

INDEPENDENT AUDITOR'S REPORT

To the Members of Fleur Hotels Private Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Fleur Hotels Private Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss and including other Comprehensive income, consolidated Cash Flow Statement and consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated Ind AS financial statements').

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms with the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act., read with Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control 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, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, 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. We conducted our audit of the consolidated Ind AS financial statement in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS 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 accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's



S.R. BATLIBOI & Co. LLP

Chartered Accountants

Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph (a) of the Other Matters below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

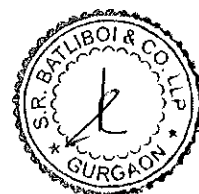
Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at March 31, 2017, their consolidated profit including other comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, we report, to the extent applicable, that:

- (a) We / the other auditors whose reports we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements;
- (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the auditors who are appointed under Section 139 of the Act, of its subsidiary companies, incorporated in India, none of the directors of the Group's companies, incorporated in India is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, incorporated in India, refer to our separate report in "Annexure 1" to this report;
- (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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group— Refer Note 32 to the consolidated Ind AS financial statements;



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- ii. The Group, did not have any material foreseeable losses in long-term contracts including derivative contracts;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India.
- iv. The Holding Company and subsidiaries incorporated in India, have provided requisite disclosures in Note 38 to these consolidated Ind AS financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation of the Holding Company regarding the holding and nature of cash transactions, including Specified Bank Notes and on consideration of reports of the other auditors as noted in the "Other Matters" paragraph below, we report that these disclosures are in accordance with the books of accounts maintained by the Group and as produced to us by the Management of the Holding Company.

Other Matter

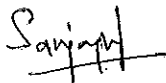
We did not audit the financial statements and other financial information, in respect of 5 subsidiaries, whose Ind AS financial statements include total assets of Rs. 40,821.93 lakhs and net assets of Rs. 28,672.84 lakhs as at March 31, 2017, total revenues of Rs. 4,373.11 lakhs and net cash inflows of Rs. 26.01 lakhs for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Ind AS financial statements and other financial information certified by the Management

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



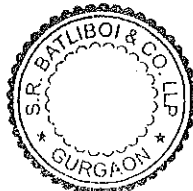
per Sanjay Vij

Partner

Membership Number: 95169

Place of Signature: Gurgaon

Date: June 15, 2017



Fleur Hotels Private Limited
Consolidated Balance Sheet as at March 31, 2017

	Note No.	As at March 31, 2017 Rs in lakhs	As at March 31, 2016 Rs in lakhs	As at April 1, 2015 Rs in lakhs
ASSETS				
(1) Non-current assets				
(a) Property, plant and equipment	3	73,549.66	48,003.29	49,775.57
(b) Capital work-in-progress	4	24,623.43	18,137.40	8,709.30
(c) Intangible assets	5	9,426.39	8,706.03	8,700.15
(d) Financial assets	6			
(i) Other non-current financial assets		2,595.19	2,256.28	1,549.36
(e) Other non-current assets	7	20,220.65	35,962.46	28,924.58
		<u>130,415.32</u>	<u>113,065.46</u>	<u>97,658.96</u>
(2) Current assets				
(a) Inventories	8	202.50	209.32	181.33
(b) Financial assets	9			
(i) Trade receivables		1,035.20	704.53	631.55
(ii) Cash and Cash equivalents		550.89	490.39	667.32
(iii) Investments	6	-	-	3,123.64
(iv) Other financial assets		182.14	460.30	148.65
(v) Loans		-	57.48	123.97
(c) Other current assets	10	493.69	493.60	223.57
		<u>2,464.42</u>	<u>2,415.62</u>	<u>5,100.03</u>
Total Assets		<u>132,879.74</u>	<u>115,481.08</u>	<u>102,758.99</u>
EQUITY AND LIABILITIES				
Equity				
(a) Share capital	11	5,928.63	5,928.63	5,865.75
(b) Other Equity	12	89,461.37	89,106.44	85,423.59
Equity attributable to equity holders of the parent		95,390.00	95,035.07	91,289.34
(c) Non-controlling interests	13	1,020.06	968.29	-
Total Equity		<u>96,410.06</u>	<u>96,003.36</u>	<u>91,289.34</u>
Liabilities				
(1) Non-current liabilities				
(a) Financial liabilities	14			
(i) Borrowings		27,666.93	12,793.66	7,932.37
(ii) Other non-current financial liabilities		403.86	358.67	318.53
(b) Long term provisions	15	22.02	15.48	13.67
(c) Deferred tax liabilities (net)	16	792.11	764.43	578.04
(d) Other non-current liabilities	17	1,105.19	602.20	136.79
		<u>29,990.11</u>	<u>14,534.44</u>	<u>8,979.40</u>
(2) Current liabilities				
(a) Financial liabilities	18			
(i) Trade payables		1,865.27	2,122.48	1,116.73
(ii) Other financial liabilities		3,883.63	2,399.69	1,118.81
(b) Other current liabilities	19	653.68	367.66	234.82
(c) Provisions	15	76.99	53.45	19.89
		<u>6,479.57</u>	<u>4,943.28</u>	<u>2,490.25</u>
Total Liabilities		<u>36,469.68</u>	<u>19,477.72</u>	<u>11,469.65</u>
Total Equity and Liabilities		<u>132,879.74</u>	<u>115,481.08</u>	<u>102,758.99</u>

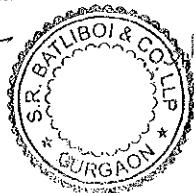
Summary of significant accounting policies 2.1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

per Sanjny Vij
Partner
Membership No. 95169



For and on behalf of the Board of Directors of
Fleur Hotels Private Limited

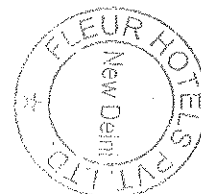
Patanjali G. Keswani
Chairman & Managing Director
DIN-00002974

Pooja Bakshi
Company Secretary

Inder Pal Batra
Chief Financial Officer

Place : Gurgaon
Date : June 15, 2017

Place : New Delhi
Date : June 15, 2017



Fleur Hotels Private Limited
Consolidated statement of Profit and Loss for the period ended 31 March, 2017

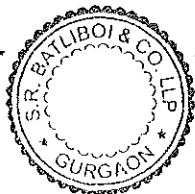
	Note No.	For the year ended March 31, 2017 Rs in lakhs	For the year ended March 31, 2016 Rs in lakhs
Revenue from operations	20	14,384.41	12,653.39
Other Income	21	452.03	417.56
Total Income (I)		14,836.44	13,070.95
Expenses			
Cost of food and beverages consumed	22	1,396.34	1,366.76
Employee benefits expense	23	2,595.27	2,166.40
Other expenses	24	6,587.85	5,414.95
Total (II)		10,579.46	8,948.11
Earnings before interest, tax, depreciation and amortisation (EBITDA) (I-II)		4,256.98	4,122.84
Depreciation and amortization expense	25	2,001.20	2,048.33
Finance costs	26	1,941.06	1,187.98
Finance income	27	(110.35)	(224.40)
Profit before tax		425.07	1,110.93
Tax expense:			
(1) Current tax		45.61	168.56
(2) Adjustment of tax relating to earlier periods		(31.92)	(7.20)
(3) Deferred tax		203.55	387.94
		217.24	549.30
Net profit for the year		207.83	561.63
Other comprehensive income			
Remeasurements of defined benefit plans		(1.13)	2.37
Income tax relating to items that will not be reclassified to profit or loss		-	-
		(1.13)	2.37
Total Comprehensive Income for the year		206.70	564.00
Profit for the year		207.83	561.63
Attributable to:			
Equity holders of the parent		207.87	561.63
Non-controlling interests		-	-
Total comprehensive income for the year		206.70	564.00
Attributable to:			
Equity holders of the parent		206.70	564.00
Non-controlling interests		-	-
Earnings per equity share			
(1) Basic	28	0.35	0.95
(2) Diluted	28	0.35	0.95
Summary of significant accounting policies	2.3		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

per Sanjay Vij
Partner
Membership No. 95169



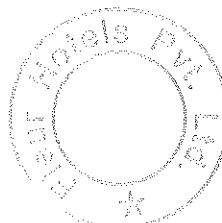
For and on behalf of the Board of Directors of
Fleur Hotels Private Limited

Patanjali G. Keswani
Patanjali G. Keswani
Chairman & Managing Director
DIN-00002974

Pooja Bakshi
Pooja Bakshi
Company Secretary

Place : New Delhi
Date : June 15, 2017

Inder Pal Batra
Inder Pal Batra
Chief Financial Officer



Place : Gurgaon
Date : June 15, 2017

Fleur Hotels Private Limited
Consolidated statement of Changes in Equity

A. Equity Share Capital

Equity shares of INR 10 each issued, subscribed and fully paid

	No. of shares	Amount Rs in lakhs
At 1 April 2015	58,657,503	5,865.75
Issued during the year	628,750	62.88
At 31 March 2016	59,286,253	5,928.63
Issued during the year	-	-
At 31 March 2017	59,286,253	5,928.63

B. Other Equity
For the year ended 31 March, 2017

	Reserves and Surplus		Retained Earnings	Items of OCI Remeasurement gains (losses) on defined benefit plans and income tax effect	Non-controlling interest	Other equity
	Securities Premium	Compulsory convertible debentures				
Balance as at 1 April 2015	88,435.14	-	(3,011.55)	-	-	85,423.59
Total Comprehensive Income for the year	-	-	561.65	2.37	-	564.00
Issue of share capital	987.14	-	-	-	-	987.14
Issue of compulsory convertible debentures	-	2,131.71	-	-	968.29	3,100.00
Balance as at 31 March 2016	89,422.28	2,131.71	(2,449.90)	2.37	968.29	90,074.73
Total Comprehensive Income for the year	-	-	207.85	(1.13)	-	206.70
Issue of compulsory convertible debentures	-	148.23	-	-	51.77	200.00
Balance as at 31 March 2017	89,422.28	2,279.94	(2,242.09)	1.24	1,020.06	90,481.43

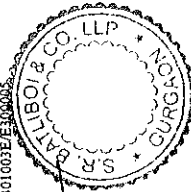
Summary of significant accounting policies

2.3

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/309095



per Sanjay Vij
Partner
Membership No. 95169

For and on behalf of the Board of Directors of
Fleur Hotels Private Limited

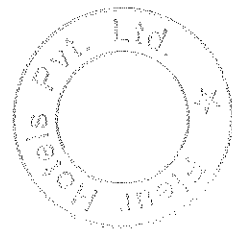
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Inder Pal Batra
Chief Financial Officer

Sanjay
Pranjal G. Keswani
Chairman & Managing Director
DIN-0002974

Pranjal
Pranjal G. Keswani
Chairman & Managing Director
DIN-0002974

Pooja Bakshi
Company Secretary



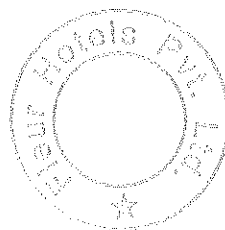
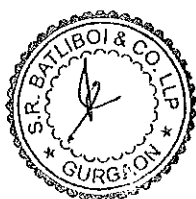
Place : New Delhi
Date : June 15, 2017

Place : Gurugram
Date : June 15, 2017

Fleur Hotels Private Limited
Consolidated cash flow statement for the year ended March 31, 2017

	March 31, 2017 (Rs in lakhs)	March 31, 2016 (Rs in lakhs)
A. Cash flow from / (used in) operating activities	425.07	1,110.93
Profit before tax		
Non-cash adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expenses	2,001.20	2,048.33
Lease equalisation reserve	502.99	513.43
Finance income (including fair value change in financial instruments)	(108.69)	(83.18)
Finance costs (including fair value change in financial instruments)	1,799.80	1,056.65
Advances written off	1.38	53.20
Provision for gratuity	7.39	4.61
Provision for leave encashment	8.59	5.13
Excess provision/ credit balances written back	(38.10)	(13.99)
Provision for litigation	12.97	28.00
Provision for doubtful debts	10.30	2.18
Net (gain)/ loss on sale of property, plant & equipment	0.60	0.25
Net (gain) on sale of current investments	(1.65)	(138.02)
Operating profit before working capital changes:	4,621.85	4,587.52
Movements in working capital:		
(Increase) in trade receivables	(340.98)	(75.16)
(Increase) /Decrease in loans and advances and other current assets	336.51	(6,895.24)
(Increase)/ Decrease in inventories	6.82	(27.99)
Increase in liabilities and provisions	1,064.39	2,102.32
Cash Generated from Operations	5,688.59	(308.57)
Direct taxes paid (net of refunds)	(145.35)	(270.42)
Net cash flow from/ (used in) operating activities (A)	5,543.24	(578.99)
B. Cash flows used in investing activities		
Purchase of property, plant & equipment including CWIP and capital advances	(18,593.32)	(11,289.56)
Proceeds from sale of property, plant & equipment	23.27	2.37
Acquisition of shares in subsidiaries	(885.62)	
Proceeds from sale of current investment(net)	1.65	3,261.66
Loans recovered from/(given to) related parties (including fair value changes)	57.48	66.49
Interest received	108.69	83.18
Net Cash flow used in investing activities (B)	(19,287.85)	(7,875.86)
C. Cash flows from financing activities		
Proceeds from issuance of share capital	-	1,050.01
Proceeds from issuance of compulsory convertible debentures	200.00	3,100.00
Proceeds from long term borrowings(Net)	15,404.91	5,184.56
Interest paid	(1,799.80)	(1,056.65)
Net Cash from financing activities (C)	13,805.11	8,277.92

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Fleur Hotels Private Limited
Consolidated cash flow statement for the year ended March 31, 2017

	For the year ended March 31, 2017 (Rs in lakhs)	For the year ended March 31, 2016 (Rs in lakhs)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	60.50	(176.93)
Cash and cash equivalents at the beginning of the year	490.39	667.32
Cash and cash equivalents at the end of the year	550.89	490.39
Components of cash and cash equivalents		
Cash on Hand	10.83	16.51
Balances with Scheduled Banks in - Current accounts	540.06	473.88
Total cash and cash equivalents	550.89	490.39

Summary of significant accounting policies

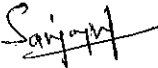
2.3

The accompanying notes are an integral part of the financial statements.


