

KSMN & COMPANY

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GJS HOTELS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of GJS Hotels Limited ("the Company"), which comprise the balance Sheet as at 31st March, 2015, the statement of profit and loss, the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

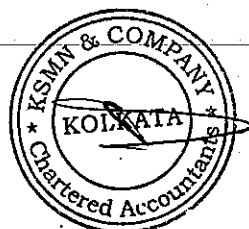
Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our 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 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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

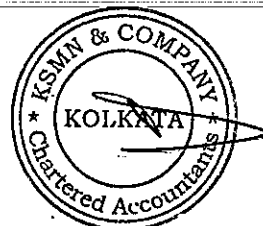
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is



disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and

- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position in its financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There is no amount which is required to be transferred, to the Investor Education and Protection Fund by the Company.

For KSMN & Company
Chartered Accountants
Firm Registration No. 001075N



Deepak K. Aggarwal
Partner
Membership No. 095541
Place: Kolkata
Date: 27th May' 2015

Annexure referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' of the Independent Auditor's Report of even date to the members of GJS HOTELS LIMITED on its standalone financial statements as of and for the year ended March 31, 2015.

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) These fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.

(ii) As the Company does not have any inventory, clause 3 (ii) of the Companies (Auditor's Report) Order, 2015 is not applicable to the Company.

(iii) The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, clauses 3 (iii) (a) and (b) of the Order are not applicable.

(iv) According to the information and explanations given to us, there seems to be adequate internal control procedure commensurate with the size of the company and the nature of its business, with regard to purchases of fixed assets. The activities of the Company does not include purchase of inventory, sale of goods and services. Further, on the basis of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across nor have been informed of any instance of a continuing failure to correct major weaknesses in the aforesaid internal control system.

(v) The Company has not accepted deposits and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable.

(vi) According to the information and explanation given to us, the Central Government has not prescribed maintenance of cost records under Sub section (l) of Section 148 of the Companies Act, 2013 in respect of services carried out by the Company. Therefore, the provisions of clause (vi) of the Order are not applicable.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities. Further, there were no undisputed amounts outstanding at the year-end for a period of more than six months from the date they became payable.



(b) According to the information and explanation given to us and on the basis of records produced before us, there are no dues of income tax, sales tax, wealth tax, service tax, custom duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.

(c) According to the information and explanation given to us the company is not required to transfer any amount to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder within time.

(viii) The Company does not have any accumulated losses as at the end of the financial year. Further the Company has incurred cash losses during the current financial year and in the immediately preceding previous year.

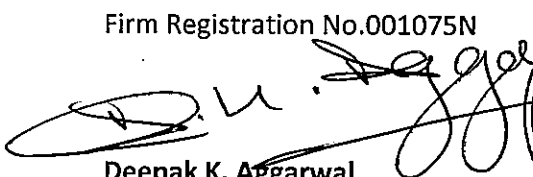

(ix) According to the records of the company examined by us and as per the information and explanations given to us, the company has not availed of any loans from any financial institution or banks and has not issued debentures. So the question of default in repayment of dues to financial institution or bank or debenture holder does not arise.

(x) In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loan taken by others from a bank or financial institution during the year.

(xi) In our opinion, and according to the information and explanations given to us, the company has not obtained any term loans during the year.

(xii) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For KSMN & Company
Chartered Accountants
Firm Registration No.001075N

Deepak K. Aggarwal
Partner
Membership No.095541
Place: Kolkata
Date: 27th May' 2015

GJS HOTELS LIMITED

BALANCE SHEET as at 31st March 2015

		Amount in ₹	
	Notes	As at 31st March 2015	As at 31st March 2014
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
(a) Share Capital	3	109,610,000	109,610,000
(b) Reserves and Surplus	4	2,252,465,291	2,253,325,370
		<u>2,362,075,291</u>	<u>2,362,935,370</u>
CURRENT LIABILITIES			
(a) Short Term Borrowings	5	3,716,175,000	1,437,675,000
(b) Other Current Liabilities	6	615,205	39,931
		<u>3,716,790,205</u>	<u>1,437,714,931</u>
Total		<u><u>6,078,865,496</u></u>	<u><u>3,800,650,301</u></u>
ASSETS			
NON-CURRENT ASSETS			
(a) Fixed Assets			
Tangible Assets	7	54,539,349	54,539,349
Capital Work-in-Progress - Building		781,731	-
(b) Non Current Investments	8	6,023,242,553	3,744,741,413
(c) Long Term Loans and Advances	9	2,000	2,000
		<u>6,078,565,633</u>	<u>3,799,282,762</u>
CURRENT ASSETS			
(a) Cash and Bank Balances	10	294,247	367,539
(b) Short Term Loans and Advances	11	-	1,000,000
(c) Other Current Assets	12	5,616	-
		<u>299,863</u>	<u>1,367,539</u>
Total		<u><u>6,078,865,496</u></u>	<u><u>3,800,650,301</u></u>

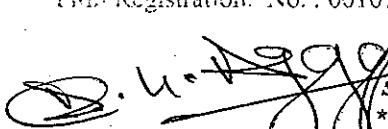
Notes forming part of the Financial Statements 1 to 31

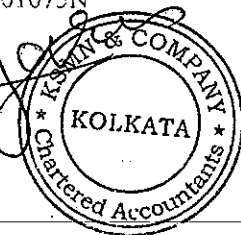
As per our report of even date

For KSMN & Company

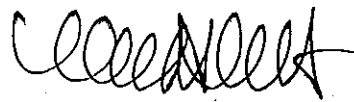
Chartered Accountants

Firm Registration No. : 001075N

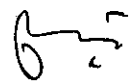

Deepak K. Aggarwal
Partner
Membership No. : 095541



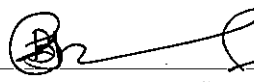
For and on behalf of the Board of Directors



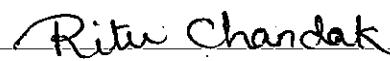
Umesh Saraf
Director



Padam K. Khaitan
Director



Bimal Kumar Jhunjhunwala
CFO



Ritu Chandak
Company Secretary

Place: Kolkata

Date: 27th May 2015

GJS HOTELS LIMITED

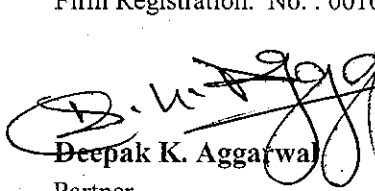
STATEMENT OF PROFIT & LOSS for Year ended 31st March 2015

		Amount in ₹	
	Notes	Year Ended 31st March 2015	Year Ended 31st March 2014
INCOME			
Other Income	13	5,616	-
		<u>5,616</u>	<u>-</u>
EXPENDITURE			
Employee Benefits Expense	14	528,883	303,413
Other Expenses	15	336,812	1,451,595
		<u>865,695</u>	<u>1,755,008</u>
LOSS BEFORE TAX		(860,079)	(1,755,008)
TAX EXPENSES			
Current Tax (including earlier years)		-	209,533
Deferred Tax		-	-
LOSS AFTER TAX		<u>(860,079)</u>	<u>(1,964,541)</u>
EARNINGS PER EQUITY			
(a) Basic		(0.08)	(0.18)
(b) Diluted		(0.08)	(0.18)

Notes forming part of the Financial Statements 1 to 31

As per our report of even date

For **KSMN & Company**
Chartered Accountants
Firm Registration. No. : 001075N


Deepak K. Aggarwal
Partner
Membership No. : 095541



Place: Kolkata
Date: 27th May 2015

For and on behalf of the Board of Directors



Umesh Saraf
Director



Padam K Khaitan
Director



Bimal Kumar Thunijhunjwala **Ritu Chandak**
CFO Company Secretary

GJS HOTELS LIMITED

CASH FLOW STATEMENT for the year ended 31st March 2015

	<i>Amount in ₹</i>	
	Year Ended 31st March 2015	Year Ended 31st March 2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Loss before tax	(860,079)	(1,755,008)
Adjustments for :		
Dividend income	-	-
Operating profit/(loss) before working capital changes	(860,079)	(1,755,008)
Adjustment for :		
Other Current Liabilities	575,274	(2,113)
Short term Loans and Advances	1,000,000	(1,000,000)
Other Current Assets	(5,616)	-
Cash generated from operations	709,579	(2,757,121)
Direct taxes paid	-	207,380
Net Cash generated from/(used in) Operations (A)	709,579	(2,964,501)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets/ capital work in progress	(781,731)	-
Investment in Non Convertible Debentures	(2,050,000,000)	-
Purchase of investment - share application money	-	(443,599,180)
Investment in Preference Shares	(228,501,140)	-
Amount realised on allotment of Preference Shares	-	55
Net Cash flow from/(used in) Investing Activities (B)	(2,279,282,871)	(443,599,125)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	2,278,500,000	446,650,000
Net cash flow from/(used in) Financing Activities (C)	2,278,500,000	446,650,000
Net increase/(decrease) in Cash and Bank balance (A + B + C)	(73,292)	86,374
Cash and Bank balance at the beginning of the year	367,539	281,165
Cash and Bank balance at the end of the year	294,247	367,539

Notes forming part of the Financial Statements

1 to 31

As per our report of even date

For KSMN & Company

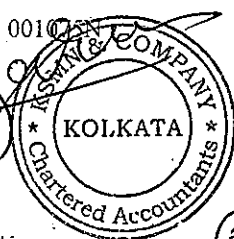
Chartered Accountants

Firm Registration. No. : 001028

Deepak K. Aggarwal

Partner

Membership No. : 095541



For and on behalf of the Board of Directors

Umesh Saraf

Director

Padam K Khaitan

Director

Bimal Kumar Thunjhwal
CFO

Ritu Chandak
Company Secretary

Place: Kolkata

Date: 27th May 2015

GJS HOTELS LIMITED

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2015

1. Company Overview

The Company is a wholly Owned subsidiary of Asian Hotels (East) Limited which is listed in Bombay Stock Exchange and National Stock Exchange. The Company possess leasehold land in Bhubaneswar (Odisha) for setting up a hotel.

