Payable of Rs 31.36 Lakhs (Previous Year - Rs 30.77 Lakhs) and Security Deposit of Rs. 9.12 Lakhs (Previous Year Rs 12 Lakhs)

21 Other Current Liabilities

Particular	Rs. In Lakhs		
	As at		
	31.03.2017	31.03.2016	01.04.2015
Duties and Taxes	23.32	21.57	115.18
Advances from Customers	292.95	158.08	95.50
Total	316.27	179.65	210.68



22 Provisions - Current

Particular	As at		
	31.03.2017	31.03.2016	01.04.2015
Provision for Employee Benefits			
Leave Encashment	6.96	15.88	17.15
Total	6.96	15.88	17.15

23 Revenue From Operations

Particular	Year Ended	
	31.03.2017	31.03.2016
Sale of Services	3,934.33	2,988.26
Sale of Product	1,370.81	1,116.68
Total	5,305.14	4,104.94

24 Other Income

Particular	Year Ended	
	31.03.2017	31.03.2016
Interest Income on Amortised Cost:		
- Fixed Deposit with Bank	48.69	45.38
Other Non Operating Income :		
Rent Income	51.01	38.26
Foreign Exchange Fluctuation Gains	0.01	0.26
Sundry Balances Written Back	-	35.62
Miscellaneous Income	1.63	1.50
Total	101.34	121.02

25 Cost of Material Consumed

Particular	Year Ended	
	31.03.2017	31.03.2016
Cost of Food and Beverages	77.96	55.91
Raw Material, Stores and Spares Consumed	373.69	366.91
Total	451.65	422.82

26 Changes in Inventories of Stock in Trade

Particular	Year Ended	
	31.03.2017	31.03.2016
Opening Stocks	16.16	9.92
Less : Closing Stocks	19.94	16.16
Total	(3.78)	(6.24)



27 Employee Benefit Expenses

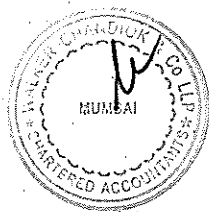
Particular	Rs. In Lakhs	
	Year Ended	
	31.03.2017	31.03.2016
Salaries and Incentives	681.55	669.24
Contribution to Provident Fund	43.65	41.12
Staff Welfare Expenses	111.82	123.57
Total	837.02	833.93

28 Finance Cost

Particular	Rs. In Lakhs	
	Year Ended	
	31.03.2017	31.03.2016
Interest Expenses on Term-Loan	1,692.73	1,786.25
Interest Other than Term Loan	33.80	151.50
Other Finance Charges	110.70	98.23
Total	1,837.23	2,035.98

29 Other Expenses

Particulars	Rs. In Lakhs	
	Year Ended	
	31.03.2017	31.03.2016
Payment to Auditors (Refer Note 43)	9.44	16.89
Advertisement Expenses	278.84	386.06
Legal and Professional Fees	314.89	133.31
Loss on Sale of Assets	13.23	8.83
Water Charges	60.56	61.80
Power and Fuel	453.08	488.82
Insurance	14.38	10.29
Property Miantenance	71.56	66.84
Postage and Communication	13.34	15.40
Provision for Doubtful Debts	-	16.39
<u>Repairs and Maintenance</u>		
- Buildings	303.52	234.93
- Machinery	85.75	97.90
- Others	99.14	93.51
Rent	9.55	4.69
Guest Supples & Amenities	63.43	77.62
Equipment Hire Charges	16.97	18.63
Rates & Taxes	13.82	19.72
Travelling Expenses	18.16	43.12
Commission to Travel Agent	29.27	19.51
Linen & other Supplies	108.41	113.19
Bank Charges	14.23	8.82
Security Expenses	37.28	40.51
Printing & Stationery	21.53	16.37
Outsource Manpower Service	135.73	139.85
Miscellaneous Expenses	19.06	26.00
Total	2,205.17	2,159.00



Contingent Liabilities and Commitments

Rs. In Lakhs

Contingent liabilities and Commitments	As at		
	March 31, 2017	March 31, 2016	April 1, 2015
Contingent liabilities			
Claims against the Company's Disputed Liabilities not Acknowledged as Debts			
- Claims against the Company not acknowledged as Debts - Custom liability (Refer Note 1)	380.02	380.02	380.02
- The CIT (Appeals) has ruled in favour of the Company, against which Income Tax Department has filed an appeal with Income Tax Appellate Tribunal (ITAT) and the Company has filed a memorandum of cross objection, Pertaining to financial year 2008-09 (Refer Note 2)	1,086.68	1,086.68	1,086.68
- Outstanding Liability of Tax Deducted at Source as per Traces Website	11.62	13.72	
	1,478.32	1,480.42	1,466.70

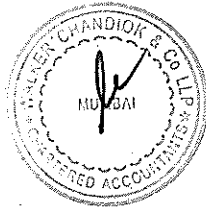
Note 1 Represent Bank Guarantee given by the Company to Customs (favouring the President of India) for import of hotel equipments & furniture under Export Promotion Guarantee Scheme amounting to Rs.3,80,01,600/-. The Company expects that the amount of revenue required to waive these liability would be achieved.