As per our report of even date


For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

For and on behalf of the Board of Directors of
Fleur Hotels Private Limited

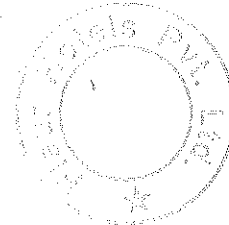

per Sanjay Vij
Partner
Membership No. 95169




Patanjali G. Keswani
Chairman & Managing Director
DIN-00002974


Inder Pal Batra
Chief Financial Officer


Pooja Bakshi
Company Secretary



Place : Gurgaon
Date : June 15, 2017

Place : New Delhi
Date : June 15, 2017

Fleur Hotels Private Limited
Notes to consolidated financial statements for the year ended March 31, 2017

1. Corporate Information

Fleur Hotels Private Limited (the Company) and its subsidiaries (collectively, the Group) is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at Asset No. 6, Aerocity Hospitality District, New Delhi-110037.

The principal activities of the Group is to carry out business of developing, owning, acquiring, renovating and promoting hotels, motels, resorts, restaurants, etc. under the brand name of Lemon Tree Hotel, Lemon Tree Premier and Red Fox Hotel.

The consolidated financial statements are approved for issue by the Board of directors on June 15, 2017.

2. Basis of preparation

2.1 Significant accounting policies

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended March 31, 2016, the Group prepared its consolidated financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These consolidated financial statements for the year ended March 31, 2017 are the first the Group has prepared in accordance with Ind AS. Refer to note 34 for information on how the Group adopted Ind AS.

The consolidated financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities which are measured at fair value/ amortised cost (refer note 34).

The consolidated financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, except where otherwise indicated.

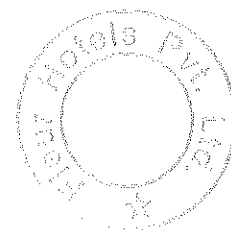
2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2017. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its return

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee



Fleur Hotels Private Limited

Notes to consolidated financial statements for the year ended March 31, 2017

- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

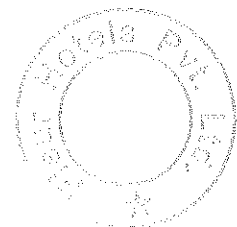
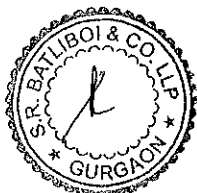
Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries: For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.



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Notes to consolidated financial statements for the year ended March 31, 2017

A change in the ownership interest of a subsidiary (including deemed acquisition/ deemed disposal), without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2.3 Summary of significant accounting policies

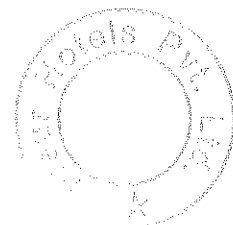
(a) Business combinations and goodwill

In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from April 1, 2015. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward with minimal adjustment

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal Groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.



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Notes to consolidated financial statements for the year ended March 31, 2017

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

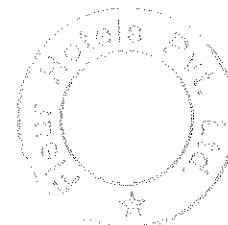
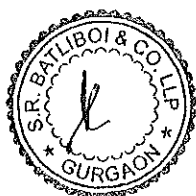
Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These



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adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

(b) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

(c) Foreign currencies

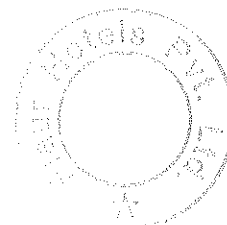
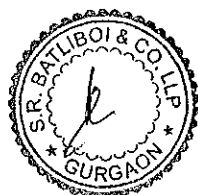
Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses an average rate if the average approximates the actual rate at the date of the transaction.

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

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).



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Notes to consolidated financial statements for the year ended March 31, 2017

(d) Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption 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 or the most advantageous market must be accessible by the Group.

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 Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

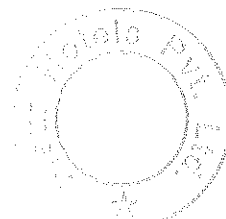
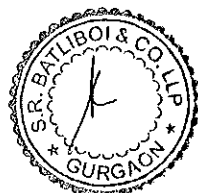
All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value. External valuers are involved for valuation of significant assets and liabilities. The management selects external valuer on various criteria such as market knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other



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Notes to consolidated financial statements for the year ended March 31, 2017

relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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 the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 29)
- Quantitative disclosures of fair value measurement hierarchy (note 34)
- Financial instruments (including those carried at amortised cost) (note 34)

(e) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognized.

Sales tax/ value added tax (VAT) is not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Rooms, Restaurant, Banquets and Other Services

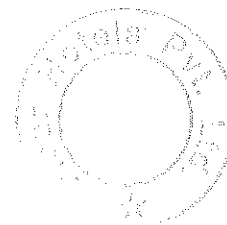
Income from guest accommodation is recognized on a day to day basis after the guest checks into the Hotels and are stated net of allowances. Incomes from other services are recognized as and when services are rendered. Sales are stated exclusive of Service Tax, Value Added Taxes (VAT) and Luxury Tax. Difference of revenue over the billed as at the year-end is carried in financial statement as unbilled revenue separately.

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, sale of food and beverage are recognized at the points of serving these items to the guests. Sales are stated exclusive of Sales Tax / VAT.

Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the income statement.



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Dividends

Revenue is recognized when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

Management Fee

Revenue from management services comprises fixed & variable income. Fixed income is recognised pro-rata over the period of the contract as and when services are rendered. Variable income is recognised on an accrual basis in accordance with the terms of the relevant agreement.

(f) Taxes

Taxes comprises current income tax and deferred tax

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

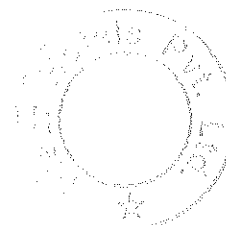
Deferred tax

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, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits (including MAT credit) and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:



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- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets (including MAT credit available) is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

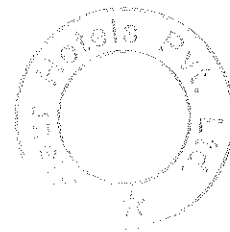
Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date.

If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

Sales/ value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included



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(g) Property, plant and equipment

On transition to IND AS, the Group has elected to continue with the carrying value of all of its property plant and equipment recognised as at April 1, 2015, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property plant and equipment (See Note 37)

Capital work in progress is stated at cost, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on fixed assets is provided as per schedule II of Companies Act, 2013 on Straight Line Method over its economic useful life of fixed assets as follows:

Fixed Assets	Useful life considered (SLM)
Plant & Machinery	15 Year
Building	60 Years
Electrical installations and fittings	10 Years
Office Equipments	5 Years
Furniture and Fixtures	10 Years
Crockery, cutlery and soft furnishings	3 Years
Vehicles	8 Years
Computers	3 Years

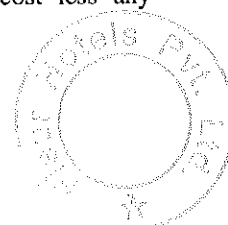
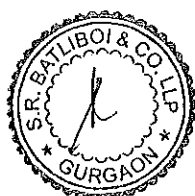
An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end, and adjusted prospectively if appropriate.

(h) Intangible assets

On transition to IND AS, the Company has elected to continue with the carrying value of all of its Intangible assets recognised as at April 1, 2015, measured as per the previous GAAP, and use that carrying value as the deemed cost of such Intangible asset (See Note 37)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any



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accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually at year end either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the income statement when the asset is derecognized.

(i) Borrowing costs

Borrowing cost includes interest expense as per Effective Interest Rate (EIR).

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset until such time that the assets are substantially ready for their intended use. Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance a project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the company during the year. Capitalisation of borrowing costs is suspended and charged to profit and loss during the extended periods when the active development on the qualifying assets is interrupted.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial liability or a shorter period, where appropriate, to the amortised cost of a financial liability after considering all the contractual terms of the financial instrument.

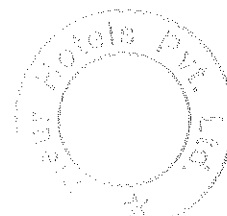
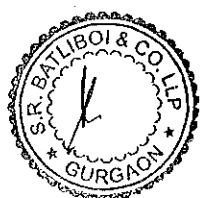
(j) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to April 1, 2015, the Group has determined whether the arrangement contains lease on the basis of facts and circumstances existing on the date of transition.

Group as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is



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Notes to consolidated financial statements for the year ended March 31, 2017

classified as a finance lease. All other leases are classified as operating lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs (See note 2.1.i). Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group 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.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless either:

- (a) Another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis, or
- (b) The payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

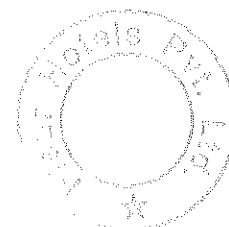
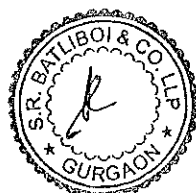
Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Operating lease receipt are recognised as income in the statement of profit and loss on a straight-line basis over the lease term unless either:

- (a) Another systematic basis is more representative of the time pattern of the user's benefit even if the receipt from the lessee are not on that basis, or
- (b) The receipts from the lessee are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If receipts from the lessee vary because of factors other than general inflation, then this condition is not met.

Stamp duties payable to local authorities on registration of lease agreements, are recognised as prepaid expense and charged off to Statement of Profit and Loss on an equitable basis over the lease term.

Conversion charges payable to local authorities on conversion of use of industrial plot for hotel purposes, are recognised as prepaid expense and charged off to statement of profit and loss on an equitable basis over the lease term.



Fleur Hotels Private Limited

Notes to consolidated financial statements for the year ended March 31, 2017

(k) Inventories

Stock of food & beverages, stores and operating supplies are valued at lower of cost and net realisable Value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a first in first out basis. Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make sale.

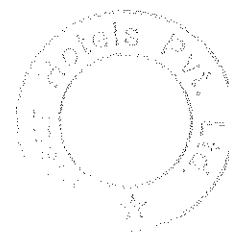
(l) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair valueless costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group 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. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.



Fleur Hotels Private Limited
Notes to consolidated financial statements for the year ended March 31, 2017

(m) Provisions

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities recognised in a business combination

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortization recognised in accordance with the requirements for revenue recognition.

(n) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The group has no obligation, other than the contribution payable to the provident fund. The group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Retirement benefit in the form of gratuity is a defined benefit scheme. Gratuity liability of employees is accounted for on the basis of actuarial valuation on projected unit credit method at the close of the year. Company's contribution made to Life Insurance Corporation is expenses off at the time of payment of premium.

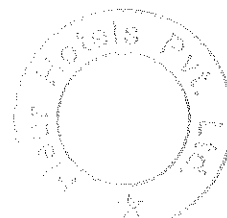
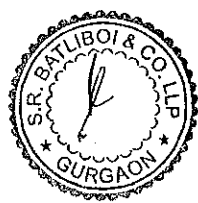
Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on



Fleur Hotels Private Limited

Notes to consolidated financial statements for the year ended March 31, 2017

curtailments and non-routine settlements; and

- Net interest expense or income

Retirement benefits in the form of Superannuation Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts

Compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Group presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

(o) Financial instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

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

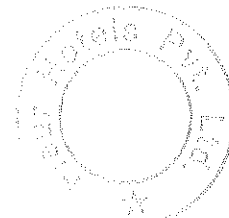
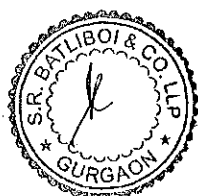
- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:

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

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



Fleur Hotels Private Limited
Notes to consolidated financial statements for the year ended March 31, 2017

recognised in the profit or loss. This category generally applies to trade and other receivables, loans to subsidiaries etc. For more information on receivables, refer to Note 9.

Debt instrument at FVTOCI

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments

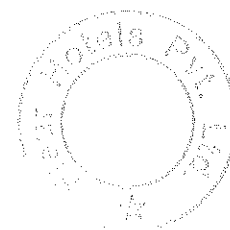
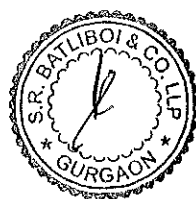
All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets



Fleur Hotels Private Limited

Notes to consolidated financial statements for the year ended March 31, 2017

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Trade receivables or any contractual right to receive cash or another financial asset.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

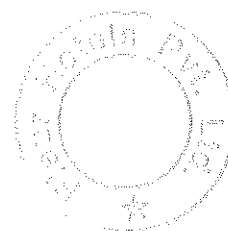
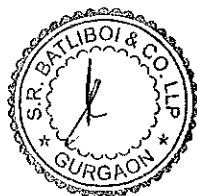
ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.



Fleur Hotels Private Limited
Notes to consolidated financial statements for the year ended March 31, 2017

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:
Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

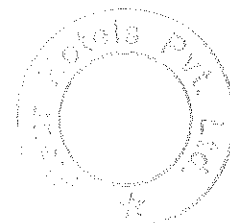
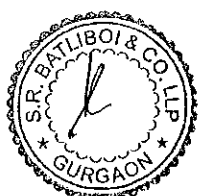
This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

This category generally applies to borrowings. For more information refer Note 13.

Financial guarantee contracts

Financial guarantees issued by the Parent on behalf of group companies are designated as 'Insurance Contracts'. The Company assess at the end of each reporting period whether its recognised insurance liabilities (if any) are adequate, using current estimates of future cash flows under its insurance contracts. If that assessment shows that the carrying amount of



Fleur Hotels Private Limited

Notes to consolidated financial statements for the year ended March 31, 2017

its insurance liabilities is inadequate in the light of the estimated future cash flows, the entire deficiency is recognised in profit or loss.

Derecognition

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

Offsetting of financial instruments

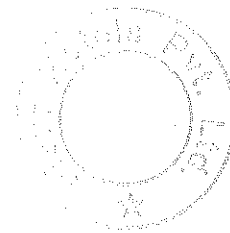
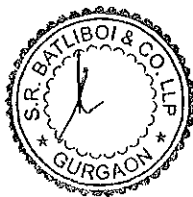
Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities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

(p) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(q) Measurement of EBITDA

The Group has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Group measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Group does not include depreciation and amortization expense, interest income, finance costs and tax expense.