2. Basis of Preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The financial statements have been prepared to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2015, (as amended and as applicable from time to time) read with General circular 8/2014 dated 4th April, 2014 issued by Ministry of Corporate Affairs and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis and under the historical cost convention on going concern basis. The accounting policies have been consistently applied in company and are consistent with those used in the previous years.

2.1 Significant Accounting Policies

a. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b. Tangible Fixed Assets

Fixed assets are stated at cost of acquisition or construction or at revalued amounts, net of impairment loss if any, less depreciation/ amortization. Cost represents the direct expenses incurred on acquisition /construction of the assets and the relative share of indirect expenses relating to construction allocated in proportion to the direct costs involved.

c. Depreciation

Since there are no assets other than the expenditures related to land as referred above, no depreciation has been provided. Amortization of leasehold land shall be provided on commencement of commercial operation.

d. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from Interest is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend Income is recognized when rights to receive payment is established.

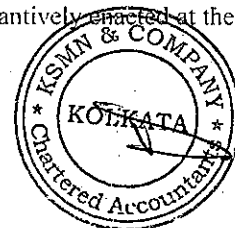
e. Income Taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred Tax is provided during the year, using the liability method on all temporary differences at the Balance Sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes in accordance with mandatory Accounting Standard (AS-22).

Deferred Tax asset is recognized only to the extent that there is a reasonable certainty that sufficient taxable profit will be available against which such deferred tax asset can be realized.

Deferred Tax asset and liability are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the Balance Sheet date.



GJS HOTELS LIMITED

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2015

f. Investment

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are valued at the lower of cost and fair value. Changes in the carrying amount of current investments are recognised in the Statement of Profit and Loss. Long-term investments are valued at cost, less any provision for diminution, other than temporary, in the value of such investments; decline, if any, is charged to the Statement of Profit and Loss. Share Application Money pending allotment of shares is classified as investments.

g. Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use.

Previously recognized impairment losses are reversed where the recoverable amount increases because of favorable changes in the estimates used to determine the recoverable amount since the last impairment was recognized. A reversal of an asset's impairment loss is limited to its carrying amount that would have been (net of depreciation or amortization) had no impairment loss been recognized in prior years.

h. Earning per Share

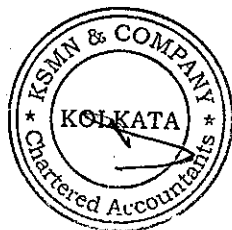
Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

i. Cash and Cash Equivalents

Cash and cash equivalents in the cash flow statement comprise cash at bank and cash/ cheques in hand and short-term deposits with Banks less short-term advances from Banks.

j. Provision and Contingent Liabilities

Provisions are recognized for present obligations of uncertain timing or amount arising as a result of a past event where a reliable estimate can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain events, are also disclosed as contingent liabilities unless the probability of outflow of resources embodying economic benefit is remote.



GJS HOTELS LIMITED

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2015

	<i>Amount in ₹</i>	
	As at 31st March 2015	As at 31st March 2014
3. Share Capital		
Authorised Shares		
14,000,000 Equity Shares of Rs.10/- each	140,000,000	140,000,000
Issued, Subscribed and fully Paid-up Shares		
10,961,000 Equity Shares of Rs.10/- each	109,610,000	109,610,000
	109,610,000	109,610,000

3.1 Reconciliation of the Shares outstanding at the beginning and at the end of the reporting year

Equity Shares	As at 31st March 2015		As at 31st March 2014	
	No. of Shares	₹	No. of Shares	₹
At the beginning of the year	10,961,000	109,610,000	10,961,000	109,610,000
Issued during the year	-	-	-	-
Buy Back during the year	-	-	-	-
At the end of the year	10,961,000	109,610,000	10,961,000	109,610,000

3.2 Terms/rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹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.

3.3 Shares held by Holding/ultimate Holding Company and/or their subsidiaries/associates

	As at 31st March 2015	As at 31st March 2014
Asian Hotels (East) Limited, the Holding Company		
10,961,000 (31 st March 2014: 10,961,000) equity shares of ₹10 each fully paid (including their nominees)	109,610,000	109,610,000

3.4 Details of shareholders Holding more than 5% shares in the Company

Equity Shares	As at 31st March 2015		As at 31st March 2014	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Asian Hotels (East) Limited, the Holding Company (including their nominees)	10,961,000	100	10,961,000	100

3.5 No class of shares have been allotted for consideration other than cash or as bonus shares and no shares have been bought back during the period of five years immediately preceding the balance sheet date including the previous year.

	As at 31st March 2015	As at 31st March 2014
4. Reserves and Surplus		
a. Securities Premium Reserve		
Opening Balance	2,236,755,000	2,236,755,000
Add: Additions / deductions during the year	-	-
Closing Balance	2,236,755,000	2,236,755,000
b. Surplus in the Statement of Profit and Loss		
Opening Balance	16,570,370	18,534,911
Add: Loss for the year	(860,079)	(1,964,541)
Closing Balance	15,710,291	16,570,370
Total	2,252,465,291	2,253,325,370



GJS HOTELS LIMITED

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2015

	As at 31st March 2015	Amount in ₹ As at 31st March 2014
5. Short Term Borrowings - Unsecured		
Loan from holding company repayable on demand (refer note 28)	3,716,175,000	1,437,675,000
Total	3,716,175,000	1,437,675,000
6. Other Current Liabilities		
Other Payables		
TDS payable	65,774	3,933
Professional Tax payable	-	130
Expenses Payable	549,431	35,868
Total	615,205	39,931
7. Fixed Assets - Tangible assets		
Leasehold Land (Gross/Net Carrying Value) (refer note 2.1b and 21)	54,539,349	54,539,349
Total	54,539,349	54,539,349
8. Non Current Investments		
Other investments, Unquoted (At Cost, Fully Paid Up)		
Investment in Equity Shares of Subsidiary Company - Robust Hotels Pvt. Ltd.		
63,932,769 (Previous Year: 63,932,769) equity shares of Rs.10/- each	2,045,848,608	2,045,848,608
Investment in Preference Shares of Subsidiary Company - Robust Hotels Pvt. Ltd.		
8,964,623 (Previous Year: 7,901,827) 1% Cumulative Redeemable Optional Convertible Preference Shares of Rs.10/- each	1,927,393,945	1,698,892,805
Investment in Debenture of Subsidiary Company - Robust Hotels Pvt. Ltd.		
20,500,000 (Previous Year: NIL) 0.1% Unsecured Redeemable Non Convertible Debenture of Rs.100/- each	2,050,000,000	-
Total	6,023,242,553	3,744,741,413
Aggregate value of Unquoted Investment	6,023,242,553	3,744,741,413
Aggregate amount of Provision for diminution in value of investments	-	-
9. Long Term Loans and Advances		
Security Deposit (Unsecured, considered good)	2,000	2,000
Total	2,000	2,000
10. Cash & Bank Balances		
Cash & Cash Equivalents		
Balances with Banks:		
Current Accounts	290,153	364,478
Cash in hand	4,094	3,061
Total	294,247	367,539
11. Short Term Loans and Advances		
(Unsecured, considered good)		
Advances recoverable in cash or kind	-	1,000,000
Total	-	1,000,000

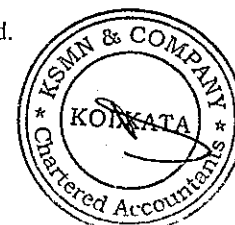


GJS HOTELS LIMITED

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2015

	<i>Amount in ₹</i>	
	<u>As at 31st March 2015</u>	<u>As at 31st March 2014</u>
12. Other Current Assets		
Interest due & accrued	5,616	-
Total	<u>5,616</u>	<u>-</u>
	<u>Year Ended 31st March 2015</u>	<u>Year Ended 31st March 2014</u>
13. Other Income		
Interest Income	5,616	-
Total	<u>5,616</u>	<u>-</u>
14. Employee Benefit Expenses		
Salaries and bonus	501,858	280,941
Staff welfare expenses	27,025	22,472
Total	<u>528,883</u>	<u>303,413</u>
15. Other Expenses		
Travelling and conveyance	157,189	256,023
Payment to auditor		
Statutory audit fees	35,000	35,000
Rates & Taxes	7,642	522,219
Interest on Wealth Tax	-	185,544
Printing & Stationery	9,064	33,722
Legal & Professional expenses	63,650	284,468
Site Maintenance Charges	-	103,000
Lease Rent	31,500	-
Miscellaneous expenses	32,767	31,619
Total	<u>336,812</u>	<u>1,451,595</u>
16. Earnings per Share (Basic & Diluted)		
(i) Profit available for Equity Shareholders	(860,079)	(1,964,541)
(ii) Weighted average number of Equity Shares @ ₹10 each	10,961,000	10,961,000
(iii) Earnings/(Loss) per share (₹)	(0.08)	(0.18)
17. In accordance with the Accounting Standard on "Related Party Disclosures" (AS-18), the disclosures in respect of Related Parties		
Related Party Disclosures		
(i) List of Related Parties		
(a) Holding Company :	(b) Subsidiary Company	
Asian Hotels (East) Limited	Robust Hotels Private Limited	
(c) Fellow Subsidiary Company :		
Regency Convention Centre and Hotels Limited		
(d) Entities over which directors or their relatives can exercise significant influence/control :		
(i) Nepal Travel Agency Pvt. Ltd., Nepal	(xii) Juniper Investments Limited	
(ii) Unison Hotels Private Limited	(xiii) Chartered Hotels Pvt. Ltd.	
(iii) Vedic Hotels Limited	(xiv) Blue Energy Private Limited	
(iv) Unison Power Limited	(xv) Footsteps of Buddha Hotels Private Limited	
(v) Unison Hotels South Private Limited	(xvi) Sara International Limited, Hong Kong	
(vi) Juniper Hotels Private Limited	(xvii) Samra Importex Private Limited	
(vii) Yak & Yeti Hotels Limited, Nepal	(xviii) Forex Finance Private Limited	
(viii) Taragaon Regency Hotels Limited, Nepal	(xix) Saraf Industries Limited, Mauritius	
(ix) Saraf Investments Limited, Mauritius	(xx) Saraf Hotels Limited, Mauritius	
(x) Sara Hospitality Limited, Hong Kong	(xxi) Chartered Hampi Hotels Pvt. Ltd.	
(xi) Triumph Realty Pvt. Ltd.		