Note 2 Represents Income Tax Demand pertaining to financial year 2008-09. The Company had preferred an appeal against the said assessment order in front of CIT(Appeals). The CIT (Appeals) has ruled in favour of the Company, against which Income Tax Department has filed an appeal with Income Tax Appellate Tribunal (ITAT) and the Company has filed a memorandum of cross objection.

Rs. In Lakhs

Capital Commitments	As at		
	March 31, 2017	March 31, 2016	April 1, 2015
- Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	2.26		
- Estimated amount of contracts remaining to be executed on goods other than capital account and not provided	51.37	23.61	150.39
- Other money for which the Company is contingently liable (Refer Note Below)	1,299.32	1,299.32	1,299.32
	1,352.95	1,322.93	1,449.71

Being the additional interest (Connected with compulsorily convertible debentures) unrecognised on account of dispute has been shown as contingent liability. The Matter is disputed before court. The Company has been legally advised that consequent upon the action of the investors, including winding up petition of the Company, they are no longer entitled for such interest.



31 Employee Benefits :

Brief description of the Plans:

The Company has various schemes for employee benefits such as Provident Fund, Gratuity and Leave Encashment. The Company's defined contribution plans are Provident Fund (in case of certain employees). The Company has no further obligation beyond making the contributions to such plans.

A. Defined Benefit Plans

The Company's defined benefit plans include Gratuity (unfunded). The gratuity plan is governed by the Payment of Gratuity Act, 1972 under which an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service and salary at retirement age.

I. Principal actuarial assumptions used:

Particulars	Gratuity (Unfunded)		
	As at		
	March 31, 2017	March 31, 2016	April 1, 2015
Discount Rate (per annum)	6.81%	7.84%	8.04%
Salary escalation rate	7.00%	7.00%	7.00%
Rate of Employee Turnover	15.00%	15.00%	15.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Expected Rate of return on Plan Assets (per annum)	Ultimate NA	Ultimate NA	Ultimate NA

II. Expenses recognised in Statement of Profit and Loss

Particular	Rs. in Lakhs	
	Gratuity (Unfunded)	
	March 31, 2017	March 31, 2016
Current Service Cost	8.52	6.51
Net interest	1.42	0.78
Total Expenses / (Income) recognised in the Statement of Profit And Loss*	9.94	7.29

*The current service cost and the net interest expenses for the year are included in the 'Employee benefits expenses' line item in the statement of profit & loss account.

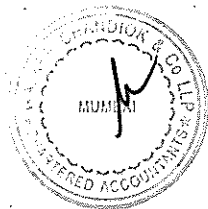
III. Expenses Recognized in the Other Comprehensive Income (OCI)

Particulars	Rs. in Lakhs	
	Gratuity (Unfunded)	
	2016-17	2015-16
Actuarial (Gains)/Losses on Obligation For the Year - Due to changes in financial assumptions	1.70	0.23
Actuarial (Gains)/Losses on Obligation For the Year - Due to experience adjustment	(1.69)	1.29
Net (Income)/Expense For the Period Recognized in OCI	0.01	1.52

The remeasurement of the net defined benefit liability is included in other comprehensive income.

iv. Movements in the present value of defined benefit obligation are as follows:

Particular	Rs. in Lakhs	
	2016-17	2015-16
Defined Benefit Obligation at the beginning of the year	18.12	9.75
Current Service Cost	1.42	6.51
Net interest Cost	8.52	0.78
Actuarial (Gains)/Losses on Obligation For the Year - Due to changes in financial assumptions	1.70	0.23
Actuarial (Gains)/Losses on Obligation For the Year - Due to experience adjustment	(1.69)	1.29
(Benefit Paid Directly by the Employer)	(0.32)	(0.44)
Defined Benefit Obligation at the end of the year	27.75	18.12



v. Cash flow projection: From the Employer

Particular	Rs. in Lakhs	
	2016-17	2015-16
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	2.02	0.95
2nd Following Year	1.87	1.50
3rd Following Year	2.93	1.50
4th Following Year	3.64	2.28
5th Following Year	3.61	2.71
Sum of Years 6 To 10	13.74	10.33

The Plan typically to expose the Company to actuarial risk such as Interest Risk, Longevity Risk and Salary Risk

- a) Interest Risk : A decrease in the bond interest rate will increase the plan liability.
 b) Longevity Risk : The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
 c) Salary Risk : The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan's participants will increase the plan's liability.

vi. Sensitivity Analysis

Projected Benefits Payable in Future Years From the Date of Reporting	Rs. in Lakhs	
	2016-17	2015-16
Projected Benefit Obligation on Current Assumptions	27.75	18.12
Delta Effect of +1% Change in Rate of Discounting	(1.65)	(1.09)
Delta Effect of -1% Change in Rate of Discounting	1.86	1.22
Delta Effect of +1% Change in Rate of Salary Increase	1.83	1.22
Delta Effect of -1% Change in Rate of Salary Increase	(1.67)	(1.11)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.45)	(0.03)
Delta Effect of -1% Change in Rate of Employee Turnover	0.46	0.32

The above sensitivity analyses are based on change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

b. Defined contribution plans

The Company also has certain defined contribution plans. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plans are as follows:

Charge to the Statement of Profit and Loss based on contributions:

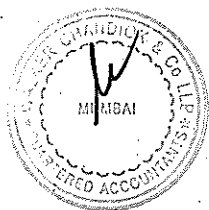
Particulars	Rs. in Lakhs	
	2016-17	2015-16
Employer's contribution to Regional Provident Fund Office	43.6	41.1

J. Leave obligations

The leave obligations cover the Company's liability for earned leave.