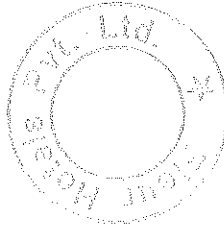
Flare Hoach Private Limited
Notes to Consolidated financial statements for the year ended March 31, 2017

3. Property, Plant & Equipment

Particulars	Tangible Assets											Total (Tangible Assets)			
	Freehold land	Building on freehold Land	Building on leasehold land	Plant and Machinery	Electrical fittings	Electrical equipments	Office equipments	Furniture and fixtures	Crochery, cutlery and soft furnishing	Computers	Vehicles				
Cost or valuation															
Deemed cost as at April 1, 2015	7,578.21	16,453.03	15,791.12	5,131.48	1,340.62	880.06	68.12	2,126.86	276.61	40.52	88.94	48,775.57			
Additions	-	2.32	47.52	105.54	-	38.48	5.21	30.59	1.05	5.32	30.31	266.34			
Disposals	-	-	-	-	-	-	-	-	-	-	7.49	7.49			
As at March 31, 2016	7,578.21	16,455.35	15,838.64	5,237.02	1,340.62	918.54	73.33	2,157.45	277.66	45.84	111.76	50,034.42			
Additions	11,390.64	12,161.24	-	2,241.21	0.75	17.38	29.97	71.74	376.40	55.16	32.86	27,037.35			
Additions on inclusion of new subsidiary	110.00	333.11	-	17.83	-	50.19	1.88	12.52	-	0.41	18.41	534.37			
Disposals	-	-	-	-	-	-	-	19.94	-	-	12.61	32.55			
As at March 31, 2017	19,078.85	28,969.70	15,838.64	7,496.08	1,341.37	956.11	105.18	2,881.77	654.06	101.41	150.42	77,575.59			
Depreciation															
As at April 1, 2015	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Charge for the year	-	288.54	257.06	507.65	187.78	120.39	42.73	428.10	155.95	25.14	22.67	2,036.01			
Disposals	-	-	-	-	-	-	-	-	-	-	4.88	4.88			
As at March 31, 2016	-	288.54	257.06	507.65	187.78	120.39	42.73	428.10	155.95	25.14	17.79	2,031.13			
Charge for the year	302.31	124.22	256.36	512.73	186.93	124.22	10.68	428.27	122.27	20.08	25.16	1,996.01			
On account of inclusion of new subsidiary	4.11	4.11	-	1.20	-	1.37	0.12	1.29	-	0.15	3.23	11.47			
Disposals	-	0.00	-	-	-	-	-	6.75	-	-	1.93	8.68			
As at March 31, 2017	-	594.96	513.42	1,021.58	374.71	245.98	53.53	851.91	278.22	45.37	44.25	4,025.93			
Net Block															
As at March 31, 2017	19,078.85	28,374.75	15,325.23	6,474.51	966.16	710.14	51.66	2,079.85	375.84	56.05	106.17	73,549.56			
As at March 31, 2016	7,578.21	16,166.81	15,581.58	4,729.37	1,152.84	798.15	30.60	1,729.35	121.71	20.70	20.70	48,003.29			
As at April 1, 2015	7,378.21	16,453.03	15,791.12	5,131.48	1,340.62	880.06	68.12	2,126.86	276.61	40.52	88.94	49,775.57			

Notes

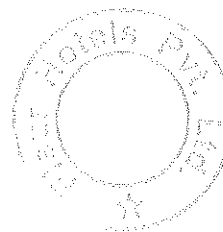
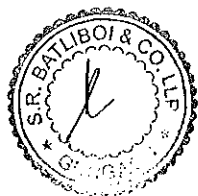
a). Certain property, plant and equipments are pledged as collateral against borrowings, the details related to which have been described in Note no. 14 on "Borrowings".



Fleur Hotels Private Limited
Notes to Consolidated financial statements for the year ended March 31, 2017

4. Capital work-in-progress

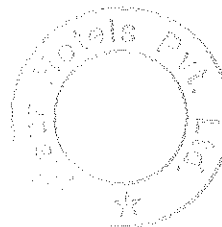
	As at March 31, 2017 (Rs in lakhs)	As at March 31, 2016 (Rs in lakhs)	As at April 1, 2015 (Rs in lakhs)
Hotel at Guragon Sector 60 (Lemon Tree)			
Material	4,125.57	1,368.27	91.63
Professional charges	827.33	182.08	172.82
Borrowing cost	368.10	107.18	-
Salary, Wages & Bonus	150.78	28.51	3.62
Project staff expenses other then salary	81.12	8.16	0.88
Rates and Taxes	477.36	-	-
Others	237.53	1.64	0.46
	<u>6,267.79</u>	<u>1,695.84</u>	<u>269.41</u>
Less Capitalised during the year	6,267.79	-	-
	<u>-</u>	<u>1,695.84</u>	<u>269.41</u>
Hotel at Gurgaon Sector 60 (Red Fox)			
Material	1,931.95	906.82	67.07
Professional charges	407.77	171.02	168.72
Borrowing cost	119.83	30.60	-
Rates and Taxes	393.90	-	-
Salary, Wages & Bonus	124.99	25.20	3.87
Project staff expenses other then salary	45.54	-	-
Others	128.95	1.08	0.26
	<u>3,152.93</u>	<u>1,134.72</u>	<u>239.92</u>
Less Capitalised during the year	3,152.93	-	-
	<u>-</u>	<u>1,134.72</u>	<u>239.92</u>
Hotel at City Center Pune			
Material	4,200.43	2,326.93	849.61
Professional charges	1,667.34	1,446.76	1,182.76
Borrowing cost	1,695.21	1,573.33	1,515.66
Salary, wages & bonus	136.24	86.59	66.58
Project staff expenses other then salary	51.80	48.69	39.41
Travelling	9.34	7.52	4.86
Rates and taxes	575.29	309.87	278.27
Others	25.40	19.52	16.92
	<u>8,361.05</u>	<u>5,819.21</u>	<u>3,954.07</u>



Fleur Hotels Private Limited

Notes to Consolidated financial statements for the year ended March 31, 2017

	As at March 31, 2017 (Rs in lakhs)	As at March 31, 2016 (Rs in lakhs)	As at April 1, 2015 (Rs in lakhs)
Hotel at Udaipur			
Material	5,268.15	3,332.48	1,080.74
Professional charges	1,383.31	720.17	682.07
Borrowing cost	240.72	76.01	-
Salary, Wages & Bonus	85.47	40.52	14.77
Project staff expenses other than salary	28.14	17.69	10.19
Travelling	12.22	9.03	5.10
Rates and taxes	30.55	25.00	31.75
Others	0.26	0.26	-
	7,048.82	4,221.16	1,824.62
Hotel at Kolkata			
Material	1,293.55	98.26	3.74
Professional charges	776.29	648.74	598.55
Borrowing cost	34.10	4.60	-
Salary, Wages & Bonus	52.28	12.19	-
Project staff expenses other than salary	39.22	5.28	0.03
Travelling	4.20	1.74	0.97
Others	1.06	1.06	1.06
	2,200.70	771.87	604.35
Hotel at MIAL Aerocity			
Material	4.12	2.62	1.89
Professional charges	3,719.11	2,708.43	1,320.96
Lease rent	2,723.29	1,420.16	174.97
Salary, wages & bonus	5.97	1.99	-
Project staff expenses other than salary	4.14	0.78	0.10
Travelling	16.22	14.50	2.89
Rates and taxes	345.83	328.31	304.99
Others	24.49	17.82	11.13
	6,843.17	4,494.61	1,816.93
Hotel at Bandhavgarh			
Material	152.37	-	-
Professional charges	2.28	-	-
Salary, wages & bonus	8.46	-	-
Project staff expenses other than salary	0.06	-	-
Travelling	3.38	-	-
Rates and taxes	0.66	-	-
Others	2.48	-	-
	169.69	-	-
Total	24,623.43	18,137.40	8,709.30

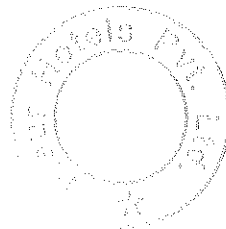


Fleur Hotels Private Limited
Notes to Consolidated financial statements for the year ended March 31, 2017

5. Intangible Assets

Rs. In lakhs

Particulars	Software	Goodwill on Consolidation	Total
Cost or valuation			
Deemed Cost as at April 1, 2015	41.18	8,658.97	8,700.15
Additions	18.20	-	18.20
Disposals	-	-	-
As at March 31, 2016	59.38	8,658.97	8,718.35
Additions (Also refer note 39)	58.14	673.42	731.56
Disposals	-	-	-
As at March 31, 2017	117.52	9,332.39	9,449.91
Amortisation and impairment			
As at April 1, 2015	-	-	-
Amortisation	12.32	-	12.32
Disposals	-	-	-
As at March 31, 2016	12.32	-	12.32
Amortisation	11.20	-	11.20
Disposals	-	-	-
As at March 31, 2017	23.52	-	23.52
Net Block			
As at March 31, 2017	94.00	9,332.39	9,426.39
As at March 31, 2016	47.06	8,658.97	8,706.03
As at April 1, 2015	41.18	8,658.97	8,700.15



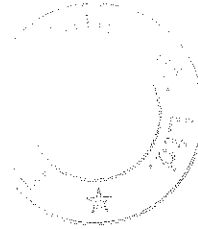
Fleur Hotels Private Limited
Notes to Consolidated financial statements for the year ended March 31, 2017

6 Financial assets

(i) Other non-current financial assets

Security Deposits
Interest accrued on deposits with banks and others
Other bank balances

	As at March 31, 2017 Rs in lakhs	As at March 31, 2016 Rs in lakhs	As at April 1, 2015 Rs in lakhs
	2,334.96	2,015.47	1,353.30
	73.93	59.51	37.86
	186.30	181.30	158.20
	2,595.19	2,256.28	1,549.36

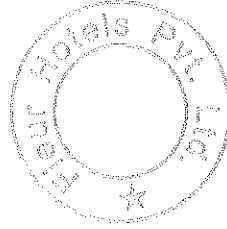


Fleur Hotels Private Limited
Notes to Consolidated financial statements for the year ended March 31, 2017

7 Other non-current assets

	As at March 31, 2017 Rs in lakhs	As at March 31, 2016 Rs in lakhs	As at April 1, 2015 Rs in lakhs
Capital Advances	4,283.83	19,584.11	18,060.39
Balance with statutory/ government authorities	66.84	66.84	18.74
Advances recoverable in cash or kind or for value to be received	-	-	13.47
Advance Income Tax (net of provision for taxation)	317.82	361.89	454.38
Prepaid expenses	88.54	-	28.29
Prepayments	15,463.62	15,949.62	10,349.31
Total	20,220.65	35,962.46	28,924.58

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Fleur Hotels Private Limited
Notes to Consolidated financial statements for the year ended March 31, 2017

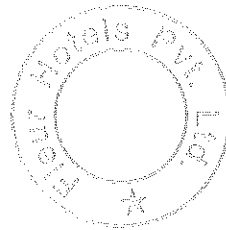
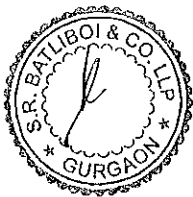
8 Inventories
(valued at lower of cost and net realisable value)

Food and beverages (excluding liquor and wine)
Liquor and wine
Stores, cutlery, crockery, linen, provisions and others
Total

	As at March 31, 2017 Rs in lakhs	As at March 31, 2016 Rs in lakhs	As at April 1, 2015 Rs in lakhs
	32.56	35.15	24.29
	69.92	64.02	40.74
	100.02	110.15	116.30
	<u>202.50</u>	<u>209.32</u>	<u>181.33</u>

During the year ended March 31, 2017: Rs. 5.48 lakhs, (March 31, 2016: Rs. 5.00 lakhs, March 31, 2015: Nil) was recognised as an expense for inventories carried at net realisable value.

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9 Financial assets	As at March 31, 2017 Rs in lakhs	As at March 31, 2016 Rs in lakhs	As at April 1, 2015 Rs in lakhs
(i) Trade receivables			
Unsecured, considered good	160.09	41.37	39.14
Unsecured, considered doubtful	18.53	13.82	30.72
	178.62	55.19	69.86
Less: Allowances for doubtful receivables	18.53	13.82	30.72
	160.09	41.37	39.14
Others			
Unsecured-considered good	875.11	663.15	592.40
	875.11	663.15	592.40
Trade receivables			
	1,035.20	704.53	631.55
	1,035.20	704.53	631.55

Break-up for security details:

Secured, considered good			
Secured, considered doubtful	1,035.20	704.53	631.55
Unsecured, considered good	18.53	13.82	30.72
Doubtful	1,053.73	718.35	662.27

Impairment Allowance (allowance for bad and doubtful debts)

Unsecured, considered good	18.53	13.82	30.72
Doubtful	18.53	13.82	30.72
	1,035.20	704.53	631.55

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
The interest free credit period given to customers is upto 90 days.

(ii) Cash and cash equivalents

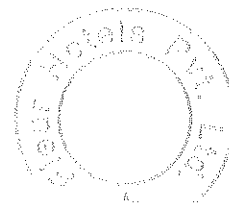
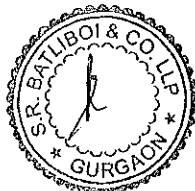
	As At March 31, 2017 Rs in lakhs	As At March 31, 2016 Rs in lakhs	As At April 1, 2015 Rs in lakhs
Balance with banks	540.06	473.88	658.29
On current & cash credit accounts	10.83	16.51	9.03
Cash on hand	550.89	490.39	667.32

At March 31, 2017, the Group had available Rs. 12,500 lakhs (March 31, 2016: Rs. 15,830 lakhs, April 1, 2015: Nil) of undrawn committed borrowing facilities.

