Fort Jadhavgadh Hotels Private Limited
CIN No. U55101MH2012PTC227175
Balance Sheet as at 31st March 2018
(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

	Particulars	Note no.	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
	ASSETS				
A	Current assets				
	a) Financial assets				
	i) Cash and cash equivalents	5	0.10	0.14	0.06
	b) Other current assets	6	-	0.03	0.04
	(A)		0.10	0.17	0.10
	TOTAL (A)		0.10	0.17	0.10
	EQUITY AND LIABILITIES				
A	Equity				
	a) Equity share capital	7	1.00	1.00	1.00
	b) Other equity		(1.84)	(1.44)	(1.35)
	(A)		(0.84)	(0.44)	(0.35)
	Liabilities				
B	Non current liabilities				
	a) Financial liabilities				
	i) Borrowings	8	0.62	0.56	0.41
C	Current liabilities				
	a) Financial liabilities				
	i) Other financial liabilities	9	0.14	0.05	0.04
	b) Other current liabilities	10	0.18	-	-
	(B)		0.94	0.61	0.45
	TOTAL (A+B)		0.10	0.17	0.10
	Significant accounting policies and notes to financial statement	1 to 26			

Notes referred to herein above form an integral part of financial statements.

As per our audit report of even date

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration No. 116560W/ W100149

N. A. SHAH ASSOCIATES LLP
MUMBAI
CHARTERED ACCOUNTANTS

Milan Mody
Partner
Membership No.: 103286

Place: Mumbai
Date: 23rd May 2018

For and on behalf of the Board of Directors of
Fort Jadhavgadh Hotels Private Limited

Babu A. Devadiga
Director
DIN : 00492360

Place: Mumbai
Date: 23rd May 2018

Prabhakar V. Shetty
Director
DIN : 02448426

Place: Mumbai
Date: 23rd May 2018

Fort Jadhavgadh Hotels Private Limited
CIN No. U55101MH2012PTC227175
Statement of profit and loss for the year ended 31st March 2018
(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

	Particulars	Note no.	Year ended 31st March 2018	Year ended 31st March 2017
A	Income			
	Other Income	11	-	0.04
	Total income (A)		-	0.04
B	Expenses			
	Finance cost	12	0.02	0.02
	Other expenses	13	0.38	0.11
	Total expenses (B)		0.40	0.13
C	Profit/(Loss) before tax (A - B)		(0.40)	(0.09)
D	Tax expense:			
	- Current tax	19	-	-
			-	-
E	Profit/(loss) after tax (C - D)		(0.40)	(0.09)
F	Other comprehensive income			
	A) Items that will not be reclassified to Statement of Profit and Loss		-	-
	B) Items that will be reclassified to statement of Profit and Loss		-	-
	Total other comprehensive (income)/ expenses		-	-
G	Total comprehensive income/ (loss) for the year (E + F)		(0.40)	(0.09)
	Basic and diluted earnings/ (loss) per share (Face value of Rs. 10 each)	16	(4.05)	(0.89)
	Significant accounting policies and notes to financial statements	1 to 26		

Notes referred to herein above form an integral part of financial statements.

As per our audit report of even date

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration No. 116560W/ W100149

H. D. Mody

N. A. SHAH ASSOCIATES LLP
MUMBAI
CHARTERED ACCOUNTANTS

Milan Mody
Partner
Membership No.: 103286

Place: Mumbai
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For and on behalf of the Board of Directors of
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Director
DIN : 02448426

Place: Mumbai
Date: 23rd May 2018

Fort Jadhavgadh Hotels Private Limited
CIN No. U55101MH2012PTC227175
Cash Flow Statement for the year ended 31st March 2018
(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

Particulars	Note	Year ended 31st March 2018	Year ended 31st March 2017
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit /(loss) before taxes		(0.40)	(0.09)
Add/(less): Adjustments for non cash and other items			
Interest expenses		0.02	0.02
Operating profit / (loss) before working capital changes		(0.39)	(0.07)
Movements in working capital: [Including Current and Non-current]			
(Increase) / decrease in loans and advances and other current assets		0.03	0.01
Increase / (decrease) in trade payable and other current liabilities		0.24	0.00
Cash generated from operations		(0.11)	(0.06)
Adjustment for:			
Direct taxes paid (including tax deducted at source)		-	-
Net cash generated/ (used in) from operating activities...(A)		(0.11)	(0.06)
B. CASH FLOW FROM INVESTING ACTIVITIES			
Net cash (used in) / from investing activities... (B)		-	-
C. CASH FLOW FROM FINANCING ACTIVITIES			
Loan received		0.07	0.14
Net cash (used in) / from financing activities... (C)		0.07	0.14
Net increase / (decrease) in cash and cash equivalents (A+ B+C)		(0.04)	0.08
Cash and cash equivalents at beginning of the year	5	0.14	0.06
Cash and cash equivalents at end of the year		0.10	0.14
Net increase / (decrease) in cash and cash equivalents		(0.04)	0.08
Significant accounting policies and notes to financial statement	1 to 26		

Notes referred to herein above form an integral part of financial statements.