(ii) Details of transactions with Related Parties during the year :



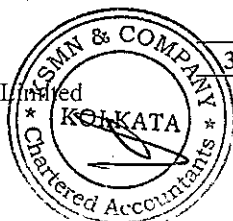
GJS HOTELS LIMITED

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2015

<u>Transactions</u>	<u>31st March 2015</u>	<u>31st March 2014</u>
Investment made by Holding Company in Share Capital & Securities		
During the year	-	-
Year end balance	2,346,365,000	2,346,365,000
Investment in Equity Shares of Subsidiary Company		
Allotment made during the year	-	-
Year end balance	2,045,848,608	2,045,848,608
Investment in Preference Shares of Subsidiary Company		
Allotment made during the year	228,501,140	1,698,892,805
Year end balance	1,927,393,945	1,698,892,805
Investment in Non Convertible Debenture of Subsidiary Company		
Allotment made during the year	2,050,000,000	-
Year end balance	2,050,000,000	-
Loans & Advances taken from Holding Company		
Taken during the year	2,278,500,000	446,650,000
Year end balance	3,716,175,000	1,437,675,000

18. There is no Contingent liabilities as on 31st March 2015.
19. The Company has no Capital commitments as on 31st March 2015.
20. During the year, Company was allotted 1,062,796 (Previous Year:7,901,827) 1% Cumulative Redeemable Optional Convertible Preference Shares of face value of Rs.10 each at a premium of Rs.205/- each in Robust Hotels Private Limited (subsidiary company).
21. Pursuant to the representation made by the Company and Compromise Deed executed on 12th September, 2014, General Administration Department, Government of Odisha vide its Order No. 33889 dated 20th December, 2014 revoked its earlier Order No. 25748 dated 1st November, 2012 determining the lease of land situated at Plot No. A/1 in Mouza-Jagamara, Bhubaneswar, Odisha. With this positive outcome, the Company has gone ahead and have undertaken the topographical and soil investigation survey work and examining the basic condition in relation to development of a Hotel Project in Bhubaneswar.
22. No amount is due to Micro, Small and Medium enterprises (identified on the basis of information made available during the year by such enterprises to the Company). No interest in terms of Micro, Small and Medium Enterprises Development Act, 2006 has been either paid or accrued during the year.
23. The Company does not have more than one reportable segment in accordance with the principle outlined in Accounting Standard (AS 17), "Segment Reporting", the disclosure requirements on "Segment Reporting" is not applicable. The Company operates presently only in India. Thus there is no geographical segment apart from India.
24. The Company is not liable for Provident Fund and/or any other retirement benefit for its employees under the relevant applicable Laws, Rules & Regulations.
25. There are no adjustments on account of deferred tax liability or deferred tax asset in respect of current period as well as earlier period since there are no timing difference between the book income and taxable income.
26. The Company has not recognized any loss on impairment in respect of assets of the Company as is required in terms of Accounting Standard 28 on "Impairment of Assets" since in the opinion of the management there is no reduction in the value of any assets.
27. During the year, the Company was allotted 20,500,000 0.1% Unsecured Redeemable Non Convertible Debenture of Rs.100/- each in Robust Hotels Private Limited (subsidiary company).
28. Amount of loans and advances in the nature of loans outstanding to Holding Company carrying no interest and repayable on demand as at 31st March 2015 :

Holding Company	Outstanding as on		Maximum amount outstanding during	
	31st March 2015	31st March 2014	31st March 2015	31st March 2014
Asian Hotels (East) Limited	3,716,175,000	1,437,675,000	3,716,175,000	1,437,675,000



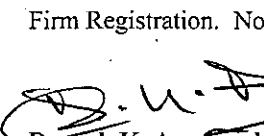
GJS HOTELS LIMITED

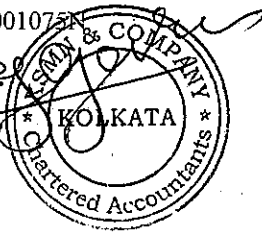
NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2015

29. There are no other additional material information required to be disclosed pursuant to the provisions of the Companies Act, 2013, Schedule III to the Companies Act, 2013, Companies (Accounting Standards) Rules, 2015 and other material applicable enactments, circulars, orders, notifications etc.
30. Derivative instruments and foreign currency exposures.
- a) Foreign currency exposure outstanding as at the Balance Sheet date is ₹Nil (previous year ₹Nil).
- b) Particulars of un-hedged foreign currency exposures as at the Balance Sheet date is ₹Nil (previous year ₹Nil).
31. The previous year figures have been regrouped/reclassified, wherever considered necessary to confirm the current year classification.

As per our report of even date

For KSMN & Company
Chartered Accountants
Firm Registration. No. : 001075


Deepak K. Aggarwal
Partner
Membership No. : 095541



Place: Kolkata
Date: 27th May 2015

For and on behalf of the Board of Directors

Umesh Saraf
Director

Padam K Khaitan
Director

Bimal Kumar Jhunjhunwala
CFO

Ritu Chandak
Company Secretary

KSMN & COMPANY

CHARTERED ACCOUNTANTS

21, Lansdowne Place, 4th Floor, Kolkata - 700 029
Tel. : +91-33-24546786, Fax : +91-33-24546786
E-mail : ksmkol@gmail.com

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GJS HOTELS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of GJS Hotels 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 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated 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 financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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 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 controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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 there under.



We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated 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 Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the 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 31st March, 2015, and their consolidated profit/loss and their consolidated cash flows for the year ended on that date.

Other Matters

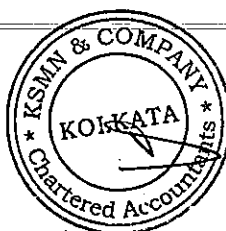
We did not audit the financial statements of subsidiary, whose financial statements reflect total assets of Rs.7,033,630,870 as at 31st March, 2015, total revenues of Rs.893,371,511 and net cash outflow amounting to Rs. 31,117,792 for the year ended on that date, as considered in these consolidated financial statements. These financial statements information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated 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) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of other auditors.



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

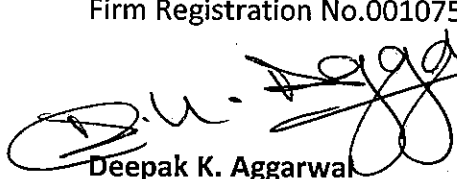
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and subsidiary companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - I. There were no pending litigations which would impact the consolidated financial position of the Group;



- II. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts; and
- III. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies.

For KSMN & Company
Chartered Accountants
Firm Registration No.001075N


Deepak K. Aggarwal
Partner
Membership No. 095541



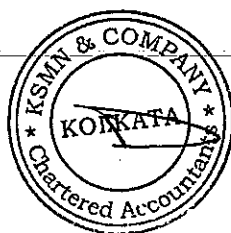
Place: Kolkata
Date: 27th May, 2015

Annexure referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' of the Independent Auditor's Report of even date to the members of GJS Hotels Limited on its consolidated financial statements as of and for the year ended March 31, 2015.

- (i) (a) The Group is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets except in the case of the subsidiary Robust Hotel Private Limited which are in the process of preparation of fixed assets register.
- (b) These fixed assets have been physically verified by the management at reasonable intervals; no any material discrepancies were noticed on such verification.
- (ii) (a) The physical verification of inventory has been conducted at reasonable intervals by the management.
- (b) The procedures of physical verification of inventory followed by the management reasonable and adequate in relation to the size of the Group/ Company and the nature of its business.
- (c) The Group is maintaining proper records of inventory and the discrepancies noticed on physical verification have been properly dealt with in the books of account;
- (iii) The Group has not granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, the provisions of clauses 3 (iii) (a) & (b) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Group.
- (iv) On the basis of selective checks carried out during the course of audit and explanations given to us, an adequate internal control system commensurate with the size of the Group and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. Further on the basis of our examination of the books and records of the Group, and according to the information explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in internal control system.
- (v) The Group has not accepted deposits and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable.