(iii) Investments

Investments at fair value through Profit & Loss
Unquoted mutual funds

	As At March 31, 2017 Rs in lakhs	As At March 31, 2016 Rs in lakhs	As At April 1, 2015 Rs in lakhs
Nil (March 31, 2016: Nil, April 1, 2015: 14,671) units of Reliance liquid fund treasury plan	-	-	500.47
Nil (March 31, 2016: Nil, April 1, 2015: 27,517) units of Reliance liquid fund direct plan	-	-	580.24
Nil (March 31, 2016: Nil, April 1, 2015: 203,809) units of ICICI Prudential Liquid Direct Plan Growth	-	-	422.09
Nil (March 31, 2016: Nil, April 1, 2015: 180,312) units of Birla Sun Life Cash Plus Growth Direct Plan	-	-	404.98
Nil (March 31, 2016: Nil, April 1, 2015: 8,432) units of Axis Liquid Fund Regular Plan Growth	-	-	130.79
Nil (March 31, 2016: Nil, April 1, 2015: 14,895) units of Principal Cash Management Fund - Bonus plan	-	-	202.35
Nil (March 31, 2016: Nil, April 1, 2015: 803,737) units of DWS Insta Cash Plus Fund - Bonus plan	-	-	882.73
			3,123.64
Aggregate book value of quoted investments	-	-	3,123.64
Aggregate market value of quoted investments	-	-	3,123.64
Aggregate amount of impairment in value of investments	-	-	3,123.64
Current			
Non-Current	-	-	3,123.64



Fleur Hotels Private Limited
Notes to Consolidated financial statements for the year ended March 31, 2017

(iv) Other financial assets

Advances recoverable in cash or kind
- Employee Advance
- Others
Provision for doubtful advances

	As At March 31, 2017 Rs in lakhs	As At March 31, 2016 Rs in lakhs	As At April 1, 2015 Rs in lakhs
	1.42	0.47	-
	169.77	414.24	131.05
	171.19	414.71	131.05
	(8.75)	-	-
	162.44	414.71	131.05
Security deposits	15.70	42.22	15.00
	15.70	42.22	15.00
Others	4.00	3.37	2.60
Interest accrued on fixed deposits			
	182.14	460.30	148.65

(v) Loans

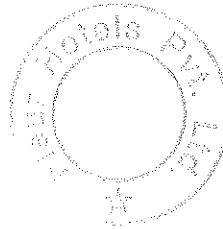
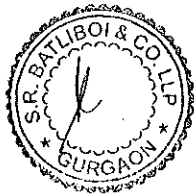
Loans & advance to related parties

	As At March 31, 2017 Rs in lakhs	As At March 31, 2016 Rs in lakhs	As At April 1, 2015 Rs in lakhs
	-	57.48	123.97
	-	57.48	123.97

10 Other current assets

Accrued revenue
Balance with statutory/ government authorities
Prepaid Expenses
Total

	As At March 31, 2017 Rs in lakhs	As At March 31, 2016 Rs in lakhs	As At April 1, 2015 Rs in lakhs
	101.31	153.57	37.44
	249.94	208.27	81.34
	142.44	131.76	104.79
	493.69	493.60	223.57



11 Share capital

Authorised Share Capital

	Equity shares	
	No. of shares	Rs in lakhs
At 1 April 2015	1,210,000,000	121,000
Increase/(decrease) during the year	-	-
At 31 March 2016	1,210,000,000	121,000
Increase/(decrease) during the year	-	-
At 31 March 2017	1,210,000,000	121,000

Terms/rights attached to equity shares

The company has only one class of equity shares having par value of Rs. 10 per share. 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 remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Issued equity capital

Equity shares of INR 10 each issued, subscribed and fully paid

	No. of shares	Rs in lakhs
At 1 April 2015	58,657,503	5,865.75
Issued during the year	628,750	62.88
At 31 March 2016	59,286,253	5,928.63
Issued during the year	-	-
At 31 March 2017	59,286,253	5,928.63

Details of shareholders holding more than 5% shares in the company

	As at March 31, 2017		As at March 31, 2016	
	No. of shares	% held	No. of shares	% held
Equity shares of Rs. 1 each fully paid up	34,374,498	57.98%	34,374,498	57.98%
Lemon Tree Hotels Limited	24,911,755	42.02%	24,911,755	42.02%
APG Strategic Real Estate Pool N.V.	-	-	-	-

12 Other equity

Securities Premium

	Rs in lakhs
At 1 April 2015	88,435.14
Add: premium on issue of shares	987.14
At 31 March 2016	89,422.28
Add: premium on issue of shares	-
At 31 March 2017	89,422.28

Retained Earnings

	Rs in lakhs
At 1 April 2015	(3,011.55)
Profit for the year	564.00
At 31 March 2016	(2,447.55)
Profit for the year	206.70
At 31 March 2017	(2,240.85)

Compulsorily convertible debentures

	Rs in lakhs
At 1 April 2015	2,131.71
Increase/(decrease) during the year	2,131.71
At 31 March 2016	148.23
Increase/(decrease) during the year	2,279.94
At 31 March 2017	2,279.94

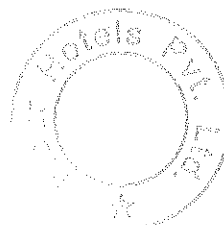
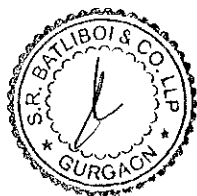
Other reserves

	As at March 31, 2017 Rs in lakhs	As at March 31, 2016 Rs in lakhs	As at April 1, 2015 Rs in lakhs
Securities Premium	89,422.28	89,422.28	88,435.14
Retained Earnings	(2,240.85)	(2,447.55)	(3,011.55)
Compulsorily convertible debentures	2,279.94	2,131.71	-
	89,461.37	89,106.44	85,423.59

13 Non-controlling interest

Non-controlling interest

	As at March 31, 2017 Rs in lakhs	As at March 31, 2016 Rs in lakhs	As at April 1, 2015 Rs in lakhs
Non-controlling interest	1,020.06	968.29	-
	1,020.06	968.29	-



Fleur Hotels Private Limited
Notes to Consolidated financial statements for the year ended March 31, 2017

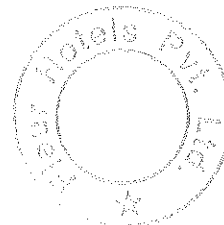
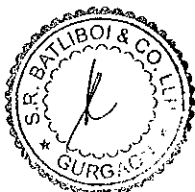
14 Financial Liabilities	As at	As at	As at
	March 31, 2017	March 31, 2016	April 1, 2015
	Rs in lakhs	Rs in lakhs	Rs in lakhs
(i) Non-current borrowings			
Term Loans			
Indian rupee loans from Banks (Secured)			
Axis Bank Limited (Refer note 1 below)	6,414.37	7,233.33	7,913.23
Kotak Mahindra Bank Limited (Refer note 2 below)	5,133.52	1,715.41	-
Yes bank Limited (Refer note 3 below)	16,079.20	3,822.36	-
Vehicle loans (Refer note 4 below)	39.84	22.56	19.14
	<u>27,666.93</u>	<u>12,793.66</u>	<u>7,932.37</u>
Total non-current borrowings			
Current borrowings			
Term Loans			
Current maturity of long term loans			
Axis Bank Limited (Refer note 1 below)	720.00	660.00	452.00
Kotak Mahindra Bank Limited (Refer note 2 below)	495.92	111.85	-
Yes bank Limited (Refer note 3 below)	94.00	-	-
Vehicle loans (Refer note 4 below)	12.55	18.98	15.56
	<u>1,322.47</u>	<u>790.83</u>	<u>467.56</u>
Total current borrowings	<u>1,322.47</u>	<u>(790.83)</u>	<u>(467.56)</u>
Less: Amount clubbed under "other current liabilities"	-	-	-
Net current borrowings	<u>-</u>	<u>-</u>	<u>-</u>

Term loans

- Rupee term loan from Axis Bank Limited (sanction amount Rs 9,000 lakhs) was taken during financial year 2010-11 and 2014-15 and carries the interest rate @ base rate + 2.35%, Currently 11.60% (previous year 11.85%). The Loan is repayable in 40 quarterly instalments with first instalment falling due after a period of 3 years from first disbursement. It is secured by way of
 - A first pari passu charge on the Borrower's properties & assets, both present & future, pertaining to the Lemon Tree Hotel project of the Company at Delhi Aerocity Hospitality District (Except Project Land).
 - A first pari passu charge on Company's bank accounts and all revenues of the Company.
 - Right of substitution provided by DIAL under tripartite agreement with the Company and Axis bank as lender's agent.
 - Pledge of 51% equity shares of the Company held by the Holding Company.
 - Corporate guarantee of the Company.
- Rupee term loan from Kotak Mahindara Bank (sanction amount Rs 6,030 lakhs) carries current interest rate of 11.30% (previous year 11.50%). The loan is secured by first and exclusive charge on all existing and future current assets and moveable fixed assets of the company, first and exclusive equitable charge on immoveable properties being land and building situated at 54B/55A Hosur Main road Electronic city Phase 1 Bangalore Karnataka and Corporate guarantee of Fleur Hotels Pvt Ltd. Loan shall be repaid by way of 120 equal monthly instalments starting from month following the month of first disbursement of loan i.e. December 2015.
- Rupee term loan from Yes Bank Limited (sanction amount Rs 12,000 lakhs) was taken during financial year 2015-16 and presently carries interest rate @ 6 month's MCLR + 0.90%, Currently 9.50% (previous year 10.53%). The loan is repayable in scattered quarterly installment beginning from April 2017. Interest is payable monthly as and when due. It is secured by :
 - Exclusive charge on all immoveable fixed assets of Lemon tree hotels Premier, Hyderabad.
 - Exclusive charge on all moveable fixed assets and current assets both present and future of LTH, Hyderabad.
 - Corporate guarantee of the Company
- Rupee term loan from Yes Bank Limited (sanction amount Rs 6,000 lakhs) was taken during financial year 2016-17 and presently carries interest rate @ 6 month's MCLR + 1.15%, Currently 9.70%. The loan is repayable 44 structured quarterly installment after a moratorium period of 36 months from the date of first disbursement. Interest is payable monthly as and when due. It is secured by :
 - Exclusive charge on all immoveable fixed assets, moveable fixed assets and current assets of Lemon tree Sector 60 Gurgaon, and convention centre within Hotel premises of 20,000 sq.ft (approx.).
 - Corporate guarantee of the Company
- Vehicle loan is secured by hypothecation of underlying motor vehicle acquired out of such loans. The loan is repaid on agreed equal monthly instalments.

(ii) Other financial liabilities

	As at	As at	As at
	March 31, 2017	March 31, 2016	April 1, 2015
	Rs in lakhs	Rs in lakhs	Rs in lakhs
Security deposits	403.86	358.67	318.53
	<u>403.86</u>	<u>358.67</u>	<u>318.53</u>



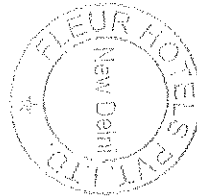
Fleur Hotels Private Limited

Notes to Consolidated financial statements for the year ended March 31, 2017

15 Provisions

	As at March 31, 2017 Rs in lakhs	As at March 31, 2016 Rs in lakhs	As at April 1, 2015 Rs in lakhs
Provision for gratuity	27.90	19.38	17.14
Current	5.88	3.90	3.47
Non-current	22.02	15.48	13.67
Provision for leave benefits	30.14	21.55	16.42
Current	30.14	21.55	16.42
Non-current	-	-	-
Provision for litigations	40.97	28.00	-
Current	40.97	28.00	-
Non-current	-	-	-
Total current	76.99	53.45	19.89
Total non-current	22.02	15.48	13.67

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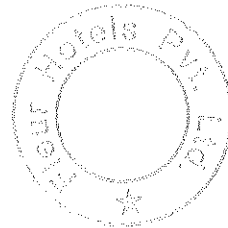
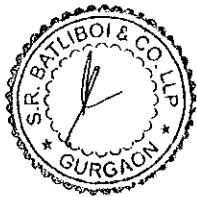
Fleur Hotels Private Limited
Notes to Consolidated financial statements for the year ended March 31, 2017

16 Deferred tax liabilities (net)

	As at March 31, 2017 Rs in lakhs	As at March 31, 2016 Rs in lakhs	As at April 1, 2015 Rs in lakhs
Property, plant and equipments	1,902.03	1,879.79	1,752.06
Borrowings	2.14	0.56	-
Revaluation of land	401.78	436.61	481.74
Others	-	-	268.20
Deferred tax liability	2,305.95	2,316.96	2,502.00
Impact of expenditure charged to the statement of profit and loss in the current/ earlier period but allowable for tax purposes on payment basis	5.08	15.75	50.43
MAT credit entitlement	1,284.88	1,063.54	155.40
Effect of unabsorbed depreciation and business loss	203.66	465.54	1,712.27
Provision for gratuity	3.26	3.36	3.01
Provision for leave compensation	4.76	3.96	2.85
Security deposits	2.33	0.38	-
Others	9.87	-	-
Deferred tax asset	1,513.84	1,552.53	1,923.96
Deferred tax liabilities (net)	792.11	764.43	578.04

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2017 and 31 March 2016:

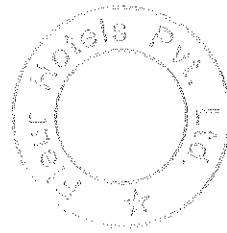
	March 31, 2017	March 31, 2016
Profit/(loss) before tax	425.07	1,110.93
Tax rate	33.99%	33.99%
Tax at statutory income tax rate	144.48	377.61
Effect of incomes taxable at nil/lower rate	(48.35)	(34.62)
Effect of non-deductible expenses	(55.15)	38.56
Tax Effect of expenses/ income not allowed/ required to tax under	(31.92)	(2.35)
Income tax charge/ (credit) in respect of earlier year	208.17	170.10
Unrecognized tax assets (net)	217.24	549.30
Net	217.24	549.30
As per statement of profit and loss	217.24	549.30



Fleur Hotels Private Limited
 Notes to Consolidated financial statements for the year ended March 31, 2017
 17 Other Non-current liabilities

	As at March 31, 2017 Rs in lakhs	As at March 31, 2016 Rs in lakhs	As at April 1, 2015 Rs in lakhs
Reserve for lease equalisation	1,105.19	602.20	88.77
Advance from customers (earnest advance)	-	-	48.02
	<u>1,105.19</u>	<u>602.20</u>	<u>136.79</u>

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Fleur Hotels Private Limited
Notes to Consolidated financial statements for the year ended March 31, 2017

18 Financial liabilities

(i) Trade payables

Trade Payables

-Micro and small enterprises

-Other than Micro and small enterprises

	As at March 31, 2017 Rs in lakhs	As at March 31, 2016 Rs in lakhs	As at April 1, 2015 Rs in lakhs
	-	-	-
	1,865.27	2,122.48	1,116.73
	1,865.27	2,122.48	1,116.73

(ii) Other financial liabilities

Current maturities of long-term borrowings

Book overdraft

Other payables

-Payable for capital goods

-Sundry Deposits

-Deposits from agents and franchisees

Outstanding dues of other creditors

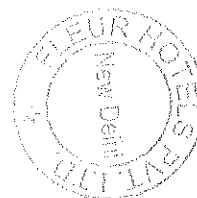
	As at March 31, 2017 Rs in lakhs	As at March 31, 2016 Rs in lakhs	As at April 1, 2015 Rs in lakhs
	1,322.47	790.83	467.56
	448.76	295.10	16.30
	1,884.76	888.84	387.20
	0.75	0.75	21.16
	-	20.41	-
	226.89	403.76	226.59
	3,883.63	2,399.69	1,118.81