The amount of the provision of Rs 6.96 lakhs (31st March, 2016 Rs 15.88 lakhs, 1 April 2015 Rs 9.99 lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations.

Particulars	Rs. in Lakhs	
	Leave Encashment	
	2017	2016
Current Service Cost	(5.26)	1.59
Total Expenses / (Income) recognised in the Statement of Profit And Loss	(5.26)	1.59



32 Information in accordance with the requirements of Indian Accounting Standard 24 on Related Party

- (i) **Holding Company**
Delta Corp Limited (DCL)
- (ii) **Companies that are directly/indirectly under Common Control**
- Delta Plesure Cruise Company Private Limited (DPCCPL)
 - Highstreet Cruises and Entertainment Private Limited (HCEPL)
- (iii) **Key Management Personnels (KMP):**
- Mr Sunil Krishnan Nair - Director (Resigned w.e.f 3 March 2017)
 - Mr. Manoj Jain - Director (Resigned w.e.f 3 March 2017)
 - Mr. Pragnesh Shah - Director (Appointed w.e.f 3 March 2017)
 - Mrs. Farzana Mojgani - Director (Appointed w.e.f 3 March 2017)
 - Mr. Darius Khambatta - Director (Appointed w.e.f 3 March 2017)
 - Mr. Vrajesh Udhani - Director (Appointed w.e.f 3 March 2017)
 - Mrs. Deepika Pandey - Company Secretary (till 31 March 2017)
 - Mr. Hardik Dhebar (HD) - Group CFO
 - Mr. Sourabh Amar Gangadhare -Company Secretary (w.e.f 1 April 2017)
- (iv) **Relatives of Key Managerial Personnels**
There is no transaction with the parties
- (v) **Enterprise ,over which Key Managerial Personnel or Relative of KMP exercise significant influence.**
There is no transaction with the parties



Daman Hospitality Private Limited

Notes to financial statements for the Year Ended March 31, 2017

Details of transactions carried out with related parties in the ordinary course of business							Rs. In Lakhs	
Nature of Transactions	Holding Company / Joint Venture / Associate Company		Other Related Parties Where Common Control Exists		Individual / Enterprises Over which such Individuals/KMPs or their Relatives Exercises Significant Influence or Control		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Rent Received								
DCL	1,200.73	1,028.84	-	-	-	-	1,200.73	1,028.84
Total :	1,200.73	1,028.84	-	-	-	-	1,200.73	1,028.84
Room Nights Charged								
DCL	579.60	335.30	-	-	-	-	579.60	335.30
Total :	579.60	335.30	-	-	-	-	579.60	335.30
Sale of Inventory/ Assets/ Services								
DCL	0.67	1.31	-	-	-	-	0.67	1.31
HCEPL	-	-	0.52	-	-	-	0.52	-
DPCCP	-	-	0.47	-	-	-	0.47	-
Total :	0.67	1.31	0.99	-	-	-	1.66	1.31
Unsecured Loan Taken (Excluding Interest)								
DCL	2,903.00	2,745.33	-	-	-	-	2,903.00	2,745.33
Total :	2,903.00	2,745.33	-	-	-	-	2,903.00	2,745.33
Unsecured Loan Repaid								
DCL	827.00	2,422.00	-	-	-	-	827.00	2,422.00
Total :	827.00	2,422.00	-	-	-	-	827.00	2,422.00
Security Deposit								
DCL	-	600.00	-	-	-	-	-	600.00
FCSP	-	-	-	-	-	-	-	-
Total :	-	600.00	-	-	-	-	-	600.00
Reimbursement of Expenses								
HCEPL	-	-	0.11	-	-	-	0.11	-
Total :	-	-	0.11	-	-	-	0.11	-
Reimbursement of Expenses								
DCL	139.72	193.28	-	-	-	-	139.72	193.28
Total :	139.72	193.28	-	-	-	-	139.72	193.28

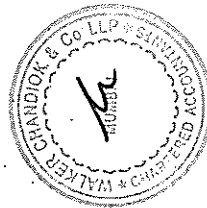


Daman Hospitality Private Limited
Notes to financial statements for the Year Ended March 31, 2017