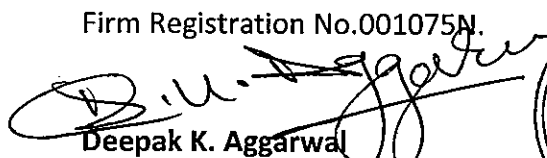


- (vi) According to the information and explanation given to us, the Central Government has not prescribed maintenance of cost records under Sub section (I) of Section 148 of the Companies Act, 2013 in respect of services carried out by the Group / Company. Therefore, the provisions of Clause vi are not applicable.
- (vii) (a) According to the information and explanations given to us and the records of the Group examined by us, in our opinion, the group is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities. Further, there were no undisputed amounts outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us and on the basis of records produced before us, there are no dues of income tax, sales tax, wealth tax, service tax, custom duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.
- (c) According to the information and explanation given to us the company is not required to transfer any amount to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under within time.
- (viii) The accumulated losses of the Group at the end of the financial year are less than fifty per cent of its net worth. The Group has incurred cash losses during the current financial year and in the immediately preceding previous year.
- (ix) The Group have not defaulted in repayment of dues to a financial institution or bank or debenture holders except in case of subsidiary Robust Hotels Private Limited which has delayed in repayment of instalment of term loan amounting to Rs.93 lakhs to a bank which has since being paid.
- (x) As per the information and explanations given to us and on the basis of our examination of the records, the Group has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) As per the information and explanations given to us and on the basis of our examination of the records, in our opinion, the term loans taken by the Group have been applied for the purpose for which they were obtained. Where such end use is stipulated by the lender(s).



- (xii) During the course of our examination of the books and records of the Group carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the group, noticed or reported during the year, nor have we been informed of such case by the management.

For KSMN & Company
Chartered Accountants
Firm Registration No.001075N.


Deepak K. Aggarwal
Partner
Membership No. 095541



Place: Kolkata
Date: 27th May, 2015

GJS HOTELS LIMITED

CONSOLIDATED BALANCE SHEET as at 31st March 2015

	Note	As at 31.03.2015		As at 31.03.2014	
		Rs.	Rs.	Rs.	Rs.
I. EQUITY AND LIABILITIES					
1 Shareholders' Funds					
a) Share Capital	4	109,610,000		109,610,000	
b) Reserves and Surplus	5	1,328,415,016	1,438,025,016	1,697,537,929	1,807,147,929
2 Minority Interest			664,941,038		837,763,767
3 Non-Current Liabilities					
a) Long Term Borrowings	6	1,453,050,000		3,457,573,866	
b) Other Long Term Liabilities	7	61,904		62,904	
c) Long Term Provisions	8	8,479,357	1,461,591,261	10,033,600	3,467,670,370
4 Current Liabilities					
a) Short-term Borrowings	9	3,765,427,790		1,486,921,984	
b) Trade Payables	10	230,963,887		195,286,448	
c) Other Current Liabilities	11	149,615,151	4,146,006,828	176,536,753	1,858,745,185
TOTAL			7,710,564,143	7,971,327,251	
II. ASSETS					
1 Non-Current Assets					
a) Fixed Assets	12				
i) Tangible Assets		6,363,017,670		6,572,875,111	
ii) Intangible Assets		639,632,524		644,960,064	
iii) Capital Work-in-progress		781,731		19,591,420	
b) Non Current Investments	13	6,684,000		6,329,000	
c) Long-Term Loans and Advances	14	46,855,674	7,056,971,599	39,502,598	7,283,258,193
2 Current Assets					
a) Inventories	15	11,526,893		8,289,008	
b) Trade Receivables	16	44,271,790		48,363,524	
c) Cash and Bank Balance	17	24,242,765		55,433,849	
d) Short-Term Loans and Advances	18	544,358,908		549,592,544	
e) Other Current Assets	19	29,192,188	653,592,544	26,390,133	688,069,058
TOTAL			7,710,564,143	7,971,327,251	

Notes forming part of the Financial Statements 1 - 46

As per our report of even date
For KSMN & Company
Chartered Accountants
Firm Registration No.: 001075N

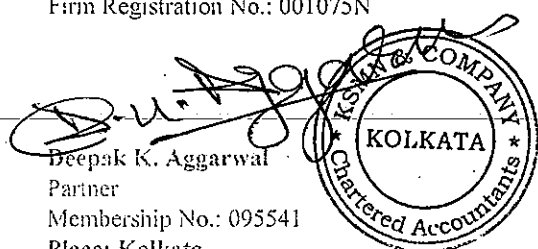
For and on behalf of the Board of Directors



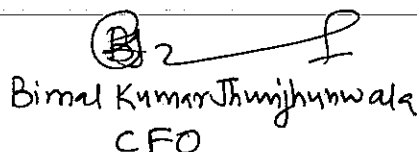
Director



Director



Deepak K. Aggarwal
Partner
Membership No.: 095541
Place: Kolkata
Date: 27th May 2015


Bimal Kumar Jhunjhunwala
CFO


Ritu Chandak
Company Secretary

GJS HOTELS LIMITED

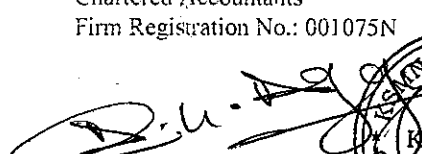
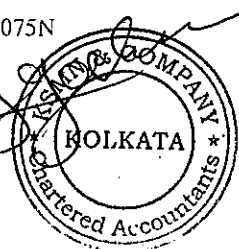
CONSOLIDATED STATEMENT OF PROFIT & LOSS for the year ended 31st March 2015

	Note	Year ended 31st March, 2015 Rs.	Year ended 31st March, 2014 Rs.
I Income:			
Revenue from Operations	20	888,908,926	869,615,979
Other Income	21	4,462,585	6,576,855
		893,371,511	876,192,834
II Expenses:			
Cost of Materials Consumed	22	135,994,628	112,650,603
Employee Benefits Expense	23	170,007,976	183,342,162
Finance Costs	24	512,148,683	488,959,301
Depreciation and Amortization Expense	12	243,953,898	194,733,640
Other Expenses	25	373,236,016	407,138,383
		1,435,341,201	1,386,824,089
III Profit / (Loss) Before Tax (I-II)		(541,969,690)	(510,631,255)
IV Tax Expense:			
Current Tax			
- Provision for Earlier Years		24,048	(209,533)
V Profit/(Loss) for the Year (before adjustment for Minority Interest) (III-IV)		(541,945,642)	(510,840,788)
Less: Share of Loss transferred to Minority Interest		172,822,729	162,535,073
VI Profit/(Loss) for the Year (after adjustment for Minority Interest)		(369,122,913)	(348,305,715)
Earnings per Equity Share	26		
i) Basic		(33.68)	(31.78)
ii) Diluted		(33.68)	(31.78)


Notes forming part of the Financial Statements

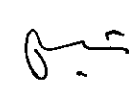
1 - 46


As per our report of even date
For KSMN & Company
Chartered Accountants
Firm Registration No.: 001075N

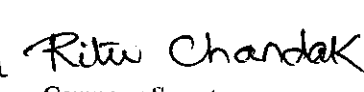


Deepak K. Aggarwal
 Partner
 Membership No.: 095541
 Place: Kolkata
 Date: 27th May 2015

For and on behalf of the Board of Directors


 Director


 Director


Bimal Kumar Thunjhunwala
 CFO


Ritu Chandak
 Company Secretary

GJS HOTELS LIMITED

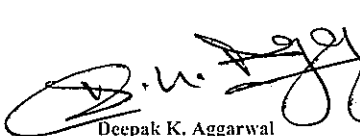

Consolidated Cash Flow Statement for the year ended 31st March 2015

Particulars	Year ended 31st March, 2015		Year ended 31st March, 2014	
	Rs.	Rs.	Rs.	Rs.
Cash Flow from Operating Activities				
Profit/(Loss) before Tax		(541,969,690)		(510,631,255)
Adjustments for:				
Depreciation and Amortization Expense	243,953,898		194,733,640	
Loss/(Profit) on sale of Fixed Assets	-		7,913	
Interest Income	(2,927,585)		(3,646,425)	
Liabilities written Back	(1,148,300)		-	
Provision for Leave Benefits	(858,124)		384,631	
Provision for Gratuity	4,109,453		1,465,788	
Interest Expenses(Term Loan & Others Borrowing Cost)	<u>509,665,492</u>	752,794,834	<u>488,959,301</u>	681,904,848
Changes in Working Capital				
(Increase) / Decrease in Inventories	(3,237,885)		2,899,897	
(Increase) / Decrease in Trade Receivables	4,091,734		(6,340,792)	
Increase / (Decrease) in Trade Payables	30,871,867		22,213,458	
(Increase) / Decrease in Short-Term Loans & Advances	4,825,973		582,277	
(Increase) / Decrease in Long-Term Loans & Advances	173,556		(3,801,742)	
(Increase) / Decrease in Other Current Assets	(3,853,029)		10,293,094	
Increase / (Decrease) in Advance from Customers	1,670,458		2,724,986	
Increase / (Decrease) in Stale cheque	(1,000)		(233,464)	
Liabilities provided net or written back	-		-	
Increase / (Decrease) in Other Current liabilities	<u>(18,447,506)</u>		<u>(60,852,435)</u>	
Net changes in Working Capital		16,094,168		(32,514,721)
Direct Taxes Paid		<u>7,502,584</u>		<u>7,991,167</u>
Net Cash Generated from operations		<u>219,416,728</u>		<u>130,767,705</u>
Cash Flow from Investing Activities				
Purchases of Fixed Assets	(29,750,202)		(16,901,283)	
Increase in Capital Work in progress	18,809,689		(16,001,713)	
Decrease in Capital Advance	407,663		612,337	
Proceeds from sale of Fixed Assets	981,285		3,493	
Sale / (Purchase) of Shares	(355,000)		195,000	
Interest Received	<u>3,978,559</u>		<u>3,202,198</u>	
Net Cash Generated from Investing Activities		(5,928,006)		(28,889,968)
Cash Flow from Financing Activities				
Interest & Finance Charges paid	(544,061,746)		(520,618,798)	
Repayment of Long Term Borrowings	#####		-	
Proceeds from Short Term Borrowings	<u>2,278,505,806</u>		<u>446,695,195</u>	
Net Cash Generated from Financing Activities		(244,679,806)		(73,923,603)
Net Increase / (decrease) in Cash & Bank balance		<u>(31,191,084)</u>		<u>27,954,134</u>
Cash & Bank balance at the beginning of the year (Refer Note 17)		55,433,849		27,479,715
Cash & Bank balance at the end of the year (Refer Note 17)		24,242,765		55,433,849
Net Increase / (decrease) as disclosed above		<u>(31,191,084)</u>		<u>27,954,134</u>