19 Other current liabilities

Advance from customers

Statutory Dues

	As at March 31, 2017 Rs in lakhs	As at March 31, 2016 Rs in lakhs	As at April 1, 2015 Rs in lakhs
	200.85	141.37	43.29
	452.83	226.29	191.53
	653.68	367.66	234.82



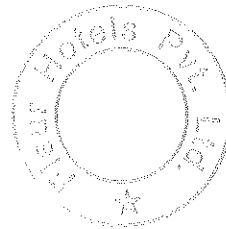
Fleur Hotels Private Limited
Notes to Consolidated financial statements for the year ended March 31, 2017

	March 31, 2017 Rs in lakhs	March 31, 2016 Rs in lakhs
20 Revenue from operations		
<u>Revenue from operations</u>		
Sale of products and services	8,977.58	7,932.70
- Room rental	3,039.22	2,885.86
- Food and beverage (excluding liquor and wine)	508.92	468.45
- Liquor and wine	96.80	34.84
- Banquet rentals	67.32	26.28
- Telephone and telex	1,403.15	1,298.92
- Other Services		
Other Operating Revenue	286.74	-
- Management fee	4.68	6.34
- Commission income	14,384.41	12,653.39
Revenue from operations		

	March 31, 2017 Rs in lakhs	March 31, 2016 Rs in lakhs
21 Other Income		
Income from serve for India scheme	4.24	4.11
License fees received	390.13	390.13
Rent received	6.34	6.61
Excess provision/ credit balances written back	38.10	13.99
Exchange difference (net)	0.34	-
Miscellaneous income	12.88	2.72
Total	452.03	417.56

	March 31, 2017 Rs in lakhs	March 31, 2016 Rs in lakhs
22 Cost of food and beverages consumed		
(a) Consumption of food & beverages excluding liquor & wine		
Inventory at the beginning of the year	35.15	24.29
Add: Purchases	1,211.56	1,213.43
Less: Inventory at the end of the year	1,246.71	1,237.72
Cost of food and beverage consumed	32.56	35.15
(b) Consumption of liquor & wine		
Inventory at the beginning of the year	64.02	40.74
Add: Purchases	188.09	187.47
Less: Inventory at the end of the year	252.11	228.21
Cost of liquor and wine consumed	69.92	64.02
Total	1,396.34	1,366.76

	March 31, 2017 Rs in lakhs	March 31, 2016 Rs in lakhs
23 Employee benefit expense		
Salaries, wages and bonus	2,195.89	1,818.51
Contribution to provident fund and other funds	84.20	76.81
Gratuity expense	8.20	6.88
Leave compensation expenses	11.31	6.89
Staff welfare expenses	295.67	257.31
Total	2,595.27	2,166.40



Fleur Hotels Private Limited
Notes to Consolidated financial statements for the year ended March 31, 2017

24 Other Expenses

	March 31, 2017 Rs in lakhs	March 31, 2016 Rs in lakhs
Consumption of stores, cutlery, crockery, linen, provisions and others	254.02	239.06
Lease rent		
License fee	403.97	382.91
Power and fuel	1,223.42	1,261.87
Linen & uniform washing and laundry expenses	169.43	139.95
Guest transportation	333.71	353.35
Spa expenses	78.52	72.42
Subscription charges	45.21	35.69
Repair and maintenance		
- Buildings	264.72	175.88
- Plant and machinery	196.35	162.34
- Others	294.47	179.19
Rent	654.08	300.19
Rates and taxes	300.88	327.72
Insurance	28.03	23.95
Communication costs	200.70	232.71
Printing and stationery	67.63	63.83
Traveling and conveyance	66.68	64.55
Vehicle running and maintenance	64.02	55.77
Advertisement and business promotion	470.70	251.77
Management fees	651.48	577.46
Commission -other than sole selling agent	235.10	117.58
Security and cleaning expenses	155.82	138.07
Membership and subscriptions	3.47	3.03
Legal and professional fees	237.99	66.27
Advances written off	1.38	53.20
Water and sewerage charges	3.93	6.11
Freight and cartage	0.39	0.72
Exchange difference (net)	-	0.14
Donations*	8.60	13.50
Loss on sale of property, plant & equipment	0.60	0.25
Provision for doubtful debts	10.30	2.18
Payment to auditor	43.29	39.86
Miscellaneous expenses	118.96	73.43
Total	6,587.85	5,414.95
Payment to auditor		
Audit fee	23.75	22.35
Other services	18.58	16.81
Reimbursement of expenses	0.96	0.71
	43.29	39.87

*** Details of CSR expenditure:**

	March 31, 2017 Rs in lakhs	March 31, 2016 Rs in lakhs
(a) Gross amount required to be spent by the group during the year	21.18	11.42
(b) Amount spent during the year ending on 31st March, 2017:		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	8.60	8.60
(c) Amount spent during the year ending on 31st March, 2016:		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	8.00	8.00

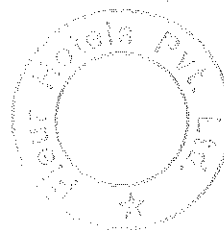
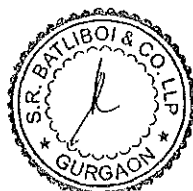
*Company has not find any adequate opportunity for spending the balance amount.

25 Depreciation and amortization expense

	March 31, 2017 Rs in lakhs	March 31, 2016 Rs in lakhs
Depreciation of tangible assets	1,990.00	2,036.01
Amortization of intangible assets	11.20	12.32
Total	2,001.20	2,048.33

26 Finance costs

	March 31, 2017 Rs in lakhs	March 31, 2016 Rs in lakhs
Interest		
- on term loans from banks	1,750.27	1,013.82
- on vehicle loans	3.64	2.62
- on income tax	2.89	1.75
- on others	45.88	40.21
Bank charges (including commission on credit card collection)	138.38	129.58
Total	1,941.06	1,187.98



Fleur Hotels Private Limited
Notes to Consolidated financial statements for the year ended March 31, 2017

27 Finance income

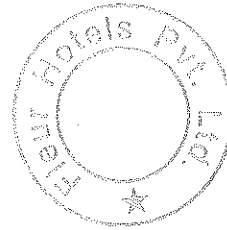
Profit on sale of investment
 Interest Income on :
 -Bank Deposits
 - Interest on income tax refund
 -Others

March 31, 2017 Rs in lakhs	March 31, 2016 Rs in lakhs
1.65	138.02
20.54	19.96
-	3.20
88.16	63.22
110.35	224.40

28 Earnings per share (Basic and Diluted)

Profit after Tax (Rs in lakhs)
 Weighted Average Number of Equity Shares
 Basic & Diluted EPS

March 31, 2017	March 31, 2016
207.83	561.63
59,286,253	59,286,253
0.35	0.95



Fleur Hotels Private Limited

Notes to consolidated financial statements for the year ended March 31, 2017

29. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Operating lease commitments – Group as lessee

The Group has taken certain land and land and building on long term lease basis. The lease agreements generally have an escalation clause. These leases are generally non-cancellable. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life/ remaining economic life of the property and the fair value of the asset, that it does not have all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

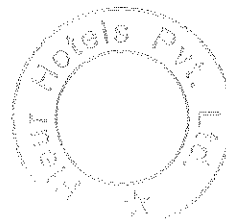
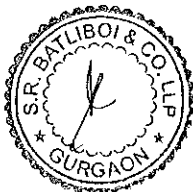
Further, the Group based on an evaluation of the terms and conditions of the respective agreements decided that wherever the escalations (generally 15% every 3 years or 20% every 4 years) are aligned to the average expected general inflation of the lease term period, operating lease payments are not required to be provided on a straight-line basis over the lease term as an expense in the statement of profit and loss and in other cases (including structured payment terms), operating lease payments are expensed on a straight-line basis over the lease term in the statement of profit and loss.

Estimates and assumptions

The 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, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using other valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.



Fleur Hotels Private Limited
Notes to consolidated financial statements for the year ended March 31, 2017

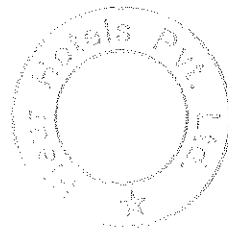
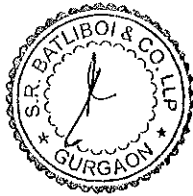
30. Group information

The consolidated financial statements of the Group include subsidiaries listed in the table below:

a) Subsidiaries/LLP under Direct Control

S. No.	Name of the Company	Principal Activities	Country of Incorporation	% of equity interest		
				March 31, 2017	March 31, 2016	April 1, 2015
1.	Celsia Hotels Private Limited	Hotel Business	India	100%	100%	100%
2.	Inovoa Hotels & Resorts Limited	Hotel Business	India	100%	100%	100%
3.	IORA Hotels Private Limited	Hotel Business	India	100%	100%	100%
4.	Ophrys Hotels Private Limited	Hotel Business	India	100%	100%	100%
5.	Hyacinth Hotels Private Limited	Hotel Business	India	100%	100%	100%
6.	Bandhav Resorts Private Limited	Hotel Business	India	100%	-	-
7.	Mezereon Hotels LLP	Hotel Business	India	99.99%	99.99%	-

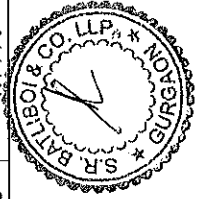
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Fleur Hotels Private Limited
Notes to consolidated financial statements for the year ended March 31, 2017

b) Statutory Group Information

Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	Rs in lakhs	As % of consolidated profit and loss	Rs in lakhs	As % of consolidated other comprehensive income	Rs in lakhs	As % of total comprehensive income	Rs in lakhs
Parent								
Fleur Hotels Private Limited								
Balance as at 31 March, 2017	50.59%	48,771.49	253.88%	527.64	65.38%	(0.74)	254.91%	526.90
Balance as at 31 March, 2016	45.17%	43,365.53	85.70%	481.32	62.81%	1.49	85.60%	482.81
Subsidiaries								
1								
Celsia Hotels Private Limited								
Balance as at 31 March, 2017	3.94%	3,802.04	108.21%	224.89	-2.06%	0.02	108.81%	224.92
Balance as at 31 March, 2016	8.16%	7,836.59	81.45%	457.42	-16.96%	(0.40)	81.03%	457.02
2								
Mezereon Hotels LLP								
Balance as at 31 March, 2017	0.00%	0.85	-0.04%	-0.08	0.00%	-	-0.04%	(0.08)
Balance as at 31 March, 2016	0.00%	0.93	-0.01%	-0.07	0.00%	-	-0.01%	(0.07)
3								
Inovoa Hotels & Resorts Limited								
Balance as at 31 March, 2017	3.43%	3,308.35	-8.98%	-18.66	-32.08%	0.36	-8.85%	(18.30)
Balance as at 31 March, 2016	7.19%	6,899.65	18.18%	102.10	28.23%	0.67	18.22%	102.77
4								
Hyacinth Hotels Private Limited								
Balance as at 31 March, 2017	18.61%	17,945.03	-226.25%	-	68.75%	-0.78	-227.87%	(471.01)
Balance as at 31 March, 2016	18.69%	17,942.93	-90.08%	470.23	25.91%	0.61	-89.59%	(505.31)
5								
Iora Hotels Private Limited								
Balance as at 31 March, 2017	20.96%	20,203.71	-0.18%	-0.37	0.00%	0.00	-0.18%	(0.37)
Balance as at 31 March, 2016	19.78%	18,988.85	4.77%	26.81	0.00%	0.00	4.75%	26.81



Fleur Hotels Private Limited
Notes to consolidated financial statements for the year ended March 31, 2017

6	Ophrys Hotels Private Limited												
	Balance as at 31 March, 2017	1.69	-0.20%	-0.41	0.00%	0.00%	0.00%	0.00	-0.20%				(0.41)
	Balance as at 31 March, 2016	0.60	-0.01%	-0.03	0.00%	0.00%	0.00%	0.00	-0.01%				(0.03)
7	Bandhav Resorts Private Limited												
	Balance as at 31 March, 2017	1,357.05	-26.44%	-54.95	0.00%	0.00%	0.00%	0.00	-26.58%				(54.95)
	Balance as at 31 March, 2016	-	0.00%	0.00	0.00%	0.00%	0.00%	-	0.00%				-
Non-controlling interests in all subsidiaries													
	Balance as at 31 March, 2017	1,020.06	0.00%	-	1.06%	0.00%	0.00%	-	0.00%				-
	Balance as at 31 March, 2016	968.29	0.00%	-	1.01%	0.00%	0.00%	-	0.00%				-
Total	Balance as at 31 March, 2017	96,410.26	100.00%	207.83	100.00%	100.00%	100.00%	(1.13)	100.00%				206.70
	Balance as at 31 March, 2016	96,003.37	100.00%	561.62	100.00%	100.00%	100.00%	2.37	100.00%				564.00



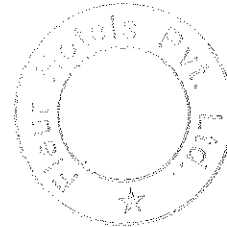
Fleur Hotels Private Limited
Notes to consolidated financial statements for the year ended March 31, 2017

31. Gratuity

Rs. in lakhs

	March 31, 2017	March 31, 2016	April 1, 2015
Gratuity plan	27.90	19.38	17.14
Total	27.90	19.38	17.14

The Group has a defined benefit gratuity plan (funded). The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The fund has the form of a trust and it is governed by the Board of Trustees, which consists of an equal number of employer and employee representatives. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy. The Trust Fund has taken a Scheme of Insurance, whereby these contributions are transferred to the insurer. The Group makes provision of such gratuity asset/ liability in the books of accounts on the basis of actuarial valuation as per the Projected unit credit method.