As per our report of even date

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration No. 116560W/ W100149

H. D. Mody

N. A. SHAH ASSOCIATES LLP
MUMBAI
CHARTERED ACCOUNTANTS

Milan Mody
Partner
Membership No.: 103286

Place: Mumbai
Date: 23rd May 2018

For and on behalf of the Board of Directors of
Fort Jadhavgadh Hotels Private Limited

Babu A. Devadiga
Director
DIN : 00492360

Place: Mumbai
Date: 23rd May 2018

Prabhakar V. Shetty
Director
DIN : 02448426

Place: Mumbai
Date: 23rd May 2018

Fort Jadhavgadh Hotels Private Limited
CIN No. U55101MH2012PTC227175
Statement of changes in equity for the year ended 31st March 2018
(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

(a) Equity share capital

As at1st April 2016	Changes in equity share capital during the year	As at31st March 2017	Changes in equity share capital during the year	As at31st March 2018
1.00	-	1.00	-	1.00

(Also refer note 7)

(b) Other equity

Particulars	Retained earnings	Total other equity
Balance as at 1st April 2016	(1.35)	(1.35)
Loss for the year	(0.09)	(0.09)
Balance as at 31st March 2017	(1.44)	(1.44)
Loss for the year	(0.40)	(0.40)
Balance as at 31st March 2018	(1.84)	(1.84)

Notes referred to herein above for an integral part of financial statement.

As per our audit report of even date

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration No. 116560W/ W100149

Milan Mody
Partner
Membership No.: 103286

Place: Mumbai
Date: 23rd May 2018

N. A. SHAH ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Fort Jadhavgadh Hotels Private Limited

Babu A. Devadiga
Director
DIN : 00492360

Place: Mumbai
Date: 23rd May 2018

Prabhakar V. Shetty
Director
DIN : 02448426

Place: Mumbai
Date: 23rd May 2018

1. Background

The Company was incorporated on 20thFebruary2012under Companies Act, 1956 and is domiciled in India. The registered office of the Company is located at KHIL House, 70 - C, Nehru road, Vile Parle (East), Mumbai, Maharashtra 400099, India. The Company is wholly owned subsidiary of Kamat Hotels (India) Limited, which is in hospitality business. The Company has not carried out any business activity during the year however, it is exploring various business opportunities related to hospitality business.

The financial statements of the Company for the year ended 31stMarch 2018 were approved and adopted by board of directors of the Company in their meeting held on 23rd May 2018.

2. Basis of preparation

2.1. Statement of compliance with Ind AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

For all periods up to and including the year ended 31st March 2017, the Company had prepared its financial statements in accordance with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read together with the Companies (Accounts) Rules 2014 (referred as "Indian GAAP"). These are the Company's first annual financial statements prepared complying in all material respects with the Ind AS notified under Section 133 of the Companies Act, 2013.

The financial statements comply with Ind AS notified by the Ministry of Corporate Affairs ('MCA'). The Company has consistently applied the accounting policies used in the preparation of its opening Ind AS Balance Sheet at 1st April 2016 throughout all periods presented, as if these policies had always been in effect and are covered by Ind AS 101 "First-time adoption of Indian Accounting Standards". The transition was carried out from Indian GAAP which is considered as the previous GAAP, as defined in Ind AS 101. There are no adjustments required in the transition from previous GAAP to Ind AS (Also refer note 24 of financial statement).

2.2. Functional and presentation of currency

The financial statements are prepared in Indian Rupees which is also the Company's functional currency. All amounts are rounded to the nearest rupees in lakhs.

2.3. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

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

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

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

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

Level 1 – Unadjusted quoted price in active markets for identical assets and liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 – unobservable inputs for the asset or liability

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

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

Fair values have been determined for measurement and / or disclosure purpose using methods as prescribed in "Ind AS 113 Fair Value Measurement".