Notes forming part of the Financial Statements

1 - 46

As per our Report annexed
For KSMN & Company
Chartered Accountants
Firm Registration No.: 001075N

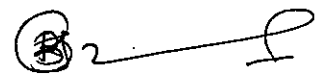


Deepak K. Aggarwal
Partner
Membership No.: 095541

For and on behalf of the Board of Directors


 Director


 Director

Place: Kolkata
Date: 27th May 2015.


Bimal Kumar Thunjumwala Company Secretary
CFO

GJS HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2015

1. Company Overview

The Company is a wholly Owned subsidiary of Asian Hotels (East) Limited which is listed in Bombay Stock Exchange and National Stock Exchange. The Company possess leasehold land in Bhubaneswar (Odisha) for setting up a hotel.

2. Basis of Preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The financial statements have been prepared to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2015, (as amended and as applicable from time to time) read with General circular 8/2014 dated 4th April, 2014 issued by Ministry of Corporate Affairs and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis and under the historical cost convention on going concern basis. The accounting policies have been consistently applied in company and are consistent with those used in the previous years.

3. Significant Accounting Policies

a. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b. Tangible Fixed Assets

Fixed assets are stated at cost of acquisition or construction or at revalued amounts, net of impairment loss if any, less depreciation/ amortization. Cost represents the direct expenses incurred on acquisition /construction of the assets and the relative share of indirect expenses relating to construction allocated in proportion to the direct costs involved.

Intangible Assets are stated at cost.

Capital Work-in-progress includes cost of acquisition, construction and expenses including cost directly incurred and attributable to the assets in process.

Additions to fixed assets during the year include pre-operative expenses and borrowing costs apportioned proportionately according to cost of assets.

c. Inventories

Inventories are valued at cost or net realizable value, whichever is lower. Net realizable value is the estimated realizable value in the normal course of business less the estimated costs necessary to make the sale.

d. Retirement and other Employee Benefits

Retirement benefit in the form of provident fund is a defined contribution scheme and the contribution is charged in the Financial Statements as and when contribution is done. The Company has no obligation, other than the contributions payable to the provident fund.

Gratuity Liability in respect of retirement benefits to the employees has been ascertained and provided in the Financial Statements as per the Payment of Gratuity Act, 1972.

Liability for leave encashment benefits has been ascertained and provided for in the Financial Statements.



GJS HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2015

e. Depreciation

Till the year ended 31 March 2014, Schedule XIV to the Companies Act, 1956, prescribed requirements concerning depreciation of Tangible and Intangible fixed assets. From the current year, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013 where depreciation is the systematic allocation of the depreciation amount of an asset over its useful life. The depreciable amount of an asset is the cost of an asset or other amount substituted for cost, less residual value. Considering the applicability of Schedule II, the management has re-estimated useful lives and residual values of all its fixed assets.

The Company has adopted Schedule II to the Companies Act, 2013, for purpose of depreciation w.e.f 1st April, 2014. Now the company identifies and determines separate useful life for major components of fixed assets, if they have useful life that is materially different from that of the remaining asset.

Subject to the aforementioned changes, the accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

Amortization of leasehold land shall be provided on commencement of commercial operation.

f. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from Interest is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend Income is recognized when rights to receive payment is established.

g. Income Taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred Tax is provided during the year, using the liability method on all temporary differences at the Balance Sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes in accordance with mandatory Accounting Standard (AS-22).

Deferred Tax asset is recognized only to the extent that there is a reasonable certainty that sufficient taxable profit will be available against which such deferred tax asset can be realized.

Deferred Tax asset and liability are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the Balance Sheet date.

h. Borrowing Cost

Borrowing costs that are directly attributable to acquisition or construction of an asset that necessarily takes substantial period of time to get ready for its intended use, have been capitalized/allocated as part of such assets.

i. Investment

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are valued at the lower of cost and fair value. Changes in the carrying amount of current investments are recognised in the Statement of Profit and Loss. Long-term investments are valued at cost, less any provision for diminution, other than temporary, in the value of such investments; decline, if any, is charged to the Statement of Profit and Loss.



GJS HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2015

j. Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use.

Previously recognized impairment losses are reversed where the recoverable amount increases because of favorable changes in the estimates used to determine the recoverable amount since the last impairment was recognized. A reversal of an asset's impairment loss is limited to its carrying amount that would have been (net of depreciation or amortization) had no impairment loss been recognized in prior years.

k. Earning per Share

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

l. Cash and Cash Equivalents

Cash and cash equivalents in the cash flow statement comprise cash at bank and cash/ cheques in hand and short-term deposits with Banks less short-term advances from Banks.

m. Provision and Contingent Liabilities

Provisions are recognized for present obligations of uncertain timing or amount arising as a result of a past event where a reliable estimate can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain events, are also disclosed as contingent liabilities unless the probability of outflow of resources embodying economic benefit is remote.

n. Foreign Currency Transactions

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences

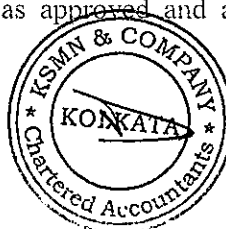
Exchange differences are recognized as income or as expenses in the period in which they arise.

Income in Foreign Exchange

The bills for services rendered are raised in Indian Rupees. The payment received in foreign currency against these bills is credited and accounted for at the rate / rates prevalent on the date of receipt of payment. The gains / losses arising out of fluctuation in the exchange rates are accounted for on realization.

Expenses remittable in foreign exchange

These are charged based on invoices (including for earlier years) as approved and accepted by the appropriate authorities as applicable.



GJS HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2015

o. Principles of Consolidation

The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS – 21) – “Consolidated Financial Statements”.

The Consolidated Financial Statements comprise the financial statements of GJS Hotels Limited and the following subsidiary:-

Name of the Company	Country of Incorporation	% of Holding as on 31-March 2015
Robust Hotels Private Limited	India	68.06

The Consolidated Financial Statements have been prepared on the following basis:

The Financial Statements of the Company and its subsidiary company have been combined on a line basis by adding together the book value of like items of assets, liabilities, income and expenses after fully eliminating intra group balances and intra group transactions, if any.

The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

Goodwill arising in Consolidated Financial Statements on consolidation of Financial Statements of the Company and its subsidiary company have been capitalised and shown as part of fixed assets to the extent not impaired in the books of the Company.



GJS HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2015

	As At 31.03.2015		As At 31.03.2014	
	Number	Rs.	Number	Rs.
4) Share Capital				
a) Authorised				
Equity Shares of Rs.10/- each	14,000,000	140,000,000	14,000,000	140,000,000
		140,000,000		140,000,000
b) Issued, Subscribed and fully Paid Up				
Equity Shares of Rs.10/- each	10,961,000	109,610,000	10,961,000	109,610,000
		109,610,000		109,610,000

c) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year

Equity Shares	No. of Shares
At the beginning of the year	10,961,000
Add: Allotted/(Buy Back) during the year	-
At the end of the year	10,961,000

d) The Company has only one class of equity shares having a 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.

e) Shares held by Holding/ultimate Holding Company and/or their subsidiaries/associates

	As at 31st March 2015	As at 31st March 2014
Asian Hotels (East) Limited, the Holding Company	10,961,000	10,961,000
10,961,000 (31 March 2014: 10,961,000) equity shares of Rs.10 each fully paid		

f) Details of shareholders holding more than 5% of equity shares in the Company

	As at 31st March 2015		As at 31st March 2014	
	Shares	% of Holding	Shares	% of Holding
Asian Hotels (East) Limited - Holding Company (including their nominees)	10,961,000	100%	10,961,000	100%

g) No class of shares have been allotted for consideration other than cash or as bonus shares and no shares have been bought back during the period of five years immediately preceding the balance sheet date including the previous year.