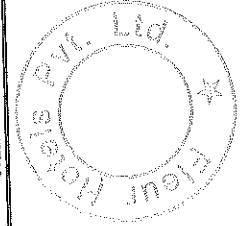
Fleur Hotels Private Limited
Notes to consolidated financial statements for the year ended March 31, 2017

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2017:

	Remeasurement gains/(losses) in other comprehensive income						Rs. in lakhs			
	Gratuity cost charged to profit or loss			Return on plan assets (excluding amounts included in net interest expense)						
April 1, 2016	Service cost	Net interest expense/income	Sub-total included in profit or loss (Note 22)	Benefits paid	Remeasurement arising from changes in demographic assumptions	Remeasurement arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	March 31, 2017
Defined benefit obligation	25.94	6.75	1.96	8.71	(1.56)	-	0.15	1.14	-	34.23
Fair value of plan assets	6.56	-	0.50	0.50	(0.75)	0.01	-	0.01	0.02	6.33
Benefit liability	19.38	6.75	1.46	8.21	(0.81)	(0.01)	0.15	1.13	(0.02)	27.90

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2016:

	Remeasurement gains/(losses) in other comprehensive income										Rs. in lakhs
	Gratuity cost charged to profit or loss					Return on plan assets (excluding amounts included in net interest expense)					
April 1, 2015	Service cost	Net interest expense/income	Sub-total included in profit or loss (Note 22)	Benefits paid	Remeasurement arising from changes in demographic assumptions	Remeasurement arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	March 31, 2016	
Defined benefit obligation	22.31	5.03	1.72	6.75	(0.80)	-	(2.45)	(2.32)	-	25.94	
Fair value of plan assets	5.17	-	0.40	0.40	-	-	-	0.05	0.94	6.56	
Benefit liability	17.14	5.03	1.32	6.35	(0.80)	0.12	(2.37)	(2.32)	(0.94)	19.38	



Fleur Hotels Private Limited
Notes to consolidated financial statements for the year ended March 31, 2017

The major categories of plan assets of the fair value of the total plan assets are as follows:

	March 31, 2017	March 31, 2016	April 1, 2015
Unquoted investments:			
Asset invested in insurance scheme with the LIC	100%	100%	100%
Total	100%	100%	100%

The principal assumptions used in determining gratuity obligations for the Group's plans are shown below:

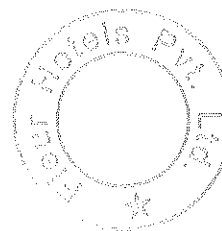
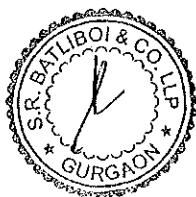
	March 31, 2017	March 31, 2016	April 1, 2015
Discount rate:			
Pension plan	6.70%	7.40% to 7.70%	7.70% to 7.80%
Future salary increases:			
Pension plan	5.00%	5.00%	5.00%
Life expectation for pensioners at the age of 65:			
Pension plan	Years	Years	Years
Male	60	60	60
Female	60	60	60

A quantitative sensitivity analysis for significant assumption as at March 31, 2017 is as shown below:

India gratuity plan:

Rs in lakhs

	March 31, 2017	March 31, 2017	March 31, 2017	March 31, 2017
Assumptions	Discount rate		Future salary increases	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	1.05	1.13	1.18	1.17



Fleur Hotels Private Limited
Notes to consolidated financial statements for the year ended March 31, 2017

	<i>Rs in lakhs</i>			
	March 31, 2016	March 31, 2016	March 31, 2016	March 31, 2016
Assumptions	Discount rate		Future salary increases	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	0.86	0.87	0.98	0.93

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

	<i>Rs. in lakhs</i>	
Duration (Years)	For the year ended March 31, 2017	For the year ended March 31, 2016
1	7.63	6.02
2	6.52	5.01
3	6.12	4.47
4	5.24	4.14
5	4.38	3.44
Above 5	14.51	11.55
Total expected payments	44.39	34.63

The average duration of the defined benefit plan obligation at the end of the reporting period is 5 years (March 31, 2016: 5 years).

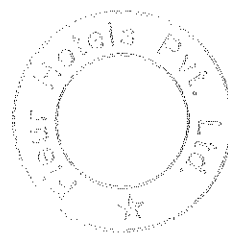
32. Commitments and contingencies

a. Leases

Operating lease commitments — Group as lessee

The Company has taken office premises and hotel properties under operating lease agreements. These are generally cancellable and are renewable by mutual consent on mutually agreed terms. The lease for hotel property are non-cancellable for a period of twenty three to twenty five years.

The Group has recognised the following expenses as rent in the statement of Profit & Loss towards minimum lease payment.



Fleur Hotels Private Limited
Notes to consolidated financial statements for the year ended March 31, 2017

Rs. in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Lease Rent on Hotel Properties	646.46	290.46	262.93
Total	646.46	290.46	262.93

Future minimum rentals payable under non-cancellable operating leases as at March 31 are, as follows:

Rs. in lakhs

Particulars	As at March 31, 2017	As at March 31, 2015	As at April 1, 2015
Minimum Lease Payments :			
Not later than one year	1,574.08	602.31	571.91
Later than one year but not later than five years	6,910.98	2,747.09	2,608.35
Later than five years	53,676.88	26,332.75	27,073.80
Total	62,161.94	29,682.15	30,254.06

b. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:

Estimated amount of contracts remaining to be executed and not provided for March 31, 2017 Rs. 14,175.49 lakhs (March 31, 2016 Rs. 7,527.98 lakhs; April 1, 2015: Rs. 10,073.28 lakhs.)

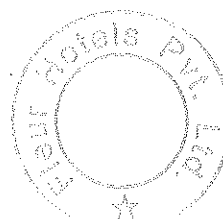
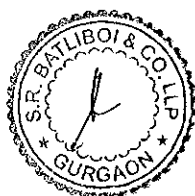
c. Contingent liabilities

(i) Legal claim contingency

Rs. in lakhs

		March 31, 2017	March 31, 2016	April 1, 2015
a.	Counter guarantees issued in respect of guarantees issued by company's bankers	267.63	267.63	152.98
b.	Duty saved against export obligation (Imported certain capital goods under EPCG license)	74.79	74.79	74.79
c.	VAT demand payable	43.50	43.50	43.50
d.	In respect of Service Tax Demand under appeal	92.38	92.38	92.38
e.	Property Tax case	69.34	-	-

The Company's pending litigations above pertains to proceedings pending with Income Tax, Excise, Custom, Sales/VAT tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable.

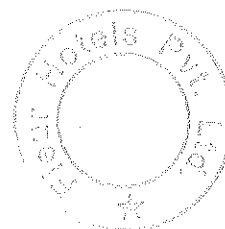


Fleur Hotels Private Limited
Notes to consolidated financial statements for the year ended March 31, 2017

in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

(ii) During the previous year, one of the Subsidiary received a show cause notice dated April 25, 2014 from Collector of Stamps, Delhi ('Department'), wherein the department was of the view that prima facie the Subsidiary Company has not paid stamp duty as per Indian Stamp Act, 1899 on right to use the land given by Delhi International Airport (P) Ltd. (DIAL) under the Development Agreement dated May 25, 2009 ('DA'). The Subsidiary Company contested the matter and the Department pursuant to the response received from all the developers of area where the Subsidiary Company's project is located, and arguments thereon, passed a common order on July 14, 2014 ("Order") and subsequently, the Company and its directors received show cause notice dated August 14, 2014 from the Department as to why criminal prosecution for non- payment of requisite stamp duty should not be initiated against them. The Subsidiary Company along with certain other developers have filed a writ petition before the Honorable High Court of Delhi (HC) and the HC vide its order dated August 25, 2014 has granted ex- parte interim stay from all proceedings under the Order including the said show cause notice dated August 14, 2014. The next date of hearing before the HC is scheduled for August 28, 2017. The Subsidiary Company, based on advice from legal experts, is of the view that there is no likelihood of any liability devolving on the Subsidiary Company and no adjustment is required in these financial statements.

(iii) One of the Subsidiary Company has received a demand from South Delhi Municipal Corporation ('the Authority') wherein the Authority has called upon the Subsidiary Company to pay an amount of Rs. 68.20 lakhs (for the financial Years 2010-11 to financial years 2013-2014) towards annual value in respect of the hotel property situated in Hospitality District, Aerocity. The Subsidiary Company filed a writ petition in the high court against the said order. Pending adjudication, the High Court had given interim stay directing the Subsidiary Company to deposit Rs 25 lakhs. The management based upon its assessment and expert's advice believes that no further liability against the aforesaid demand (including the demand for any subsequent year) is probable to crystallize.



Fleur Hotels Private Limited
Notes to consolidated financial statements for the year ended March
31, 2017

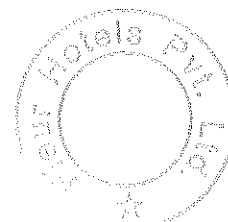
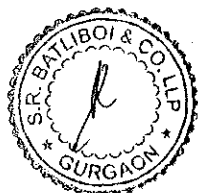
33. Related Party Transactions

a) Names of related parties where control exists irrespective of whether transactions have occurred or not,	
Holding company	- Lemon Tree Hotels Limited
Fellow subsidiary companies	- Begonia Hotels Private Limited - Carnation Hotels Private Limited - Canary Hotels Private Limited - Grey Fox Project Management Company Private Limited - Pelican Facilities Management Private Limited - Valerian Management Services Private Limited - Dandelion Hotels Private Limited - Hyacinth Hotels Private Limited - Lemon Tree Hotel Company Private Limited - Manakin Resorts Private Limited - Meringue Hotels Private Limited - PSK Resorts & Hotels Private Limited - Nightingale Hotels Private Limited. - Oriole Dr. Fresh Hotels Private Limited - Red Fox Hotel Company Private Limited - Sukhsagar Complexes Private Limited - Mezereon Hotels LLP
Limited Liability Partnership	
Key Management Personnel	- Mr. Patanjali Govind Keswani (Chairman & Managing Director) - Mr. Sachin Doshi (Director) - Mr. Niten Malhan (Director) - Mr. Rattan Keswani (Director) - Mr. Gopal Sitaram Jiwarajka (Independent Director) - Mr. Sanjeev Kaul Duggal (Independent Director) - Mr. Dominic James Doran (Director) - Mr. Anish Kumar Saraf (Director)

b) Names of other related parties with whom transactions have taken place during the year,	
Enterprises owned or significantly influenced by key management personnel or their relatives	- HeadStart Institute Private Limited - Toucan Real Estates Private Limited - Spank Management Services Private Limited

c) Additional related parties as per Companies Act 2013 with whom transactions have taken place during the year:

Chief Financial Officer : Mr. Inder Pal Batra
 Company Secretary : Ms. Pooja Bakshi

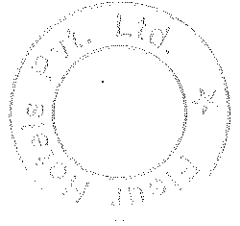


Fleur Hotels Private Limited
Notes to consolidated financial statements for the year ended March 31, 2017

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year

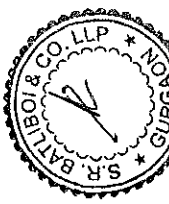
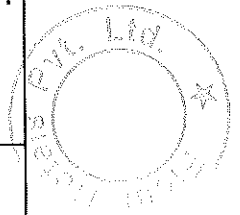
Rs. in lakhs

Transactions with Related Party	Year Ended	Holding Company	Fellow subsidiaries	Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel)	Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel) of Subsidiaries	Enterprises owned or significantly influenced by key management personnel or their relatives
Reimbursement of expenses paid on behalf of party						
Lemon Tree Hotels Limited	31-Mar-17	293.48	-	-	-	-
	31-Mar-16	337.67	-	-	-	-
Reimbursement of expenses incurred on company's behalf						
Lemon Tree Hotels Limited	31-Mar-17	75.08	-	-	-	-
	31-Mar-16	12.75	-	-	-	-
Oriole Dr Fresh Hotels Private Limited	31-Mar-17	-	-	-	-	-
	31-Mar-16	-	0.06	-	-	-
Bandhav Resorts Private Limited	31-Mar-17	-	2.63	-	-	-
	31-Mar-16	-	-	-	-	-



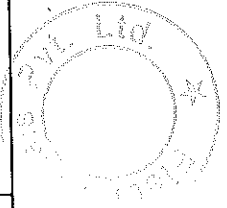
Fleur Hotels Private Limited
Notes to consolidated financial statements for the year ended March 31, 2017

Transactions with Related Party	Year Ended	Holding Company	Fellow subsidiaries	Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel)	Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel) of Subsidiaries	Enterprises owned or significantly influenced by key management personnel or their relatives
Amount received on behalf of the company						
Lemon Tree Hotels Limited	31-Mar-17	-	-	-	-	-
	31-Mar-16	145.96	-	-	-	-
Canary Hotels Private Limited	31-Mar-17	-	-	-	-	-
	31-Mar-16	-	1.01	-	-	-
Nightingale Hotels Private Limited	31-Mar-17	-	-	-	-	-
	31-Mar-16	-	6.91	-	-	-
Manakin Hotels Private Limited	31-Mar-17	-	-	-	-	-
	31-Mar-16	-	0.16	-	-	-
Amount received by the company						
Canary Hotels Private Limited	31-Mar-17	-	-	-	-	-
	31-Mar-16	-	0.26	-	-	-
Lemon Tree Hotels Limited	31-Mar-17	-	-	-	-	-
	31-Mar-16	150.86	-	-	-	-



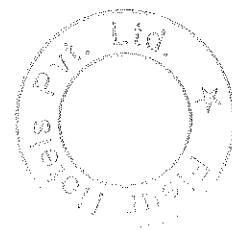
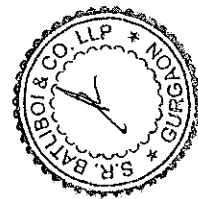
Fleur Hotels Private Limited
Notes to consolidated financial statements for the year ended March 31, 2017

Transactions with Related Party	Year Ended	Holding Company	Fellow subsidiaries	Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel)	Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel) of Subsidiaries	Enterprises owned or significantly influenced by key management personnel or their relatives
Nightingale Hotels Private Limited	31-Mar-17	-	-	-	-	-
	31-Mar-16	-	25.49	-	-	-
Begonia Hotels Private Limited	31-Mar-17	-	4.43	-	-	-
	31-Mar-16	-	0.26	-	-	-
Oriole Dr Fresh Hotels Limited	31-Mar-17	-	-	-	-	-
	31-Mar-16	-	6.28	-	-	-
License Fee Received						
Lemon Tree Hotels Limited	31-Mar-17	189.64	-	-	-	-
	31-Mar-16	178.97	-	-	-	-
Management Fees paid						
Lemon Tree Hotels Limited	31-Mar-17	3,796.38	-	-	-	-
	31-Mar-16	2,230.33	-	-	-	-
Remuneration Paid						
Mr. SumantJaidka	31-Mar-17	-	-	-	45.47	-
	31-Mar-16	-	-	-	31.56	-



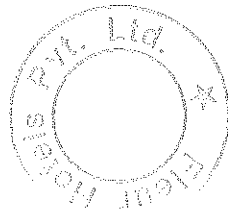
Fleur Hotels Private Limited
Notes to consolidated financial statements for the year ended March 31, 2017