2.4. Use of significant accounting estimates, judgements and assumptions

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosure of contingent liabilities as on the date of financial statements and reported amounts of income and expenses for the periods presented. The Company based its assumptions and estimates on parameters available when the financial statements were prepared.Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Significant estimates and critical judgement in applying these accounting policies are described below:

i) Going concern

The Company has incurred losses during the year and previous financial years and its networth is negative. Further, its short term liabilities are higher than total assets. Financial Statements are prepared on going concern basis, considering commitment from the holding company for financial support from time to time for payment of liabilities.

ii) Recognition of deferred tax assets:

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

iii) Corporate guarantee:

The Company has given corporate guarantee (jointly with other fellow subsidiaries and group entities) on behalf of holding company aggregating to Rs. 3,858,300,000 (31st March 2017: 3,858,300,000 & 1st April 2016: 3,858,300,000) towards loan facilities taken from banks/ others. Share of Company in this corporate guarantee is not quantifiable. Company does not expect any outflow on account of this guarantee. Considering the asset base of the Company, it does not expect any reimbursement in respect of this corporate guarantee and hence in view of the management, the financial guarantee obligation is not required to be recognised in financial statements and it has been disclosed as contingent liability.

3. Significant Accounting Policies

3.1. Presentation and disclosure of financial statement

All assets and liabilities have been classified as current and non-current as per Company's normal operating cycle and other criteria set out in the division II of Schedule III of the Companies Act, 2013 for a company whose financial statements are made in compliance with the Companies (India Accounting Standards) Rules, 2015.

As of the reporting date, the Company has no business operation and hence the operating cycle is assumed to be 12 months.

3.2. Borrowing cost

Borrowing costs (net of interest income on temporary investments) that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the respective asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use or sale. Ancillary cost of borrowings in respect of loans not disbursed are carried forward and accounted as borrowing cost in the year of disbursement of loan. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest expenses calculated as per effective interest method, exchange difference arising from foreign currency borrowings to the extent they are treated as an adjustment to the borrowing cost and other costs that an entity incurs in connection with the borrowing of funds.

3.3. Taxes on income

Tax expenses for the year comprises of current tax, deferred tax charge or credit and adjustments of taxes for earlier years. In respect of amounts adjusted outside profit or loss (i.e. in other comprehensive income or equity), the corresponding tax effect, if any, is also adjusted outside profit or loss.

Provision for current tax is made as per the provisions of Income Tax Act, 1961.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, and deferred tax assets are recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which such deferred tax assets can be utilized. In situations where the Company has unused tax losses and unused tax credits, deferred tax assets are recognised only if it is probable that they can be utilized against future taxable profits. Deferred tax assets are reviewed for the appropriateness of their respective carrying amounts at each Balance Sheet date.

At each reporting date, the Company re-assesses unrecognised deferred tax assets. It recognises previously unrecognised deferred tax assets to the extent that it has become probable that future taxable profit allow deferred tax assets to be recovered.

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3.4. Cash and cash equivalent

Cash and cash equivalents include cash in hand, bank balances, deposits with banks (other than on lien) and all short term and highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

For the purpose of cash flow statement, cash and cash equivalent as calculated above also includes outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.5. Cashflow statement

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

3.6. Provisions, contingent liabilities,contingent assets

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk 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. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

The Company does not recognize a contingent asset but discloses its existence in the financial statements if the inflow of economic benefits is probable. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

3.7. Earnings per share

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion of compulsorily convertible preference shares, debentures or any other instrument, from the date consideration is receivable (generally the date of their issue) of such instruments.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

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3.8. Impairment of non-financial assets

The carrying amounts of assets are reviewed at each balance sheet date for any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of a) fair value of assets less cost of disposal and b) its value in use. Value in use is the present value of future cash flows expected to derive from an assets or Cash-Generating Unit (CGU).

Based on the assessment done at each balance sheet date, recognised impairment loss is further provided or reversed depending on changes in circumstances. After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life. If the conditions leading to recognition of impairment losses no longer exist or have decreased, impairment losses recognised are reversed to the extent it does not exceed the carrying amount that would have been determined after considering depreciation / amortisation had no impairment loss been recognised in earlier years.

3.9. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.9.1. Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (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.

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Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- It has been acquired principally for the purpose of selling it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument or a financial guarantee. Dividends on these investments in equity instruments are recognised in profit or loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in profit or loss are included in the 'Other income' line item.