	As at 31.03.2015		As at 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
5) Reserves & Surplus				
a) Securities Premium Reserve				
Opening Balance	2,236,755,000		2,236,755,000	
Add: Created / (Utilised) during the year	-	2,236,755,000	-	2,236,755,000
		2,236,755,000		2,236,755,000
b) Deficit from Statement of Profit and Loss				
Opening Balance	(539,217,071)		(190,911,356)	
Add: Profit/(Loss) during the year	(369,122,913)	(908,339,984)	(348,305,715)	(539,217,071)
		1,328,415,016		1,697,537,929



GJS HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2015

	As at 31.03.2015		As at 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
6) Long Term Borrowings				
a) Secured - Term Loans				
From IDBI Bank - Loan I				
Gross Amount	-		1,729,123,866	
Less: Repayable within one year	-	-	10,700,000	1,718,423,866
From IDBI Bank - Loan II				
Gross Amount	-		250,000,000	
Less: Repayable within one year	-	-	1,550,000	248,450,000
From HDFC Limited (Refer Note 'c' below)				
Gross Amount	1,500,000,000		1,500,000,000	
Less: Repayable within one year	46,950,000	1,453,050,000	9,300,000	1,490,700,000
		1,453,050,000		3,457,573,866

b) Security Clause

The above term loans are secured by pari passu charge by way of hypothecation of entire movable properties both present and future and equitable mortgage by way of deposit of title deeds of immovable properties together with buildings & structures, plant & equipment, furniture & fittings installed/to be installed thereon situated at 365 Anna Salai, Teynampet, Chennai in the state of Tamilnadu. Above securities are ranking pari passu for the Bank Guarantee facility of Rs. 15 Crores granted by IDBI Bank Limited. Further, the above term loan is also secured by second charge on all book debts, operating cash flows, revenues, commission and receivables of Robust Hotels Private Limited both present and future, ranking pari passu with each other. Bank Guarantee of Rs. 15 Crores from IDBI Bank Ltd is further secured by corporate guarantee of Asian Hotels (East) Limited. The term loan from HDFC Limited is further secured by corporate guarantee of Forex Finance Private Limited. The company has prepaid the term loan of IDBI amounting to Rs. 205 Crores on 31st March, 2015.

c) Terms of Repayment and Rate of Interest

HDFC Limited @ 14.19% p.a.: The loan is repayable in 42 Quarterly Installments being:

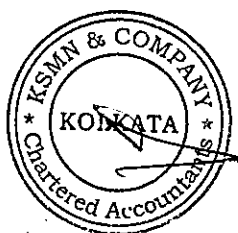
2 Quarterly installments of Rs. 93,00,000 each commencing from March 31, 2015 and ending on June 30, 2015, 4 Quarterly installments of Rs. 94,50,000 each commencing from September 30, 2015 and ending on June 30, 2016, 4 Quarterly installments of Rs. 1,50,00,000 each commencing from September 30, 2016 and ending on June 30, 2017, 4 Quarterly installments of Rs. 1,95,00,000 each commencing from September 30, 2017 and ending on June 30, 2018, 4 Quarterly installments of Rs. 2,53,50,000 each commencing from September 30, 2018 and ending on June 30, 2019, 4 Quarterly installments of Rs. 3,09,00,000 each commencing from September 30, 2019 and ending on June 30, 2020, 4 Quarterly installments of Rs. 3,75,00,000 each commencing from September 30, 2020 and ending on June 30, 2021, 4 Quarterly installments of Rs. 4,50,00,000 each commencing from September 30, 2021 and ending on June 30, 2022 and 12 Quarterly installments of Rs. 6,25,50,000 each commencing from September 30, 2022 and ending on June 30, 2025 as per revised Repayments Schedule letter dated August 16, 2012.



GJS HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2015

	As at 31.03.2015		As at 31.03.2014	
	Rs	Rs	Rs	Rs
7) Other Long Term Liabilities				
Stale Cheque Liabilities		61,904		62,904
		<u>61,904</u>		<u>62,904</u>
8) Long Term Provisions				
Provision for Leave Benefits		4,315,801		8,530,456
Provision for Gratuity		4,163,556		1,503,144
		<u>8,479,357</u>		<u>10,033,600</u>
9) Short Term Borrowings				
Unsecured				
- From Holding Company repayable on demand (refer note 38)		3,716,175,000		1,437,675,000
Secured				
Cash Credit				
- From IDBI Bank Limited (Interest Rate :12.75% p.a.) {Refer Note below}		49,252,790		49,246,984
		<u>3,765,427,790</u>		<u>1,486,921,984</u>
<p>Secured by first charge by way of hypothecation of entire stocks of raw materials, semi finished and finished goods, consumables stores and spare parts including book debts, bills whether documentary or clean, outstanding monies receivable, both present and future and second charge by way of hypothecation of entire movable properties including movable machineries, tools & accessories present and future and further secured by second charge by way of Equitable Mortgage on Immovable property situated at 365, Anna Salai, Chennai - 600018 and by Corporate Guarantee of Asian Hotels (East) Limited.</p>				
10) Trade Payables				
Other Payables		230,963,887		195,286,448
[includes Related Parties Rs. 77,599/- Refer Note No 30]		<u>230,963,887</u>		<u>195,286,448</u>
11) Other Current Liabilities				
Current Maturities of Long Term Debt				
- From IDBI Bank -Loan I			10,700,000	
- From IDBI Bank -Loan II			1,550,000	
- From HDFC Bank (Refer Note No. 6 'c')	46,950,000	46,950,000	<u>9,300,000</u>	21,550,000
Interest accrued but not due		616,716		21,266,227
Interest accrued and due		28,595,665		42,342,408
Advance from Customers		12,422,808		10,752,350
Other Liabilities				
- Others	44,317,908		66,219,996	
[includes Related Parties Rs.3,33,560/-Refer Note No 30]				
- Payable to Statutory Authorities	16,712,054	61,029,962	<u>14,405,772</u>	80,625,768
		<u>149,615,151</u>		<u>176,536,753</u>



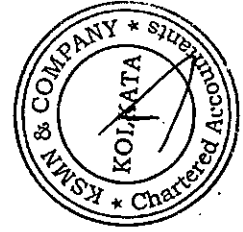
GIS HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2015

12) FIXED ASSETS

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2014	Additions during the year	Sale / Adjustments during the year	As at 31.03.2015	Upto 01.04.2014	For the year	Deductions / Adjustments during the year	Upto 31.03.2015	As At 31.03.2015	As At 31.03.2014
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
i. Tangible Assets										
Freehold Land	1,541,566,797	-	981,285	1,540,585,512	-	-	-	-	1,540,585,512	1,541,566,797
Leasehold Land	54,539,349	-	-	54,539,349	-	-	-	-	54,539,349	54,539,349
Buildings	3,084,239,992	23,006,801	-	3,107,246,793	91,401,574	48,876,878	-	140,278,452	2,966,968,341	2,992,838,418
Plant & Equipments	1,655,342,174	5,519,567	-	1,660,861,741	166,986,603	110,827,712	-	277,814,315	1,383,047,426	1,488,355,571
Furniture & Fixtures	583,081,757	663,904	-	583,745,661	101,793,454	74,614,993	-	176,408,447	407,337,214	481,288,303
Vehicles	3,693,148	-	-	3,693,148	3,508,491	-	-	3,508,491	184,657	184,657
Office Equipments	16,557,294	559,923	-	17,117,217	2,455,278	4,306,775	-	6,762,046	10,355,171	14,102,016
Total	6,939,020,511	29,750,195	981,285	6,967,789,421	366,145,400	238,626,358	-	604,771,751	6,363,017,670	6,572,875,111
ii. Intangible Assets										
Softwares	36,597,112	-	-	36,597,112	12,952,994	5,327,540	-	18,280,534	18,316,578	23,644,118
Goodwill on Consolidation	621,315,946	-	-	621,315,946	-	-	-	-	621,315,946	621,315,946
Total	657,913,058	-	-	657,913,058	12,952,994	5,327,540	-	18,280,534	639,632,524	644,960,064
Grand Total	7,596,933,569	29,750,195	981,285	7,625,702,479	379,098,394	243,953,898	-	623,052,285	7,002,650,194	7,217,835,175
iii. Capital Work in Progress	19,591,420	4,271,069	23,080,758	781,731.00					781,731	19,591,420

* Goodwill represents the difference between the net assets of Robust Hotels Private Limited as at the date of its becoming subsidiary of the Company and Company's Investment as at that date.



GJS HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2015

	As at 31.03.2015		As at 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
13) Non- Current Investments				
Unquoted, At cost-other than trade				
6,65,000 (Previous Year 6,30,000) Equity Shares of Maple Renewable Power Private Limited of Rs. 10/- each		6,650,000		6,300,000
In Government Securities				
- National Savings Certificate		34,000		29,000
		<u>6,684,000</u>		<u>6,329,000</u>
Aggregate amount of unquoted investments		6,684,000		6,329,000
Aggregate amount of provision for diminution in the value of investments		-		-
14) Long Term Loans and Advances				
(Unsecured, considered good by the management)				
Security Deposit		22,542,324		22,715,880
Advance Income Tax (Net of Provision for Taxation of Rs.5,00,000/- (Previous Year Rs. 5,24,048/-))		24,313,350		16,786,713
		<u>46,855,674</u>		<u>39,502,593</u>
15) Inventories				
(As taken valued and certified by the management)				
(Valued at Cost or Net Realisable Value, whichever is lower)				
Food	1,203,976		1,164,661	
Beverages	10,286,316		7,039,246	
Tobacco	36,601	11,526,893	85,101	8,289,008
		<u>11,526,893</u>		<u>8,289,008</u>
16) Trade Receivables				
(Unsecured, considered good)				
Debt outstanding for a period exceeding 6 months		6,213,464		9,980,425
Others receivables (outstanding for a period less than 6 months) [includes from Related Parties Rs.1,34,930/- Refer Note No 30]		38,058,326		38,383,099
		<u>44,271,790</u>		<u>48,363,524</u>
17) Cash and Bank Balance				
Cash and Cash Equivalents				
Balance with Banks				
- In Current Accounts		7,503,129		11,232,983
- Margin Money Deposit (having maturity more than 12 months)		15,356,496		14,850,344
- Fixed Deposit (DSRA)(having maturity more than 12 months)		-		5,632,495
- Fixed Deposit		-		22,337,474
Cash in hand (as certified by the management)		1,383,140		1,380,553
		<u>24,242,765</u>		<u>55,433,849</u>
18) Short Term Loans And Advances				
(Unsecured, considered good by the management)				
Capital Advance				407,663
Advance to Related Parties				
Forex Finance Private Limited		532,000,000		532,000,000
Other Advances				
To Employees	749,940		5,100	
To Suppliers	11,608,968		16,179,781	
Others	-	12,358,908	1,000,000	17,184,881
		<u>544,358,908</u>		<u>549,592,544</u>