Nature of Transactions	Details of transactions carried out with related parties in the ordinary course of business												Rs. In Lakhs		
	Holding Company / Joint Venture / Associate Company			KMP or Relative of KMP owning directly or indirectly interest in voting power			Other Related Parties Where Common Control Exists			Individual / Enterprises Over which such Individuals/KMPs or their Relatives Exercises Significant Influence or Control			Total		
	31.3.2017	31.3.2016	01.04.2015	31.3.2017	31.3.2016	01.04.2015	31.3.2017	31.3.2016	01.04.2015	31.3.2017	31.3.2016	01.04.2015	31.3.2017	31.3.2016	01.04.2015
Outstanding as on 31st March															
Loan Payable, if any															
DCL	20,213.28	18,137.28	17,813.95	-	-	-	-	-	-	-	-	-	20,213.28	18,137.28	17,813.95
Total:	20,213.28	18,137.28	17,813.95	-	-	-	-	-	-	-	-	-	20,213.28	18,137.28	17,813.95
Fully Compulsory Convertible Debenture- C															
DCL	171.05	171.05	171.05	-	-	-	-	-	-	-	-	-	171.05	171.05	171.05
Total:	171.05	171.05	171.05	-	-	-	-	-	-	-	-	-	171.05	171.05	171.05
Other Payables															
DCL	-	20.03	36.26	-	-	-	-	-	-	-	-	-	-	20.03	36.26
Total:	-	20.03	36.26	-	-	-	-	-	-	-	-	-	-	20.03	36.26
Guarantee/Security Given and (Taken)															
DCL (Corporate Guarantee Given by Holding Company for Term Loan)*	5,500.00	5,500.00	5,500.00	-	-	-	-	-	-	-	-	-	5,500.00	5,500.00	5,500.00
DCL (Corporate Guarantee and Security Given by Holding Company for Term Loan)**	8,500.00	8,500.00	9,500.00	-	-	-	-	-	-	-	-	-	8,500.00	8,500.00	9,500.00
Total:	14,000.00	14,000.00	15,000.00	-	-	-	-	-	-	-	-	-	14,000.00	14,000.00	15,000.00

* Post balancesheet guarantee released.

** Transaction are of non monetary nature.



Daman Hospitality Private Limited

Notes to financial statements for the Year Ended March 31, 2017

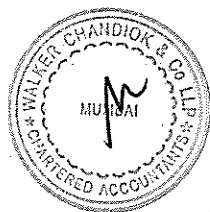
33 Earning Per Shares

Earnings Per Share (EPS) – EPS is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Numbers used for calculating basic and diluted earnings per equity share are as stated below:

Particulars	Rs. In Lakhs	
	Year Ended	
	31st March, 2017	31st March, 2016
Loss after tax (Rs. in Lakhs)	(975.39)	(1,996.46)
Weighted Average Number of Equity Shares used as Denominator for Calculating Basic Earnings per share (nos.)	384.02	384.02
Earnings Per Share - Basic and Diluted Earning per Share (in Rs.)	(2.54)	(5.20)
Face value per share	10.00	10.00

Refer Note 13

The Company has a net loss in the books of accounts thus, the effect of weighted average potential equity shares would be anti-dilutive.



34 Unhedged Foreign Currency (FC) exposure

The Company does not have significant exposure to the risk of change in foreign currency as the Company is not having any receivable and payable in foreign currency.

35 Credit Risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

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 through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward-looking information such as:

- Actual or expected significant adverse changes in business,
- Actual or expected significant changes in the operating results of the counterparty,
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

Trade Receivables:

The ageing of trade receivables and expected credit loss analysis on these trade receivables is given in below table:

Particulars	Rs. in Lakhs				Total
	0-60 days	61-180 days	181-365 days	above 365 days	
As at 31 March 2017	16.46	0.15	-	-	16.61
As at 31 March 2016	70.65	0.02	-	-	70.67
As at 01 April 2015	33.21	2.09	-	-	35.30

The expected credit loss analysis on these trade receivables is given in below table:

Particulars	Rs. in Lakhs
	Amount
As at 01 April 2015	-
Provision for doubtful debts	-
Bad debts	-
As at 31 March 2016	-
Provision for doubtful debts	-
Bad debts	-
As at 31 March 2017	-



36 Capital Risk Management

a) The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings as detailed in notes 15, 18 and 20 offset by cash and bank balances) and total equity of the Company.

The Company determines the amount of capital required on the basis of annual as well as long term operating plans and other strategic investment plans. The funding requirements are met through long-term and short-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

The capital components of the Company are as given below:

Particular	Rs. in Lakhs		
	March 31, 2017	March 31, 2016	April 1, 2015
Total Equity	8,938.85	9,844.25	11,771.76
Short Term Borrowings	20,213.28	18,137.28	17,813.95
Long Term Borrowings	7.32	13,190.30	12,369.93
Current Maturities of Long Term Borrowings	13,202.87	1,166.26	1,366.32
Total Debt	33,423.47	32,493.84	31,550.20
Cash and Bank Balances	133.65	126.71	13.95
Net Debt	33,289.82	32,367.13	31,536.25
Debt Equity ratio	3.72	3.29	2.68

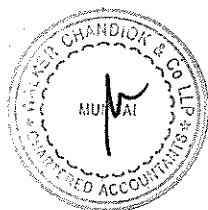
37 Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

Maturities of Financial Liabilities	Rs. in Lakhs		
	March 31, 2017		
	Upto 1 year	1 to 5 years	5 years & above
Borrowings	33,515.12	7.32	-
Trade Payables	335.67	-	-
Other Financial Liabilities	2,098.69	600.00	-
	35,949.48	607.32	-

Maturities of Financial Liabilities	Rs. in Lakhs		
	March 31, 2016		
	Upto 1 year	1 to 5 years	5 years & above
Borrowings	19,237.28	13,390.05	-
Trade Payables	269.85	-	-
Other Financial Liabilities	2,050.92	-	600.00
	21,558.05	13,390.05	600.00

Maturities of Financial Liabilities	Rs. in Lakhs		
	April 1, 2015		
	Upto 1 year	1 to 5 years	5 years & above
Borrowings	19,393.44	12,420.49	-
Trade Payables	227.49	-	-
Other Financial Liabilities	2,217.67	-	-
	21,838.60	12,420.49	-



38 Interest Rate Risk & Sensitivity Analysis

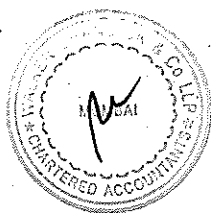
Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Group's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

The sensitivity analyses below have been determined based on the exposure to interest rates for assets and liabilities at the end of the reporting period. For floating rate assets and liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year and the rates are reset as per the applicable reset dates. The basis risk between various benchmarks used to reset the floating rate assets and liabilities has been considered to be insignificant.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Company's

- Profit for the year would decrease/increase by amount as stated below. This is mainly attributable to the Company's exposure to borrowings at floating interest rates.