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

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model based on 'simplified approach' for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the twelve month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in statement of profit and loss.

De-recognition of financial asset

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On de-recognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

3.9.2. Financial liability and equity instrument

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for de-recognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term, or

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- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in profit or loss.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (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 financial liability or (where appropriate) a shorter period, to the gross carrying amount on initial recognition.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

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- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

Offsetting of financial instruments

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

Reclassification

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

De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in profit or loss.

4. New standard issued but not effective and hence not adopted

The following standards issued / modified by MCA become effective w.e.f. 1st April 2018.

Particulars	Effective date
New Ind AS issued *	
Ind AS 115 – Revenue from contracts with customers	1st April 2018
Modification to existing Ind AS *	
Ind AS 12 – Income Taxes	1st April 2018
Ind AS 21 – The effects of changes in foreign exchange rates	1st April 2018
Ind AS 28 – Investments in associates and joint ventures	1st April 2018
Ind AS 40 – Investment property	1st April 2018
Ind AS 112 – Disclosure of interest in other entities	1st April 2018

* Does not include modification to existing other Ind AS due to issue of new Ind AS.

In view of the management, above amendments would not have a material impact on the financial statements.

N.A. SHAH ASSOCIATES LLP
CHARTERED ACCOUNTANTS
MUMBAI

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

5

Cash and cash equivalent	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Cash in hand	0.04	0.04	-
Balances with bank			
- In current accounts	0.06	0.10	0.06
Total	0.10	0.14	0.06

6

Other current asset	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Prepaid expenses	-	0.03	0.04
Total	-	0.03	0.04

7

Equity share capital	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Authorised capital			
10,000 equity shares (31st March 2017: 10,000 & 1st April 2016: 10,000) of Rs.10 each	1.00	1.00	1.00
Total	1.00	1.00	1.00
Issued, subscribed and paid-up			
10,000 equity shares (31st March 2017: 10,000 & 1st April 2016: 10,000) of Rs.10 each	1.00	1.00	1.00
Total	1.00	1.00	1.00

7.1 Terms/ rights attached to equity shares :

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, there are no preferential amounts inter se equity shareholders. The distribution will be in proportion to the number of equity shares held by the shareholders (After due adjustment in case shares are not fully paid up.)

7.2 Movements in equity share capital

Particulars	31st March 2018		31st March 2017	
	Number of Shares	Amount	Number of Shares	Amount
Number of shares at the beginning	10,000	1.00	10,000	1.00
Add: Shares issued during the year	-	-	-	-
Less: Buyback during the year	-	-	-	-
Number of shares at the end	10,000	1.00	10,000	1.00

7.3 Details of shareholders holding more than 5 % shares in the Company:

Particulars	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	% of holding	Number of Shares*	% of holding	Number of Shares*	% of holding	Number of Shares*
Kamat Hotels (India) Limited	100	10,000	100	10,000	100	10,000

*Out of above one share is held by Dr. Vithal V. Kamat as nominee of Kamat Hotels (India) Limited.

N.A. SHAH ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

7.4 Equity shares held by the holding company (also ultimate holding company)

Particulars	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	% of holding	Number of Shares*	% of holding	Number of Shares*	% of holding	Number of Shares*
Kamat Hotels (India) Limited	100	10,000	100	10,000	100	10,000

*Out of above one share is held by Dr. Vithal V. Kamat as nominee of Kamat Hotels (India) Limited.

8	Borrowings	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
	Unsecured			
	- Intercorporate Loan (Refer note 8.1)	0.67	0.58	0.42
	Less: Interest accrued but not due disclosed under other financial liabilities (Refer note 9)	0.05	0.02	0.01
	Total	0.62	0.56	0.41

8.1 Above intercorporate loan is repayable based on funds available with the Company but not later 10 years from the date of taking loan [FY 2013-14]. As per the terms of the agreement it is not payable in next 12 months as at balance sheet date, hence same is classified under long term borrowing.