GJS HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2015

	Year Ended 31.03.2015		Year Ended 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
20) REVENUE FROM OPERATIONS				
Sale of Products				
a) Food & Smokes	332,919,656		300,274,803	
b) Beverages, Wines and Liquor	<u>69,344,124</u>	402,263,780	<u>69,928,976</u>	370,203,779
Sale of Services				
a) Rooms & Banquets	464,442,335		478,596,069	
b) Communications	3,371,367		4,461,612	
c) Others	<u>18,831,444</u>	486,645,146	<u>16,354,519</u>	499,412,200
		<u>888,908,926</u>		<u>869,615,979</u>
21) OTHER INCOME				
a) Interest Income (Gross) On (includes TDS of Rs. 3,35,736/- (Previous Year - Rs. 4,96,733/-))				
- Term Deposits	1,741,290		2,331,781	
- Others	<u>1,186,295</u>	2,927,585	<u>1,314,644</u>	3,646,425
b) Miscellaneous Income		386,700		2,910,166
c) Provision for doubtful debts written back		-		20,264
d) Liabilities written back		<u>1,148,300</u>		-
		<u>4,462,585</u>		<u>6,576,855</u>
22) COST OF MATERIALS CONSUMED				
a) Beverages, Wines & Liquor				
Opening Stock	7,039,246		9,747,074	
Add: Purchases	<u>39,008,037</u>		<u>16,943,236</u>	
	46,047,283		26,690,310	
Less: Closing Stock	<u>10,286,316</u>	35,760,967	<u>7,039,246</u>	19,651,064
b) Food, Smokes & Others				
Opening Stock	1,249,762		1,441,831	
Add: Purchases	<u>96,140,770</u>		<u>87,289,830</u>	
	97,390,532		88,731,661	
Less: Closing Stock	<u>1,240,577</u>	96,149,955	<u>1,249,762</u>	87,481,899
c) Cost of Communication				
Cost of Calls	1,962,407		3,132,901	
Lease Line Rentals	<u>2,121,299</u>	4,083,706	<u>2,384,739</u>	5,517,640
		<u>135,994,628</u>		<u>112,650,603</u>
23) EMPLOYEE BENEFITS EXPENSE				
a) Salaries, Wages and Bonus		134,131,205		149,878,723
b) Contribution to Gratuity, Provident and Other Funds		8,745,682		9,075,290
c) Recruitment and Training		2,674,762		2,221,553
d) Staff Welfare Expenses		<u>24,456,327</u>		<u>22,166,596</u>
		<u>170,007,976</u>		<u>183,342,162</u>
24) FINANCE COST				
a) Interest				
- on Term Loans	503,375,776		478,031,655	
- on Cash Credit	6,289,716		6,249,986	
- on delayed payment of Tax Deducted at Source	<u>835,365</u>	510,500,857	<u>27,987</u>	484,309,608
b) Other Borrowing Cost		<u>1,647,826</u>		<u>4,649,693</u>
		<u>512,148,683</u>		<u>488,959,301</u>



GJS HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2015

	Year Ended 31.03.2015		Year Ended 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
25) OTHER EXPENSES				
Contract Labour and Service		61,736,779		55,953,555
Linen, Room, Catering and Other Supplies		28,115,022		25,451,958
Operating Equipment Consumption		4,455,338		14,114,526
Fuel, Power and Light		105,169,465		119,892,180
Repairs & Maintenance				
- On Building	4,957,768		5,037,286	
- On Plant & Equipment	22,075,803		18,880,373	
- On Others	2,345,350	29,378,921	3,521,046	27,438,705
Site Maintenance Charges		-		103,000
Rent		1,842,140		3,597,066
Rates and Taxes		28,949,050		29,797,423
Business Promotion & Advertisement		14,133,737		19,191,811
Insurance		2,747,987		3,811,507
Net Gain / (Loss) on Foreign Currency Translation		5,531,788		10,299,343
Motor Car Expenses		502,428		404,714
Printing and Stationery		3,024,922		3,578,801
Travelling and Conveyance		5,213,358		9,515,886
Professional and Consultancy Fees		3,334,694		4,854,483
Freight Charges		300		38,238
Filing Fees		15,435		10,000
Technical Services		9,578,107		8,563,252
Brokerage & Commission		64,593,209		66,454,980
Telephone Charges		73,113		81,617
Interest on Wealth Tax		-		185,544
Audit Fees				
- As Auditor	310,000		239,326	
- For Taxation Matters	75,000		50,000	
- For Other Services	19,830		69,670	
- For Reimbursement of Expenses	-	404,830	21,174	380,170
Loss on Sale of Assets (Net)		-		7,913
Miscellaneous Expenditure		4,435,393		3,411,711
		<u>373,236,016</u>		<u>407,138,383</u>



GJS HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2015

26. Earnings per Share (Basic and Diluted)

	31st March 2015	31st March 2014
(i) Profit / (Loss) available for Equity Shareholders	(369,122,913)	(348,305,715)
(ii) Weighted average number of Equity Shares @ Rs.10 each	10,961,000	10,961,000
(iii) Profit / (Loss) per Share	(33.68)	(31.78)

27. During the year, Company was allotted 1,062,796 (Previous Year:7,901,827) 1% Cumulative Redeemable Optional Convertible Preference Shares of face value of Rs. 10 each at a premium of Rs. 205/- each in Robust Hotels Private Limited (subsidiary company).

28. Pursuant to the representation made by the Company and Compromise Deed executed on 12th September, 2014, General Administration Department, Government of Odisha vide its Order No. 33889 dated 20th December, 2014 revoked its earlier Order No. 25748 dated 1st November, 2012 determining the lease of land situated at Plot No. A/1 in Mouza-Jagamara, Bhubaneswar, Odisha. With this positive outcome, the Company has gone ahead and have undertaken the topographical and soil investigation survey work and examining the basic condition in relation to development of a Hotel Project in Bhubaneswar.

29. No amount is due to Micro, Small and Medium enterprises (identified on the basis of information made available during the year by such enterprises to the Company). No interest in terms of Micro, Small and Medium Enterprises Development Act, 2006 has been either paid or accrued during the year.

30. In accordance with the Accounting Standard on "Related Party Disclosures" (AS-18), the disclosures in respect of Related Parties and transactions with them, as identified and certified by the management, are as follows: -

Related Party Disclosures

(i) List of Related Parties

(a) Holding Company :

Asian Hotels (East) Limited

(b) Fellow Subsidiary Company :

Regency Convention Centre and Hotels Limited

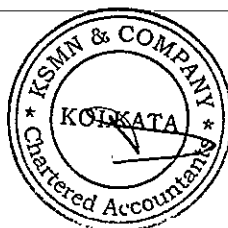
(c) Entities over which directors or their relatives can exercise significant influence/control :

- | | |
|---|--|
| (i) Nepal Travel Agency Pvt. Ltd., Nepal | (xi) Juniper Investments Limited |
| (ii) Unison Hotels Private Limited | (xii) Chartered Hotels Private Limited |
| (iii) Vedic Hotels Limited | (xiii) Blue Energy Private Limited |
| (iv) Unison Power Limited | (xiv) Footsteps of Buddha Hotels Private Limited |
| (v) Unison Hotels South Limited | (xv) Sara International Limited, Hong Kong |
| (vi) Juniper Hotels Private Limited | (xvi) Samra Importex Private Limited |
| (vii) Yak & Yeti Hotels Limited, Nepal | (xvii) Forex Finance Private Limited |
| (viii) Taragaon Regency Hotels Limited, Nepal | (xviii) Saraf Industries Limited, Mauritius |
| (ix) Saraf Investments Limited, Mauritius | (xix) Saraf Hotels Limited, Mauritius |
| (x) Sara Hospitality Limited, Hong Kong | (xx) Chartered Hampi Hotels Private Limited |

(d) Key Management Personnel

- i) Mr. Arun Kumar Saraf
ii) Mr. Umesh Saraf

- iii) Mr. A Srinivasan
iv) Mr. Varun Saraf



GJS HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2015

(ii) Details of transactions with Related Parties during the year :