Particulars	Financial Liabilities (In Lakhs)	Change in Interest rate	Rs. in Lakhs	
			Impact on Profit or Loss before tax for the year (In Lakhs) Increase by 1%	Impact on Profit or Loss before tax for the year (In Lakhs) decrease by 1%
As at 31 March 2017	13,202.87	1%	132.03	(132.03)
As at 31 March 2016	14,356.56	1%	143.57	(143.57)
As at 01 April 2015	13,736.26	1%	137.36	(137.36)



Daman Hospitality Private Limited

Notes to financial statements for the Year Ended March 31, 2017

39 Tax expenses

a) Amount Recognised in profit and loss

Rs.in Lakhs

Particular	March 31, 2017	March 31, 2016
Current tax		
In respect of the current year	-	-
In respect of prior years	-	-
b) Deferred tax		
In respect of the current year	(409.48)	(681.09)
Total income tax expense /(credit) recognised in the current year relating to continuing operations	(409.48)	(681.09)

b) Amount Recognised in other comprehensive Income

Rs.in Lakhs

Particular	March 31, 2017	March 31, 2016
Deferred tax		
Remeasurement of defined benefit obligation	(0.00)	(0.47)
Total income tax/(Credit) recognised in other comprehensive income	(0.00)	(0.47)

c) Deffered Tax Balances

Rs.in Lakhs

Particular	March 31, 2017	March 31, 2016	April 1, 2015
Deferred tax assets (net)	6,058.55	5,043.55	3,601.86
Deferred tax liabilities (net)	(3,365.88)	(2,760.36)	(2,000.23)
Net Deferred tax assets/(liabilities)	2,692.67	2,283.19	1,601.63

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

Movement of deferred tax expense during the year ended 31 March 2017

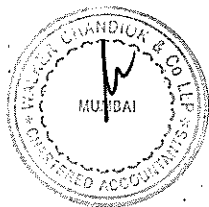
Rs.in Lakhs

Particular	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax (liabilities)/assets in relation to:				
Depreciation	(2,760.36)	(605.52)	-	(3,365.88)
Carry forwards Losses	5,033.04	1,014.77	-	6,047.81
Provision for Post Retirement Benefit	10.52	0.23	(0.00)	10.75
Total	2,283.19	409.49	(0.00)	2,692.67

Movement of deferred tax expense during the year ended 31 March 2016

Rs.in Lakhs

Particular	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax (liabilities)/assets in relation to:				
Depreciation	(2,000.23)	(760.13)	-	(2,760.36)
Carry forwards Losses	3,593.54	1,439.50	-	5,033.04
Provision for Post Retirement Benefit	8.32	1.73	0.47	10.52
Total	1,601.63	681.09	0.47	2,283.19



a) Categories of Financial Instruments:

Particular	March 31, 2017			March 31, 2016			April 1, 2015		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets									
Investments	-	-	0.25	-	-	0.25	-	-	-
Investment in Fixed Deposit	-	-	460.47	-	-	460.27	-	-	460.27
Accrued interest thereon	-	-	234.14	-	-	190.50	-	-	149.65
Cash & Bank Balances	-	-	133.65	-	-	126.71	-	-	13.95
Trade Receivables	-	-	16.61	-	-	70.67	-	-	35.30
Share Application Money	-	-	-	-	-	-	-	-	0.25
Advance Receivable in cash or Kind	-	-	-	-	-	60.00	-	-	-
Insurance Claim Receivable	-	-	-	-	-	89.39	-	-	-
Unbilled Revenue	-	-	57.75	-	-	0.62	-	-	1.11
Security Deposit	-	-	12.24	-	-	89.39	-	-	7.59
Others	-	-	-	-	-	0.15	-	-	0.08
	-	-	915.11	-	-	1,087.95	-	-	668.20
Financial liabilities									
Borrowings	-	-	33,423.47	-	-	32,493.84	-	-	31,550.20
Trade Payables	-	-	330.73	-	-	264.90	-	-	180.32
Other Financial Liabilities	-	-	2,682.88	-	-	2,645.57	-	-	2,282.78
	-	-	36,437.08	-	-	35,404.31	-	-	34,013.30

b) Fair Value Hierarchy and Method of Valuation

Except as detailed in the following table, the Company considers that the carrying amounts of financial instruments recognised in the financial statements approximate Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Input other than quoted prices included within level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

The following table presents fair value of assets and liabilities measured at fair value on recurring basis as of March 31, 2017