9	Other financial liabilities	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
	Other payables (Refer note 25)	0.09	0.03	0.03
	Interest accrued but not due (Refer note 8)	0.05	0.02	0.01
	Total	0.14	0.05	0.04

10	Other current liabilities	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
	Statutory dues	0.18	-	-
	Total	0.18	-	-

N.A. SHAH ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

Fort Jadhavgadh Hotels Private Limited
CIN No. U55101MH2012PTC227175
Notes to financial statements for the year ended 31st March 2018
(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

11	Other income	Year ended 31st March 2018	Year ended 31st March 2017
	Interest on loan	-	0.04
	Total	-	0.04

12	Finance cost	Year ended 31st March 2018	Year ended 31st March 2017
	Interest expense	0.02	0.02
	Total	0.02	0.02

13	Other expenses	Year ended 31st March 2018	Year ended 31st March 2017
	Rates and taxes	0.22	0.01
	Professional fees	0.07	0.06
	Audit fees (Refer note 13.1)	0.06	0.03
	Miscellaneous expenses	0.03	0.01
	Total	0.38	0.11

13.1 Auditors' remuneration

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
For statutory audit	0.06	0.03
Total	0.06	0.03

*Including Good & Service tax of Rs. 900, (Previous year: service tax of Rs. 375).

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14 Capital commitments, other commitments and contingent liabilities

14.1 Capital and other commitments

There are no capital commitments and other commitments as at 31st March 2018 (31st March 2017: Nil & 1st April 2016: Nil).

14.2 Contingent liabilities

Company has given corporate guarantee (jointly with other fellow subsidiaries and group entities) on behalf of holding company aggregating to Rs. 38,583.00 lakhs (31st March 2017: Rs. 38,583.00 lakhs and 1st April 2016: Rs. 38,583.00 lakhs) towards loan facilities taken from banks/others. Share of Company in this corporate guarantee is not quantifiable. Company does not expect any outflow on account of this guarantee.

15 Related party transactions

15.1 Name and relationships of related parties

a. Holding & Ultimate Holding Company : Kamat Hotels (India) Limited

b. Directors / Key management personnel: Prabhakar V. Shetty
Babu A. Devadiga

15.2 Transactions with related parties

Nature of transaction	Name of the Party	Year ended 31st March 2018	Year ended 31st March 2017
Expenses paid on behalf of Company	Kamat Hotels (India) Limited	0.03	-

15.3 Closing balances of related parties

Nature of transaction	Name of the Party	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Other payable	Kamat Hotels (India) Limited	0.03	-	-
Corporate Guarantee given (Jointly with other fellow subsidiaries and group entities) to bank/others for Credit Facility availed by Holding Company [Company's share is not quantifiable]	Kamat Hotels (India) Limited	38,583.00	38,583.00	38,583.00

N.A. SHAH ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

Terms and conditions of related party transaction
Outstanding balances at the year end are unsecured with a short term duration and interest free and settlement occurs in cash. All transactions were made on normal commercial terms and conditions and at market rates.

16 Earnings/ (loss) per share

Particulars	Year ended31st March 2018	Year ended31st March 2017
Basic and diluted earning per share		
Net profit / (loss) after tax as per Statement of Profit and Loss (Rs.)	(0.40)	(0.09)
Weighted average number of equity shares outstanding	10,000	10,000
Face value per equity share (Rs.)	10	10
Basic and diluted earnings/(loss) per share (Rs.)	(4.05)	(0.89)

17 **Disclosures as required by Indian Accounting Standard (Ind AS) 19 - Employee Benefits:**
As the Company had no employees during the year as well as in the previous year, no provision for defined benefit obligations like leave encashment and gratuity & defined contribution plan has been made. Consequently, there are no disclosures as required by Indian Accounting Standard 19 (Ind AS) – 'Employee Benefits'.

18 Foreign currency exposure outstanding as on 31st March 2018: Nil (31st March 2017: Nil & 1st April 2016: Nil). There are no outstanding derivative contracts as on 31st March 2018 (31st March 2017: Nil & 1st April 2016: Nil).

19 No provision for income tax has been made during the year as well as in the previous year as there is no taxable income as per the Income Tax Act, 1961. There is no deferred tax liability to be provided in the books of account as on 31st March 2018 (31st March 2017: Nil & 1st April 2016: Nil). As per Ind AS 12 - Income Taxes, deferred tax asset should be recognised on the carry forward unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. Considering same currently the Company has not recognised deferred tax asset as in near future there is low probability that taxable profit will be available against which it can be utilised.

The Company is having unused tax business losses as on 31st March 2018 of Rs. 0.76 lakhs (31st March 2017: Rs. 0.39 lakhs & 1st April 2016 of Rs. 0.31 lakhs) and its expiry date varies from 1 to 8 years as at 31st March 2018 (2 to 8 years as at 31st March 2017 & 3 to 8 years as at 1st April 2016).