Transactions with Related Party	Year Ended	Holding Company	Fellow subsidiaries	Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel)	Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel) of Subsidiaries	Enterprises owned or significantly influenced by key personnel or their relatives
Mr. Inder Pal Batra	31-Mar-17 31-Mar-16	- -	- -	32.50 27.87	- -	- -
Ms. Pooja Bakshi	31-Mar-17 31-Mar-16	- -	- -	6.19 5.01	- -	- -
Issue of Compulsory Convertible Debentures						
Begonia Hotels Private Limited	31-Mar-17 31-Mar-16	- -	200.00 2,100.00	- -	- -	- -
Nightingale Hotels Private Limited	31-Mar-17 31-Mar-16	- -	- 1,000.00	- -	- -	- -
Purchase of Property, Plant & Equipment						
Lemon Tree Hotels Limited	31-Mar-17 31-Mar-16	32.48 -	- -	- -	- -	- -



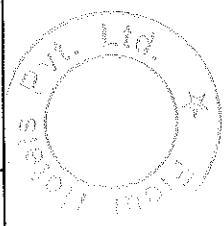
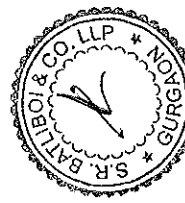
Fleur Hotels Private Limited
Notes to consolidated financial statements for the year ended March 31, 2017

Transactions with Related Party	Year Ended	Holding Company	Fellow subsidiaries	Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel)	Key Management Personnel (Managing Director, Whole time director, manager and other personnel) of Subsidiaries	Enterprises owned or significantly influenced by key management personnel or their relatives
Capital advance given during the year						
Toucan Real Estates Private Limited	31-Mar-17	-	-	-	-	1,757.57
	31-Mar-16	-	-	-	-	1,497.56
Guarantee Taken for Loan received						
Lemon Tree Hotels Limited	31-Mar-17	13,500.00	-	-	-	-
	31-Mar-16	13,500.00	-	-	-	-
Balance Outstanding at the year end- Other Long term Liabilities						
Lemon Tree Hotels Limited	31-Mar-17	3,850.00	-	-	-	-
	31-Mar-16	3,850.00	-	-	-	-
	01-Apr-15	3,850.00	-	-	-	-
Balances outstanding at the year end- (Credit)/ Debit						
Lemon Tree Hotels Limited	31-Mar-17	206.29	-	-	-	-
	31-Mar-16	565.17	-	-	-	-
	01-Apr-15	3.69	-	-	-	-



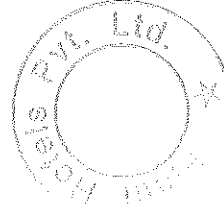
Fleur Hotels Private Limited
Notes to consolidated financial statements for the year ended March 31, 2017

Transactions with Related Party	Year Ended	Holding Company	Fellow subsidiaries	Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel)	Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel) of Subsidiaries	Enterprises owned or significantly influenced by key management personnel or their relatives
Toucan Real Estates Private Limited	31-Mar-17	-	-	-	-	-
	31-Mar-16	-	-	-	-	96.71
	01-Apr-15	-	-	-	-	34.88
Canary Hotels Private Limited	31-Mar-17	-	-	-	-	-
	31-Mar-16	-	-	-	-	-
	01-Apr-15	-	1.02	-	-	-
Oriole Dr Fresh Hotels Private Limited	31-Mar-17	-	-	-	-	-
	31-Mar-16	-	-	-	-	-
	01-Apr-15	-	0.23	-	-	-
Nightingale Hotels Private Limited	31-Mar-17	-	-	-	-	-
	31-Mar-16	-	-	-	-	-
	01-Apr-15	-	0.61	-	-	-
Begonia Hotels Private Limited	31-Mar-17	-	4.43	-	-	-
	31-Mar-16	-	-	-	-	-
	01-Apr-15	-	-	-	-	-
Mr. Sumant Jaidka	31-Mar-17	-	-	-	3.48	-
	31-Mar-16	-	-	-	1.48	-
	01-Apr-15	-	-	-	-	-



Fleur Hotels Private Limited
Notes to consolidated financial statements for the year ended March 31, 2017

Transactions with Related Party	Year Ended	Holding Company	Fellow subsidiaries	Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel)	Key Management Personnel (Managing Director, Whole time director, manager and other managerial) of Subsidiaries	Enterprises owned or significantly influenced by key management personnel or their relatives
Compulsory convertible debentures						
Begonia Hotels Private Limited	31-Mar-17	-	2,300.00	-	-	-
	31-Mar-16	-	2,100.00	-	-	-
	01-Apr-15	-	-	-	-	-
Nightingale Hotels Private Limited	31-Mar-17	-	1,000.00	-	-	-
	31-Mar-16	-	1,000.00	-	-	-
	01-Apr-15	-	-	-	-	-



Fleur Hotels Private Limited
Notes to consolidated financial statements for the year ended March 31, 2017

Terms and conditions of transactions with related parties

Outstanding balances with related parties at the year-end are unsecured and interest free and settlement occurs in cash. For the year ended March 31, 2017, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2016: Rs. INR Nil, April 1, 2015: Rs. Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Commitments with related parties

The Group has not entered into any commitments with related parties during the year.

34. Fair value measurement

a. Financial assets

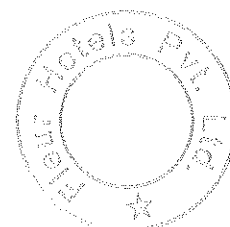
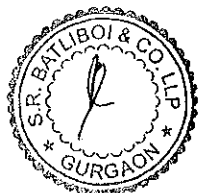
Rs. in lakhs

	March 31, 2017		March 31, 2016		April 1, 2015	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets						
Trade Receivables	-	1,035.20	-	704.53	-	631.55
Investments	-	-	-	-	3,123.64	-
Security Deposits	-	2,350.66	-	2,057.69	-	1,368.30
Other bank balances	-	186.30	-	181.30	-	158.20
Cash and Cash Equivalents	-	550.89	-	490.39	-	667.33
Interest accrued on deposit with banks	-	77.94	-	62.88	-	40.47
Loans	-	-	-	57.48	-	123.97
Other amount recoverable	-	162.44	-	414.70	-	144.52
Total Financial Assets	-	4,363.43	-	3,968.97	3,123.64	3,134.33

b. Financial liabilities

Rs. in lakhs

	March 31, 2017		March 31, 2016		April 1, 2015	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Borrowings	-	27,666.93	-	12,793.66	-	7,932.37
Trade Payables	-	1,865.14	-	2,122.52	-	1,116.74
Other Financial Liabilities	-	4,287.48	-	2,758.36	-	1,437.34
Total Financial Liabilities	-	33,819.55	-	17,674.54	-	10,486.45



Fleur Hotels Private Limited**Notes to consolidated financial statements for the year ended March 31, 2017****c. Fair value measurement hierarchy for assets and liabilities****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 under current market conditions.

The Group categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

i) Level 1

Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

ii) Level 2

Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

iii) Level 3

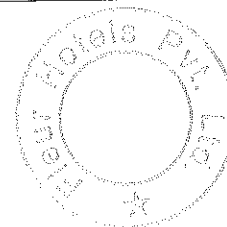
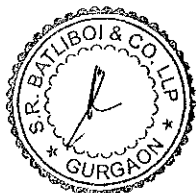
Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Group's assumptions about pricing by market participants.

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities:

Financial assets and liabilities measured at fair value

	March 31, 2017			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments as FVTPL				
Unquoted equity instruments	-	-	-	-

	March 31, 2016			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments as FVTPL				
Unquoted equity instruments	-	-	-	-



Fleur Hotels Private Limited
Notes to consolidated financial statements for the year ended March 31,
2017

Rs in lakhs

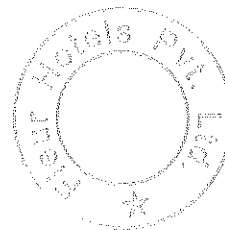
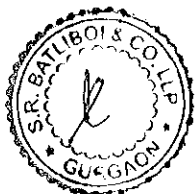
	March 31, 2015			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments as FVTPL				
Unquoted instruments	3,123.64	-	-	-

The management assessed that fair values of cash and cash equivalents, trade receivables, trade payables, bank overdrafts, Interest accrued on bank deposits with banks, other current financial assets and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of loans, security deposits, borrowings and other financial assets and liabilities are considered to be the same as their fair values, as there is an immaterial change in the lending rates.

The following methods and assumptions were used to estimate the fair values:

- The fair values of the investment in mutual funds have been estimated based on NAV of the assets at each reporting date



Fleur Hotels Private Limited

Notes to consolidated financial statements for the year ended March 31, 2017

35. Financial risk management objectives and policies

The Group's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and to support its operations. The Group's financial assets include loans, trade and other receivables, and cash & cash equivalents that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Group. This financial risk committee provides assurance to the Group's senior management that the Group's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk. Financial instruments affected by market risk include loans and borrowings.

Interest rate risk

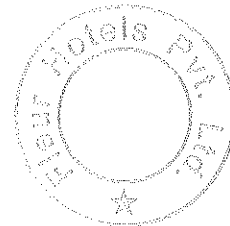
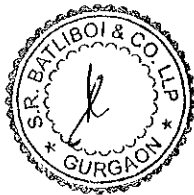
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group is carrying its borrowings primarily at variable rate. The Group expects the variable rate to decline, accordingly the Group is currently carrying its loans at variable interest rates.

Rs. In lakhs

	March 31, 2017	March 31, 2016	April 1, 2015
Variable rate borrowings	28,937.01	13,542.95	8,365.23
Fixed rate borrowings	52.40	41.54	34.70

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:



Fleur Hotels Private Limited
Notes to consolidated financial statements for the year ended March 31, 2017

		Increase/decrease in basis points	Effect on profit before tax
			<i>Rs. In lakhs</i>
	31-Mar-17		
	INR	50	104.58
	INR	-50	(104.58)
	31-Mar-16		
	INR	50	56.91
	INR	-50	(56.91)

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group has no exposure in foreign currency.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables and deposits to landlords) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

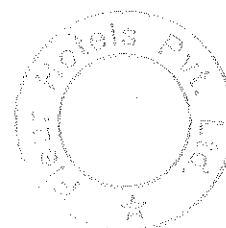
(a) Trade receivables

Customer credit risk is managed by each business location subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 9. The Group does not hold collateral as security.

(b) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investment of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The Group's maximum exposure to credit risk for the components of the balance sheet at March 31, 2017, March 2016 and April 1, 2015 is the carrying amount as illustrated in Note 9.



Fleur Hotels Private Limited

Notes to consolidated financial statements for the year ended March 31, 2017

Rs. in lakhs

Ageing	March 31, 2017	March 31, 2016	April 1, 2015
Not due			
0-60 days past due	681.34	490.81	466.86
61-120 days past due	169.85	112.93	56.68
121-180 days past due	48.81	31.10	59.87
180-365 days past due	80.29	33.69	33.65
365-730 days past due	45.50	35.76	3.60
more than 730 days	9.41	0.24	10.87

Provision for doubtful debts (including provision for expected credit loss)

Rs. in lakhs

Ageing	March 31, 2017	March 31, 2016	April 1, 2015
Not due	-	-	-
0-60 days past due	8.81	7.26	11.65
61-120 days past due	-	-	-
121-180 days past due	-	-	-
180-365 days past due	-	-	-
more than 365 days	9.72	6.57	19.07

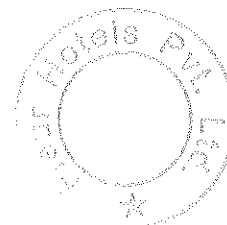
Reconciliation of provision for doubtful debts - Trade receivables (including provision for expected credit loss)

Rs. In lakhs

	March 31, 2017	March 31, 2016	April 1, 2015
Provision at beginning	13.82	30.72	19.07
Addition during the year	8.81	7.26	11.65
Reversal during the year	-	-	-
Utilised during the year	4.11	16.89	-
Provision at closing	18.53	13.82	30.72

Reconciliation of provision for doubtful debts - Loans and deposits (including provision for expected credit loss)

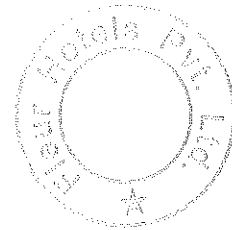
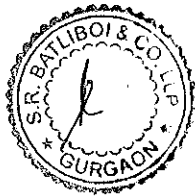
	March 31, 2017	March 31, 2016	April 1, 2015
Provision at beginning	-	-	-
Addition during the year	-	-	-
Reversal during the year	-	-	-
Utilised during the year	-	-	-
Provision at closing	-	-	-



Fleur Hotels Private Limited
Notes to consolidated financial statements for the year ended March 31,
2017

Liquidity risk

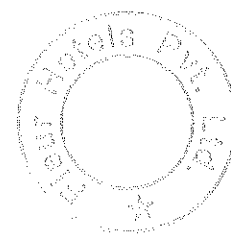
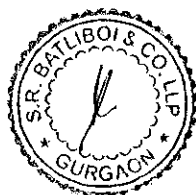
The Group monitors its risk of a shortage of funds by estimating the future cash flows. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders.



Fleur Hotels Private Limited
Notes to consolidated financial statements for the year ended March 31,
2017

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

	<i>Rs. in lakhs</i>					
	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2017						
Borrowings	-	111.84	1,118.88	10,220.17	17,538.51	28,989.41
Trade and other payables	1,865.14	-	-	-	-	1,865.14
Other Financial Liabilities	2,965.01	-	-	-	-	2,965.01
	4,830.14	111.84	1,118.88	10,220.17	17,538.51	33,819.55
Year ended March 31, 2016						
Borrowings	-	65.13	848.54	5,902.13	6,768.69	13,584.49
Trade and other payables	2,122.52	-	-	-	-	2,122.52
Other Financial Liabilities	1,967.53	-	-	-	-	1,967.53
	4,090.05	65.13	848.54	5,902.13	6,768.69	17,674.54
As at April 1, 2015						
Borrowings	-	50.70	416.45	3,160.48	4,772.29	8,399.93
Trade and other payables	1,116.74	-	-	-	-	1,116.74
Other Financial Liabilities	969.79	-	-	-	-	969.79
	2,086.52	50.70	416.45	3,160.48	4,772.29	10,486.45



Fleur Hotels Private Limited**Notes to consolidated financial statements for the year ended March 31, 2017****36. Capital management**

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value.