Financial Assets	March 31, 2017				
	Carrying Value	Level 1	Level 2	Level 3	Total
Financial Assets					
Measured at FVTOCI					
Investment in Equity Instruments	-	-	-	-	-
Financial Assets					
Measured at FVTOCI					
Investment in Equity Instruments	-	-	-	-	-
Financial Assets					
Measured at FVTOCI					
Investment in Equity Instruments	-	-	-	-	-
Financial Assets					
Measured at FVTOCI					
Investment in Equity Instruments	-	-	-	-	-



Daman Hospitality Private Limited
Notes to financial statements for the Year Ended March 31, 2017

41 Disclosure in Respect Of Specified Bank Notes held and transacted during the period 8th November, 2016 to 30th December, 2016 :-

Particulars	Amount in Rs		
	Specified Bank Notes	Other denomination notes & Coins	Total
Closing cash in hand as on 08.11.2016	1,083,500	82,792	1,166,292
(+) Permitted receipts	-	7,774,797	7,774,797
(-) Permitted payments	-	1,284,681	1,284,681
(-) Amount deposited in Banks	1,083,500	5,883,326	6,966,826
Closing cash in hand as on 30.12.2016	-	689,582	689,582

Specified Bank Notes is defined as Bank Notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees.

42 Operating Lease Expenses

The Company's significant operating lease arrangement are mainly in respect of Employee premises. The aggregate lease rentals payable on these lease arrangements are charges as rent under "Employee Compensation Expenses".

These Non Cancellable lease arrangement are for a period not exceeding 3 years and are renewable by the mutual consent, on mutually agreed terms.

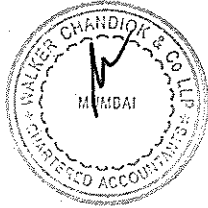
Future minimum lease rentals payable in respect of non- cancellable operatin leases have been mentioned below :

Particular	Rs. in Lakhs	
	As at 31 March 2017	As at 31 March 2016
Non Cancellable Operating Lease Commitment		
Not Later than one year	3.36	5.40
Later than one year but not later than five years	-	2.70
later than five years	-	-

43 Payment to Auditors

Other Expenditure in Note 31 includes Auditor's Remuneration in respect of

Particular	Rs. in Lakhs	
	Year ended 31 March 2017	Year ended 31 March 2016
Audit Fees	9.25	16.75
Reimbursement of Out of Pocket Expenses	0.18	0.14
Service Tax on Above	0.01	-
Total	9.44	16.89



These are the Company's first financial statements prepared in accordance with Ind AS.

The Company has adopted Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs with effect from 1st April, 2016, with a transition date of 1st April, 2015. Ind AS 101-First-time Adoption of Indian Accounting Standards requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements which is for the year ended 31st March, 2017 for the company, be applied retrospectively and consistently for all financial years presented. Consequently, in preparing these Ind AS financial statements, the Company has availed certain exemptions and complied with the mandatory exceptions provided in Ind AS 101, as explained below. The resulting difference in the carrying values of the assets and liabilities as at the transition date between the Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity).

Set out below are the Ind AS 101 optional exemptions availed as applicable and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

(A) Exemptions availed

(a) Deemed Cost

The Company has considered all the items comprising in property, plant and equipment would be measured at Ind AS compliant cost in accordance with Ind AS 16 and Intangible assets carrying amount of under previous GAAP as deemed cost as at transition date.

(B) Applicable Mandatory Exceptions

(a) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Impairment of financial assets based on expected credit loss model.

(b) Classification and measurement of financial assets

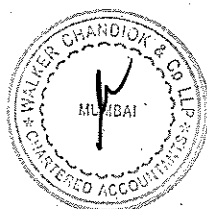
As required under Ind AS 101 the company has assessed the classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

(C) Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS as required under Ind AS 101:

- i) Reconciliation of Balance sheet as at April 1, 2015 (Transition Date)
- ii) A. Reconciliation of Balance sheet as at March 31, 2016
B. Reconciliation of Total Comprehensive Income for the year ended March 31, 2016
- iii) Reconciliation of Equity as at April 1, 2015 and as at March 31, 2016
- iv) Adjustments to Statement of Cash Flows

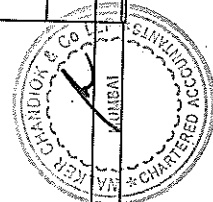
The presentation requirements under Previous GAAP differs from Ind AS, and hence, Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.



Daman Hospitality Private Limited
Notes to financial statements for the Year Ended March 31, 2017
Effect of Ind AS adoption on the Standalone balance sheet as at 31st March, 2016 and 1st April, 2015