20 **Disclosures as required by Indian Accounting Standard (Ind AS) 108 - Operating Segments**
The Company currently does not have any business activity. Therefore, disclosure as required by Ind AS 108 - Operating Segment is not applicable.

N.A. SHAH ASSOCIATES LLP
MUMBAI
CHARTERED ACCOUNTANTS

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

21 Financial instruments - Accounting Classifications & Fair value Measurement

(a) Financial instruments by category

Sr. No.	Particulars	31st March 2018			31st March 2017			1st April 2016		
		Amortised Cost	FVTOCI	FVTPL	Amortised Cost	FVTOCI	FVTPL	Amortised Cost	FVTOCI	FVTPL
A	Financial assets									
(i)	Cash and cash equivalents	0.10	-	-	0.14	-	-	0.06	-	-
	Total financial assets	0.10	-	-	0.14	-	-	0.06	-	-
B	Financial liabilities									
(i)	Borrowings	0.67	-	-	0.58	-	-	0.42	-	-
(ii)	Other financial liabilities	0.14	-	-	0.05	-	-	0.04	-	-
	Total financial liabilities	0.81	-	-	0.63	-	-	0.46	-	-

FVTOCI - Fair Value Through Other Comprehensive Income
FVTPL - Fair Value Through Profit or Loss

22 Financial risk management

The Company has exposure to two risks mainly funding/ liquidity risk and credit risk. The Company has no exposure to transactions having market risk. The Company does not have any derivative financial instruments. The Board of directors has overall responsibility for the establishment of the Company's risk management framework. Risk management systems are reviewed periodically to reflect changes in Company's activities.

(a) Credit Risk :
Credit risk is the risk of financial loss to the Company if a counterparty to a financial instruments fail to meet its contractual obligations. The Company is exposed mainly to credit risk which arises from cash and cash equivalents.

(i) Cash and cash equivalent

The Company considers factors such as track record, size of institution, market reputation and service standards to select the banks with which balances are maintained. The balance are generally maintained with the banks with whom the Company has regular transactions. Further, the Company does not maintain cash in hand. Considering the same, the Company is not exposed to expected credit loss of cash and cash equivalent.

N.A. SHAH ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

(b) Liquidity Risk :

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligation on time. The Company relies on mix of borrowings, capital and financial support from Holding Company to meet its needs for funds. The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on the undiscounted payments.

Particulars	Less than 1 year	1 to 5 year	Above 5 years	Total
As at 31st March 2018				
Borrowings	-	0.62	-	0.62
Other financial liabilities	0.14	-	-	0.14
			-	
As at 31st March 2017				
Borrowings	-	0.56	-	0.56
Other financial liabilities	0.05	-	-	0.05
As at 1st April 2016			-	
Borrowings	-	0.41	-	0.41
Other financial liabilities	0.04	-	-	0.04

23 Capital management

Capital is fully contributed by the Holding Company 'Kamat Hotels (India) Limited'. There are accumulated losses as at year end. The financial statements are prepared on going concern basis considering the committed financial support from the Holding Company.

24 Disclosure as required by Ind AS 101 - First time adoption of Indian Accounting Standards

Transition to Ind AS - There are no adjustments required in the transition from previous GAAP to Ind AS. Hence, no reconciliation is required for figures as per previous Indian GAAP and Ind AS. Further, the Company has not availed any exemption stated in Ind AS 101 on transition to Ind AS.

N.A. SHAH ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

25 There were no amounts due and remaining unpaid to suppliers covered under Micro, Small & Medium Enterprises Development Act, 2006 (MSMED Act) on account of principal and/or interest as at the close of the financial year. This disclosure is based on the information available with the Company regarding the status of the suppliers as defined under the MSMED Act, 2006.

26 The Company has incurred losses in the current year and in the previous year and also its net worth is negative. Further, its short term liabilities are higher than total assets. The accounts are prepared on going concern basis based on the commitment and financial support from the holding company.

As per our report of even date

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration No. 116560W/ W100149

N. A. SHAH ASSOCIATES LLP
MUMBAI
CHARTERED ACCOUNTANTS

Milan Mody
Partner
Membership No.: 103286

Place: Mumbai
Date: 23rd May 2018

For and on behalf of the Board of Directors of
Fort Jadhavgadh Hotels Private Limited

Babu A. Devadiga
Director
DIN : 00492360

Place: Mumbai
Date: 23rd May 2018

Prabhakar V. Shetty
Director
DIN : 02448426

Place: Mumbai
Date: 23rd May 2018