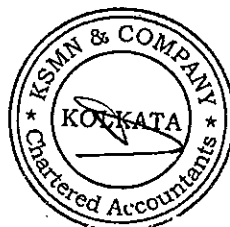
Transaction during the period	Holding Company		Key Management Personnel		Entities Controlled by Directors or their Relatives		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Sale of Service and Scrap Sales								
Asian Hotels (East) Limited	96,785	11,545	-	-	-	-	96,785	11,545
Chartered Hotels Private Limited	-	-	-	-	-	12,366	-	12,366
Juniper Hotels Private Limited	-	-	-	-	174,532	-	174,532	-
Taragaon Regency Hotels Limited	-	-	-	-	126,301	-	-	-
Chartered Hampi Hotels Private	-	-	-	-	129,012	-	129,012	-
Expenses incurred including reimbursement of expenses								
Asian Hotels (East) Limited	629,371	358,430	-	-	-	-	629,371	358,430
Taragaon Regency Hotels Limited	-	-	-	-	1,147	-	-	-
Chartered Hotels Private Limited	-	-	-	-	-	149,036	-	149,036
Unison Hotels Private Limited	-	-	-	-	23,847	275,189	23,847	275,189
Juniper Hotels Private Limited	-	-	-	-	540,427	317,791	540,427	317,791
Chartered Hampi Hotels Private	-	-	-	-	64,270	-	64,270	-
Loans & Advances taken from								
Asian Hotels (East) Limited	2,278,500,000	446,650,000	-	-	-	-	2,278,500,000	446,650,000
Juniper Hotels Private Limited	-	-	-	-	-	1,500,000	-	1,500,000
Managerial Remuneration								
Mr. A. Srinivasan	-	-	4,606,004	4,970,087	-	-	4,606,004	4,970,087
Closing Balance as on 31st March 2015								
	Holding Company		Key Management Personnel		Entities Controlled by Directors or		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Investment made by Holding Company								
Asian Hotels (East) Limited	2,346,365,000	2,346,365,000	-	-	-	-	2,346,365,000	2,346,365,000
Loans and Advances taken from								
Asian Hotels (East) Limited	3,716,175,000	1,437,675,000	-	-	-	-	3,716,175,000	1,437,675,000
Loans and Advances given to								
Forex Finance Private Limited	-	-	-	-	532,000,000	532,000,000	532,000,000	532,000,000
Mr. T. N. Thanikachalam	-	-	400,000	-	-	-	400,000	-
Corporate Guarantee given by in favour of Robust Hotels Pvt. Ltd.								
Forex Finance Private Limited	-	-	-	-	1,500,000,000	1,500,000,000	1,500,000,000	1,500,000,000
Asian Hotels (East) Limited	350,000,000	2,400,000,000	-	-	-	-	350,000,000	2,400,000,000
Trade Payables								
Chartered Hampi Hotels Private Limited	-	-	-	-	-	9,529	-	9,529
Other Payables								
Asian Hotels (East) Limited	-	-	-	-	116,134	-	116,134	-
Chartered Hotels Private Limited	-	-	-	-	-	270,386	-	270,386
Juniper Hotels Private Limited	-	-	-	-	77,599	-	77,599	-
Unison Hotels Private Limited	-	-	-	-	217,426	326,415	217,426	326,415
Trade Receivable								
Chartered Hampi Hotels Private Limited	-	-	-	-	7,482	-	7,482	-
Taragaon Regency Hotels Limited	-	-	-	-	127,448	-	127,448	-

31. The Company does not have more than one reportable segment in accordance with the principle outlined in Accounting Standard (AS 17), "Segment Reporting", the disclosure requirements on "Segment Reporting" is not applicable. The Company operates presently only in India. Thus there is no geographical segment apart from India.

32. Defined Benefit Plans / Long Term Compensated Absences – As per Actuarial Valuation as on March 31, 2015 and recognized in the financial statements in respect of Employee Benefit Schemes:

For the year ended 31st March 2015

	Gratuity Unfunded Rs.	Leave Encashment Unfunded Rs.
I. Components of Employer Expense		
Current Service Cost	1,253,509	588,898
Interest Cost	67,357	314,662
Actuarial Gains / (Losses)	2,661,901	(2,268,263)
Total expense recognized in the Statement of Profit and Loss	3,982,767	(1,364,703)



GJS HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2015

II. Net Asset / (Liability) recognized in Balance Sheet as at 31st March

Present Value of Defined Benefit Obligation	4,163,556	1,383,511
Status [Surplus/(Deficit)]	(4,163,556)	(1,383,511)
Net Asset/(Liability) recognized in Balance Sheet	(4,163,556)	(1,383,511)

III. Change in Defined Benefit Obligation (DBO) during the year

Present Value of DBO at the Beginning of Year	1,503,145	5,118,342
Current Service Cost	1,253,509	588,898
Interest Cost	67,357	314,662
Actuarial (Losses) / Gains	(2,661,901)	2,268,263
Benefits Paid	1,322,356	2,370,128
Present Value of DBO at the end of Year	4,163,556	1,383,511

IV. Actuarial Assumptions

Mortality Table	IALM(2006-08)	IALM(2006-08)
	Ultimate	Ultimate
Discount Rate (per annum)	8%	8%
Rate of escalation in Salary (per annum)	6%	6%

33. The timing difference relating mainly to depreciation and unabsorbed losses result in net deferred credit as per Accounting Standard 22 "Accounting for Taxes on Income". As a prudent measure the net Deferred Tax Assets' relating to the above has not been recognized in the financial statements.
34. The Company has not recognized any loss on impairment in respect of assets of the Company as is required in terms of Accounting Standard 28 on "Impairment of Assets" since in the opinion of the management there is no reduction in the value of any assets.



GJS HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2015

35. In the opinion of the Management, the value of realization of Long Term Loans and Advances and Current Assets in the ordinary course of business could not be less than the amount at which they are stated in the Balance Sheet.
36. Salary includes Remuneration paid to a Whole Time Director Rs. 46,06,004/- (2013-14: Rs. 49,70,087/-).
37. The Company has adopted Schedule II to the Companies Act, 2013, for depreciation purpose, from 1st April, 2014. Now the company identifies and determines separate useful life for major components of fixed assets, if they have useful life that is materially different from that of the remaining asset.
38. Amount of loans and advances in nature of loans outstanding to Holding Company carrying no interest and repayable on demand as at 31st March 2015 :

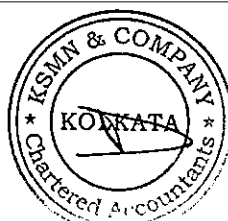
Holding Company	Outstanding as on		Maximum amount outstanding during the year	
	31st March 2015	31st March 2014	31st March 2015	31st March 2014
Asian Hotels (East) Limited	3,716,175,000	1,437,675,000	3,716,175,000	1,437,675,000

39. Contingent Liabilities and Commitments not provided for

	31st March 2015	31st March 2014
i) Contingent Liabilities		
Bank Guarantee	126,118,564	126,593,275
ii) Commitments		
Estimated amount of Capital Contracts pending to be executed [net of advances of Rs.NIL (Previous Year Rs.4,07,663/-)]	-	-
iii) Export Obligation in Respect of EPCG licenses	1,008,948,512	1,012,746,200
iv) Claims against the company not acknowledged as debt	36,703,572	-

40. The subsidiary company has not provided liability on account of dividend payable on Cumulative Preference Shares as detailed below:

Class of Preference Share	Number of Shares	Date of Allotment	Dividend Payable as at 31/03/2015
12% Cumulative Redeemable Preference Shares of Rs.100 each	4,300,000	04.09.2008	339,146,301
1% Cumulative Redeemable Optionally Convertible Preference Shares of Rs.10 each	7,794,850	21.03.2014	802,976
	106,977	29.03.2014	10,786
	167,442	21.05.2014	14,450
	111,629	18.08.2014	6,912
	218,506	10.10.2014	10,361
	190,699	18.12.2014	5,434
	23,256	18.12.2014	663
	281,396	24.02.2015	2,775
	69,768	31.03.2015	19
			854,376



GJS HOTELS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2015

41. Expenditure in Foreign Currency:-

	31st March 2015	31st March 2014
Fees for Technical Services	8,698,308	7,654,993
Professional & Consultancy	676,711	999,763
Travelling Expenses.	440,154	-
Commission	49,779,045	46,975,757
Recruitment & Training	1,419,788	403,984
Cost of Supplies	223,483	920,816
Business Promotion & Advertisement	1,478,859	2,733,895
Repair & Maintenance	4,898,636	5,417,825
Staff Welfare	407,998	328,630
Others	2,928,744	1,978,241

42. During the year Robust Hotels Private Limited (Subsidiary Company) has incurred loss of Rs. 5410.85 Lacs. The loss is mainly attributable to the long gestation period of Robust Hotels Private Limited due to its size and scale and the Company is hopeful of improvement in the consolidated results in coming years.

43. C. I. F. Value of Capital Goods imported : Rs. 7,73,287/- (2013-14: Rs.4,21,520/-).

44. Earnings in Foreign Currency - on receipt basis : Rs.38,46,76,609/- (2013-14 : Rs.42,70,65,476/-)

45. There are no other additional material information required to be disclosed pursuant to the provisions of the Companies Act, 1956, Schedule III to the Companies Act, 2013, Companies (Accounting Standards) Rules, 2015 and other material applicable enactments, circulars, orders, notifications etc.

46. The previous figures have been regrouped/reclassified, wherever necessary to confirm the current presentation.

As per our report of even date

For KSMN & Company

Chartered Accountants

Firm Registration No.: 001075N

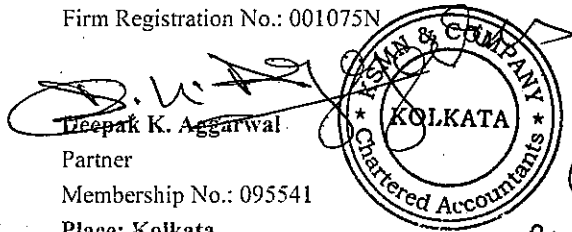
Deepak K. Aggarwal

Partner

Membership No.: 095541

Place: Kolkata

Date: 27th May 2015



For and on behalf of the Board of Directors

Director

Director

Bimal Kumar Jhunjhunwala
CFO
Company Secretary

Ritu Chandak