Rs. in Lakhs

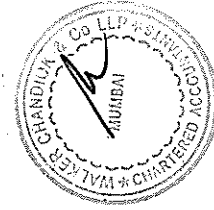
Particulars	As at 31.03.2016		As at 01.04.2015		As per Ind AS Balance sheet
	Regrouped Previous GAAP	Effect of transition to Ind-As	As per Ind AS Balance sheet	Regrouped Previous GAAP	
ASSETS					
Non-Current Assets					
(a) Property Plant and Equipment's	41,499.02	44.40	41,543.42	42,945.13	72.69
(b) Capital Work In Progress	223.14	-	223.14	223.14	-
(c) Intangible assets	19.88	(0.20)	19.68	15.92	(0.00)
(d) Intangible Asset Under Development	28.48	-	28.48	28.48	-
(e) Financial Assets	0.25	-	0.25	-	-
(f) Investments	650.77	-	650.77	610.17	-
(g) Other Financial Assets	2,281.77	1.42	2,283.19	1,631.80	(30.17)
(h) Deferred Tax Assets (Net)	173.42	(151.62)	21.80	237.07	(182.99)
(i) Other Non Current Assets	44,876.73	(106.00)	44,770.73	45,691.71	(140.47)
Total Non Current Assets					
Current Assets					
(a) Inventories	181.02	-	181.02	246.28	-
(b) Financial Assets	70.67	-	70.67	35.30	-
(c) Trade Receivable	126.71	-	126.71	13.95	-
(d) Cash and Bank Balance	161.55	0.00	161.55	8.78	-
(e) Other Financial Assets	173.31	(30.67)	156.17	25.58	-
(f) Current Tax (Net)	186.84	(30.67)	156.17	306.30	(55.82)
(g) Other Current Assets	900.10	(30.67)	869.43	636.19	(55.82)
Total Current Assets	45,776.83	(136.67)	45,640.16	46,327.90	(196.28)
TOTAL ASSETS					
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	3,927.70	-	3,927.70	3,868.70	-
(b) Other Equity	5,381.11	535.44	5,916.55	4,624.24	3,278.81
Total Equity	9,308.81	535.44	9,844.25	8,492.94	3,278.81
Non-Current Liabilities					
(a) Financial Liabilities	13,390.06	(199.76)	13,190.30	12,755.89	(385.96)
(b) Borrowings	600.00	(278.11)	321.89	9.75	-
(c) Other Financial Liabilities	18.12	-	18.12	-	-
Total Non Current Liabilities	14,008.18	(477.87)	13,530.31	12,765.64	(385.96)
Current Liabilities					
(a) Financial Liabilities	18,137.28	-	18,137.28	17,813.95	-
(b) Borrowings	264.90	-	264.90	180.32	-
(c) Trade Payables	3,862.14	(194.24)	3,667.90	6,847.21	(3,089.14)
(d) Other Financial Liabilities	179.65	-	179.65	210.68	-
(e) Other Current Liabilities	15.88	-	15.88	17.15	-
Total Current Liabilities	22,459.84	(194.24)	22,265.60	25,069.32	(3,089.14)
TOTAL EQUITY AND LIABILITIES	45,776.83	(136.67)	45,640.16	46,327.90	(196.28)



Reconciliation of Statement of Profit/(Loss) and Equity between Ind AS and Previous GAPP for year ended 2015-2016.

Rs. in Lakhs

Particulars	Regrouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS
Income:			
Revenue from Operations	4,104.94	-	4,104.94
Other Income	82.76	38.26	121.02
Total Revenue	4,187.70	38.26	4,225.96
Expenses:			
Cost of Material Purchased	422.82	-	422.82
Changes in Inventories of Stock in Trade	(6.24)	-	(6.24)
Employee Benefit Expenses	835.45	(1.52)	833.93
Finance Costs	1,864.28	171.70	2,035.98
Depreciation and Amortization Expense	1,429.52	28.50	1,458.02
Other Expenses	2,159.00	-	2,159.00
Total Expenses	6,704.83	198.69	6,903.51
Loss before Exceptional Items and Tax	(2,517.13)	(160.42)	(2,677.55)
Exceptional Items			
Loss Before Tax	(2,517.13)	(160.42)	(2,677.55)
Tax Expenses			
- Current Tax			
- Deferred Tax	649.97	31.12	681.09
- Earlier Years Tax Adjustments			
Total Tax Expenses	649.97	31.12	681.09
Loss After Tax	(1,867.17)	(129.30)	(1,996.46)
Prior Period Items			
Net Profit for the Year	(1,867.17)	(129.30)	(1,996.46)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plans		(1.52)	(1.52)
Income tax relating to above items		0.47	0.47
Other Comprehensive Loss for the year (B)		(1.05)	(1.05)
Total Comprehensive Loss for the year (A+B)	(1,867.17)	(130.35)	(1,997.51)



Reconciliation of Loss and Reserve between Ind AS and previous GAAP

Nature of Adjustments	Note No.	Profit		Reserve	
		31.03.2016	01.04.2015	31.03.2016	01.04.2015
Loss / Retained earnings as per Previous GAAP		(1,867.17)	4,624.24	5,381.11	
Depreciation adjustment on account of retrospective application as per IND AS 16	2	(28.50)	72.69	44.20	
Others (Net)	1,3,4,&5	(131.92)	3,206.13	491.24	
Impact of Deferred Taxes (net) on above adjustments	6	31.12			
Total		(129.30)	3,278.82	535.44	
Loss before OCI / Reserve as per Ind AS		(1,996.46)	7,903.06	5,916.55	

Note:

1 Borrowings

As required under the IND AS 109 transactions costs incurred towards origination of borrowings have been deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit and loss over the tenure of the borrowing as interest expense, computed using the effective interest rate method corresponding effect being in Long term borrowings and to the extent attributable to Current maturity of long term debts.

Under the previous GAAP, these transaction costs were charged to the profit and loss over the period of Loan. Consequently, borrowings as at 31st March, 2016 have been reduced by Rs 133.44 Lakhs (Net) (April 1, 2015- Rs 263.71 Lakhs) The profit under the previous GAAP for the year ended 31st March, 2016 has been reduced by Rs 73.72 Lakhs on account Effective Interest rate Impact.