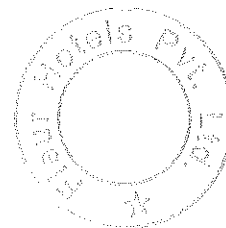
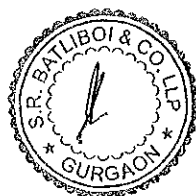
The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, trade payables, less cash and cash equivalents.

	<i>Rs. in lakhs</i>		
	March 31, 2017	31 March 2016	1 April 2015
Borrowings	27,666.93	12,793.66	7,932.37
Trade payables (Note 18)	1,865.14	2,122.52	1,116.74
Less: cash and cash equivalents (Note 9)	550.89	490.39	667.33
Net debt	28,981.17	14,425.78	8,381.78
Total capital	96,400.39	95,993.49	91,713.39
Capital and net debt	125,381.56	110,419.28	100,095.17
Gearing ratio	23%	13%	8%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2017 and 31 March 2016.



Fleur Hotels Private Limited.
Notes to consolidated financial statements for the year ended March 31,
2017

37. First-time adoption of Ind AS

These consolidated financial statements, for the year ended 31 March 2017, are the first the Group has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2016, the Group prepared its consolidated financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Group has prepared consolidated financial statements which comply with Ind AS applicable for periods ending on 31 March 2017, together with the comparative period data as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. In preparing these consolidated financial statements, the Group's opening balance sheet was prepared as at 1 April 2015, the Group's date of transition to Ind AS. This note explains the principal adjustments made by the Group in restating its Indian GAAP consolidated financial statements, including the balance sheet as at 1 April 2015 and the consolidated financial statements as at and for the year ended 31 March 2016.

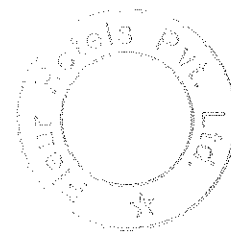
Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Group has applied the following exemptions:

- Property Plant & Equipment and Intangible Assets - As permitted by IND AS 101, the Group has elected to continue with the carrying values under previous GAAP for all the items of property, plant & equipment. The Same selection has been made in respect of Intangibles Assets. The Carrying value of property plant and equipment as aforesaid are after making adjustments relating to decommissioning liabilities
- Determining whether an arrangement contain a lease:- Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the Group has used Ind AS 101 exemption and assessed all arrangements based for embedded leases based on conditions in place as at the date of transition.

Estimates

The estimates at 1 April 2015 and at 31 March 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from impairment of financial assets based on expected credit loss model where application of Indian GAAP did not require estimation.



Fleur Hotels Private Limited
Notes to consolidated financial statements for the year ended March 31, 2017

Reconciliation of equity as at March 31, 2016 and April 1, 2015 ((date of transition to Ind AS)

Rs. in lakhs

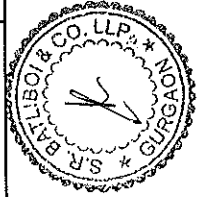
	31-Mar-16			01-Apr-15		
	Local GAAP	Adjustment	Ind AS	Local GAAP	Adjustment	Ind AS
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
ASSETS						
Non-current assets						
(a) Property, plant and equipment	48,003.31	(0.02)	48,003.29	49,775.58	(0.01)	49,775.57
(b) Capital work-in-progress	16,991.53	1,145.87	18,137.40	8,569.87	139.43	8,709.30
(c) Intangible assets	8,706.03	-	8,706.03	8,700.15	-	8,700.15
(d) Financial assets						
(iii) Other financial assets	22,298.59	(20,042.31)	2,256.28	15,581.88	(14,032.52)	1,549.36
(e) Other non-current assets	22,318.42	13,644.04	35,962.46	19,625.52	9,299.06	28,924.58
	118,317.88	(5,252.42)	113,065.46	102,253.00	(4,594.04)	97,658.96
Current assets						
(a) Inventories	209.32	-	209.32	181.33	-	181.33
(b) Financial assets						
(i) Trade receivables	715.20	(10.67)	704.53	643.19	(11.64)	631.55
(ii) Cash and Cash equivalents	494.62	(4.23)	490.39	671.55	(4.23)	667.32
(iii) Investments	-	-	-	2,983.07	140.57	3,123.64
(iv) Other financial assets	16.57	443.73	460.30	61.62	87.03	148.65
(v) Loans	57.48	-	57.48	-	123.97	123.97
(c) Other current assets	954.45	(460.85)	493.60	406.52	(182.95)	223.57
	2,447.64	(32.02)	2,415.62	4,947.28	152.75	5,100.03
Total Assets	120,765.52	(5,284.44)	115,481.08	107,200.28	(4,441.29)	102,758.99



Fleur Hotels Private Limited

Notes to consolidated financial statements for the year ended March 31, 2017

	31-Mar-16			01-Apr-15		
	Local GAAP	Adjustment	Ind AS	Local GAAP	Adjustment	Ind AS
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
EQUITY AND LIABILITIES						
Equity						
(a) Equity Share capital	5,928.63	-	5,928.63	5,865.75	-	5,865.75
(b) Other Equity	88,436.47	669.97	89,106.44	86,684.04	(1,260.45)	85,423.59
(c) Non-controlling interests	-	968.29	968.29	-	-	-
Total Equity	94,365.10	1,638.26	96,003.36	92,549.79	(1,260.45)	91,289.34
Liabilities						
Non-current liabilities						
(a) Financial liabilities						
(i) Borrowings	16,190.56	(3,396.90)	12,793.66	7,988.64	(56.27)	7,932.37
(ii) Other financial liabilities	3,850.00	(3,491.33)	358.67	3,850.00	(3,531.47)	318.53
Long term provisions	15.48	-	15.48	13.67	-	13.67
Deferred tax liabilities (net)	1,401.06	(636.63)	764.43	261.58	316.46	578.04
Other non-current liabilities	-	602.20	602.20	-	136.79	136.79
	21,457.10	(6,922.66)	14,534.44	12,113.89	(3,134.49)	8,979.40
Current liabilities						
(a) Financial liabilities						
(i) Trade payables	2,122.52	(0.04)	2,122.48	1,341.65	(224.92)	1,116.73
(ii) Other financial liabilities	2,399.69	-	2,399.69	-	1,118.81	1,118.81
(b) Other current liabilities	367.66	-	367.66	1,175.06	(940.24)	234.82
(c) Provisions	53.45	-	53.45	19.89	-	19.89
	4,943.32	(0.04)	4,943.28	2,536.60	(46.35)	2,490.25
Total Liabilities	26,400.42	(6,922.70)	19,477.72	14,650.49	(3,180.84)	11,469.65
Total Equity and Liabilities	120,765.52	(5,284.44)	115,481.08	107,200.28	(4,441.29)	102,758.99



Fleur Hotels Private Limited
Notes to consolidated financial statements for the year ended March 31, 2017
Group reconciliation of profit or loss for the year ended March 31, 2016
Rs. in lakhs

Particulars	Note No.	Indian GAAP	Adjustments	Ind AS
		Rs.	Rs.	Rs.
Revenue From Operations		12,653.40	(0.01)	12,653.39
Other Income	II	554.89	(137.33)	417.56
Total Income		13,208.29	(137.34)	13,070.95
Expenses				
Cost of food and beverages consumed		1,366.76	-	1,366.76
Employee benefits expense	I, IV	2,173.76	(7.36)	2,166.40
Other expenses	IV	5,115.77	299.17	5,414.95
Total expenses		8,656.29	291.81	8,948.11
Earnings before interest, tax, depreciation and amortisation (EBITDA)		4,552.00	(429.15)	4,122.84
Depreciation and amortization expense		2,048.33	-	2,048.33
Finance costs	III	1,174.40	13.57	1,187.98
Finance income	II	(30.29)	(194.11)	(224.40)
Profit/(loss) before tax		1,359.56	(248.61)	1,110.93
Tax expense:				
(1) Current tax		367.60	(199.04)	168.56
(2) MAT Credit Entitlement	V	(330.11)	330.11	-
(3) Adjustment of tax relating to earlier periods		(582.71)	575.52	(7.20)
(4) Deferred tax	V	1,139.48	(751.54)	387.94
		594.26	(44.95)	549.30
Profit for the year		765.30	(203.66)	561.63
Other comprehensive income	VII			
Remeasurements of defined benefit plans	VI	-	2.37	2.37
Total Comprehensive Income for the year		765.30	(201.29)	564.00



Footnotes to the reconciliation of equity as at April 1, 2015 and March 31, 2016 and profit or loss for the year ended March 31, 2016.

I. Property, plant and equipments

As per Ind AS 16, certain expenses pertaining to pre operating period has not been capitalised in property plant and equipment as compared to IGAAP.

II. Financial Assets

- Based on Ind AS - 109, financial Assets in the form of long term interest free deposits to landlords and loans to employees have been accounted at fair value on the date of transition and subsequently measured at amortized cost using the effective interest rate method.
- Under Indian GAAP, the Group had created provision for impairment of receivables consists only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Loss model (ECL).

III. Financial Liability

- Under Indian GAAP, transaction costs incurred in connection with borrowings are amortised upfront and charged to profit or loss for the period. Under Ind AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit or loss using the effective interest method.
- Based on Ind AS - 109, financial Assets in the form of long term interest free deposits received has been accounted at fair value on the date of transition and subsequently measured at amortized cost using the effective interest rate method.

IV. Lease equalisation

As per Ind-AS 17, Operating lease are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless either (a) Another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis, or (b) The payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

V. Deferred tax

Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. In addition, the various transitional adjustments lead to temporary differences.

VI. Defined benefit liabilities

Both under Indian GAAP and Ind AS, the Group recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.



VII. Other comprehensive income

Under Indian GAAP, the Group has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or profit or loss as per Ind AS.

VIII. Statement of cash flows

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

38. The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 are as provided in the Table below:

	<i>Rs. in lakhs</i>		
	SBNs	Other denomination notes	Total
Closing cash in hand as on 08 November 2016	30.84	4.48	35.32
(+) Permitted receipts	-	61.33	61.33
(-) Permitted payments	-	37.52	37.52
(-) Amount deposited in Banks	30.84	8.27	39.11
Closing cash in hand as on 30 December 2016	-	20.02	20.02

Post demonetization, the management had directed all employees not to accept/ pay using the SBN's. Further, in view of the numerous locations where cash is collected the management has obtained direct confirmations from certain Banks confirming the collection of SBN's during the aforesaid period. For other banks, the Group has compiled the data on the basis of accounting records, bank statements and pay in slips for cash deposits during the period.

The aforesaid disclosures of SBN's have been compiled taking the management stated policy, direct bank confirmation and compilation of pay in slips.

39. Segment Reporting

The Group is into Hoteliering business. The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Group performance, allocate resources based on the analysis of the various performance indicator of the Group as a single unit. Therefore there is no reportable segment for the Group as per the requirements of Ind AS 108 – “Operating Segments”.

Information about geographical areas

The Group has only domestic operations and hence no information required for the Group as per the requirements of Ind AS 108 – “Operating Segments”.

Information about major customers

No customer individually accounted for more than 10% of the revenue



Fleur Hotels Private Limited
Notes to consolidated financial statements for the year ended March 31, 2017

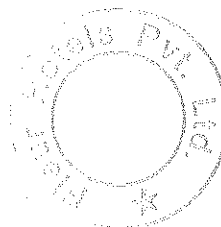
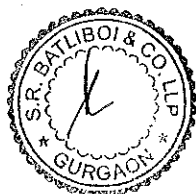
40. Business combination

During the year, on 13th May, 2016, one of the subsidiary Company, M/s. Fleur Hotels Private Limited purchased 23,110 shares of Bandhav Resorts Private Limited, constituting 100% stake, from its previous owners. On acquisition of Bandhav hotels, the Group has recognized Rs. 673.42 lakhs being the excess of amount paid for the transfer amounting to Rs. 834.04 lakhs and net assets taken over amounting to INR 160.62 lakhs as Goodwill under Intangible assets.

The fair value of assets and liabilities of Bandhav Resorts Private Limited taken over as at the date of business combination were as follows:

Particulars	Fair value of assets and liabilities
Property plant & equipment	522.90
Other Non-current assets	18.01
Other non-financial assets	0.71
Cash and short term deposits	2.69
Total assets (A)	544.31
Interest-bearing loans and borrowings	364.86
Other non-financial liabilities	18.84
Total liabilities (B)	383.70
Net asset taken over (A-B)	160.61
Amount paid	834.04
Goodwill	673.43
Cash acquired on acquisition	2.69
Cash paid	834.04
Net cash on acquisition	831.35

41. During the earlier years, one of the subsidiary had entered into an Infrastructure development and services agreement with Delhi International Airport Limited to develop two hotels at Aero City, New Delhi for an initial term of 27 years, extendable at the option of the subsidiary for an additional period of 30 years provided DIAL gets the extension from Airport Authority of India. DIAL is committed to take over the building at 'Book values', as defined in the aforesaid agreement in case the agreement is not extended further. Accordingly the building is depreciated over the estimated useful life of 22 years after reducing the expected residual value as contractually recoverable from DIAL in case the agreement is not extended.



Fleur Hotels Private Limited
Notes to consolidated financial statements for the year ended March 31, 2017

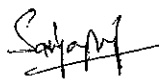
42. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006.

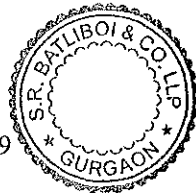
Rs in lakhs

	March31, 2017	March31, 2016	April1, 2015
the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	Nil	Nil	Nil
the amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil	Nil
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 Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil	Nil
the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	0.05	0.13
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 Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil	Nil

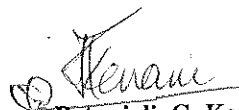
As per our report of even date


For S. R. Batliboi & Co. LLP
 Firm Registration No.
 301003E/E300005 Chartered Accountants

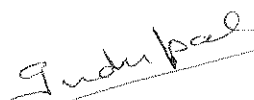

 per **Sanjay Vij**
 Partner
 Membership No. 95169

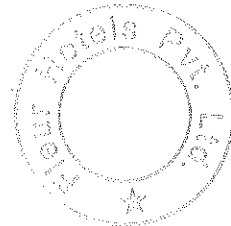


**For and on behalf of the Board of Directors of
 Fleur Hotels Private Limited**


Patanjali G. Keswani
 Chairman & Managing Director


Pooja Bakshi
 Company Secretary


Inder Pal Batra
 Chief Financial Officer



Place : Gurgaon
 Date : June 15, 2017

Place : New Delhi
 Date : June 15, 2017