2 Property, Plant, Equipment and Intangible Assets (PPE)

As per Ind AS 101, Company has elected to apply the full retrospective restatement of Property, Plant and Equipment and Intangible in accordance with Ind AS 16. Consequently, Property, Plant and Equipment as at 31st March, 2016 have been increased by Rs 44.20 Lakhs (April 1, 2015 Rs 72.70 Lakhs) with a corresponding adjustment to retained earnings resulting in increase in total equity. The profit under the previous GAAP for the year ended 31st March, 2016 has been reduced by Rs 28.50 Lakhs.

3 Fair valuation of Security deposits paid at initial recognition and subsequently at amortised cost

Under the Previous GAAP, Interest free security deposits are recorded at their transaction value. Under Ind AS, all financial liabilities are required to recognised at fair value. Accordingly, the Company has fair valued the security deposit under IND AS. Difference between the fair value of security deposits and the carrying value as per previous GAAP has been recognised as advance rent. Consequently, the amount of security deposits has been decreased by Rs 278.11 Lakhs as at 31 March 2016. The advance rent increased by Rs 267.82 Lakhs as at 31 March 2016 (Rs Nil Lakh as at 1 April 2015). The profit for the year and equity is increased by Rs 10.29 Lakhs (net) due to amortisation of advance rent of Rs 38.26 Lakhs is partially off set by the notional interest expenses of Rs 27.97 Lakh recognised in these security deposit.

4 Re-measurements of post-employment benefit obligation

Under Ind AS, re-measurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit and loss. Under the previous GAAP, these re-measurements were forming part of the profit and loss for the year. As a result of this change, the profit for the year ended March 31, 2016 increase by Rs. 1.04 Lakhs (Net) There is no impact on the total equity as at 31st March, 2016.



5 Financial Guranteee Contracts

Under previous GAAP, The Financial Guranteee Contract is disclosed in Notes to accounts as contingenet Liabilities. Under IND As it is required to measure all the financial liabilities at fair Value. Accordingly the Company has fair valued the Financial Guranteee Contract Under Ind As with a corresponding impact in Equity of Company as Capital Contribution. Consequently, Other equity of company has been Increased by Rs 70 Lakhs as at 31 March 2016 (1 April 2015- Rs 70 Lakhs). Company's loss for year ended 31 March 2016 is increased by Rs 70 Lakhs. This has no impact on Overall Basis.

6 Deferred Tax

The impact of transition adjustments together with Ind As mandate of using balancesheet approach (against profit and loss approach in the previous GAAP) for computation of deferred taxes has resulted in charge to the Reserves, on the date of transition, with consequential impact to the Statement of Profit and Loss for the subsequent period.

7 Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes re-measurements of defined benefit plans and fair value of investment through OCI. The concept of other comprehensive income did not exist under previous GAAP.

8 Compusorily Convertible Debetures

Under Indian GAAP, Compulsorily Convertible Debentures were classified as liability. Under Ind AS 32, compound financial instruments is split into separate liability and equity component based on the contractual terms and conditions of the financial instrument. Contractual terms of all the series of Compulsorily Convertible Debentures issued by the Company have a compulsory conversion option into equity shares, Accordingly the amount at which conversion will take place (fixed number of shares at fixed price) to be classified as equity portion. This result in classification of Fully Convertible Debenture of Rs 528.32 Lakhs as at 31 March 2016 (Rs 3211.35 Lac as at 1 April 2015).


9 Bank Overdraft

Under Ind As, bank overdrafts repayable on demand and which form an integral part of the cash management process are included in cash and cash equivalents for the purpose of presentation of statement of cash flows. Under previous GAAP, bank overdrafts were considered as part of borrowings and movements in bank overdrafts were shown as part of financing activities. Consequently, cash and cash equivalents have reduced by Rs 17.94 Lakhs for consideration fo Opening Cash and Cash equivalent for Financial Year 2015-2016.



10 The Ind AS adjustments are either non cash adjustments or are regrouping among the cash flows from operating, investing and financing activities. Consequently, Ind AS adoption has no impact on the net cash flow for the year ended 31st March, 2016 as compared with the previous GAAP.


For Walker Chandlok & Co. LLP
Chartered Accountants
ICAI Firm Reg. No. 001076/N/500013

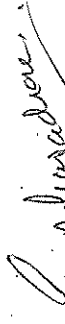

B. Panthaky
Partner
Membership No. 42423

Place : Mumbai
Date : 30th May 2017

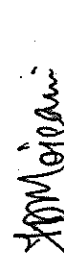


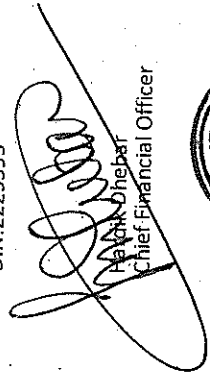
For and on behalf of the Board


Pragmesh Shah
Director
DIN: 6942988


Sourabh Gangadhare
Company Secretary
ACS No. A49743

30 MAY 2017


Farzana Darayus Moigani
Director
DIN: 2225595


Hemant Dhebar
Chief Financial Officer

